

Registered number: 07449794

**THORNSETT LONDON LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2018**



**LUBBOCK FINE**  
**Chartered Accountants**  
**Paternoster House**  
**65 St Paul's Churchyard**  
**London EC4M 8AB**



## BALANCE SHEET

AS AT 31 JULY 2018

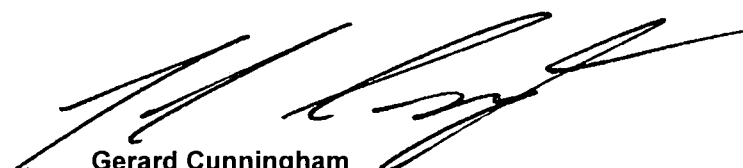
	Note	2018 £	2018 £	2017 £	2017 £
<b>Current assets</b>					
Stocks	4	48,675		30,950	
Debtors: amounts falling due within one year	5	1,021,767		1,390,040	
Cash at bank and in hand	6	2		1	
		<u>1,070,444</u>		<u>1,420,991</u>	
Creditors: amounts falling due within one year	7	(288,256)		(621,230)	
<b>Net current assets</b>			<u>782,188</u>		<u>799,761</u>
<b>Total assets less current liabilities</b>			<u>782,188</u>		<u>799,761</u>
<b>Net assets</b>			<u><u>782,188</u></u>		<u><u>799,761</u></u>
<b>Capital and reserves</b>					
Called up share capital	8		100		100
Profit and loss account			<u>782,088</u>		<u>799,661</u>
			<u><u>782,188</u></u>		<u><u>799,761</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



Gerard Cunningham  
Director 30/01/2019

The notes on pages 2 to 6 form part of these financial statements.



# **THORNSETT LONDON LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2018**

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### **1. General information**

Thornsett London Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act. Its principal place of business is 34 Margery Street, London, WC1X 0JJ.

The financial statements are presented in sterling which is the functional currency of the company, and rounded to the nearest £.

### **2. Accounting policies**

#### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

#### **2.2 Revenue**

Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue is recognised in the Statement of Comprehensive Income when the significant risks and rewards of ownership have been transferred to the purchaser. Revenue in respect of the sale of residential and commercial properties is recognised on legal completion or unconditional exchange.

Where the outcome of a long term contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the Balance Sheet date. Where the outcome of a long term contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately.

#### **2.3 Land and building development costs**

Land and building development costs are accounted for as work in progress and are valued on the basis of direct costs plus attributable overheads including interest and any estimated losses on longterm contracts directly linked to the overall development project. On completion of a development an assessment is made of any further costs which may be incurred by the company and an appropriate accrual or provision is made. Provision is made for foreseeable losses where appropriate. No element of profit is included in the valuation of land and buildings development costs.



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**2. Accounting policies (continued)**

**2.4 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.5 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.6 Financial instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

**2.7 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.



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**FOR THE YEAR ENDED 31 JULY 2018**

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**2. Accounting policies (continued)**

**2.8 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

**2.9 Borrowing costs**

Interest is capitalised in land and buildings development costs where the loan is directly attributable to property development. Where not directly attributable, borrowing costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.10 Taxation**

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

**3. Employees**

The average monthly number of employees, including directors, during the year was nil (2017 - nil).

**4. Stocks**

	<b>2018</b> <b>£</b>	<b>2017</b> <b>£</b>
Land and building development costs	48,675	30,950

**5. Debtors**

	<b>2018</b> <b>£</b>	<b>2017</b> <b>£</b>
Trade debtors	-	5,828
Amounts owed by group undertakings	1,000,358	1,287,200
Other debtors	21,409	33,250
Prepayments and accrued income	-	63,762
	<u>1,021,767</u>	<u>1,390,040</u>



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**6. Cash and cash equivalents**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	2	1
	<u>2</u>	<u>1</u>

**7. Creditors: Amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other loans	-	95,627
Trade creditors	127,256	262,104
Corporation tax	-	12,009
Accruals and deferred income	161,000	251,490
	<u>288,256</u>	<u>621,230</u>

**8. Share capital**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
100 (2017 - 100) Ordinary shares of £1.00 each	100	100
	<u>100</u>	<u>100</u>

**9. Directors' personal guarantees**

Gerard Cunningham, a director and shareholder of the parent company, has provided a guarantee during the year of £nil including interest, costs and fees (2017 - £95,627) in respect of the company's other loans.

**10. Ultimate parent undertaking**

The ultimate parent company is Thornsett Cunningham Holdings Limited, a company registered in Cyprus.

The immediate parent company of the company and the parent undertaking of the smallest and largest group to consolidate the accounts of the company is Thornsett Group Plc whose registered office is 34 Margery Street, London, WC1X 0JJ. A copy of the group accounts can be obtained from Companies House.



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**11. Auditors' information**

The full financial statements have been subject to audit and there were no qualifications or modifications to the audit report of the full financial statements. The audit was undertaken by Lubbock Fine Chartered Accountants & Statutory Auditors and the Senior Statutory Auditor was Lee Facey.