
V & K PROPERTIES LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MAY 2023

V & K PROPERTIES LIMITED
REGISTERED NUMBER: 07249420

BALANCE SHEET
AS AT 31 MAY 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	4	4,167,475	2,904,019
Current assets			
Debtors: amounts falling due within one year	5	1,127,942	2,166,002
Current asset investments	6	45,853	45,853
Cash at bank and in hand		34,469	4,507
		<u>1,208,264</u>	<u>2,216,362</u>
Creditors: amounts falling due within one year	7	(1,618,405)	(1,403,838)
Net current (liabilities)/assets		<u>(410,141)</u>	<u>812,524</u>
Total assets less current liabilities		<u>3,757,334</u>	<u>3,716,543</u>
Creditors: amounts falling due after more than one year	8	(1,289,139)	(1,292,949)
Provisions for liabilities			
Deferred tax		(253,129)	(253,129)
Net assets		<u><u>2,215,066</u></u>	<u><u>2,170,465</u></u>
Capital and reserves			
Called up share capital		100	100
Revaluation reserve	11	1,004,970	1,004,970
Profit and loss account	11	1,209,996	1,165,395
		<u><u>2,215,066</u></u>	<u><u>2,170,465</u></u>

V & K PROPERTIES LIMITED
REGISTERED NUMBER: 07249420

BALANCE SHEET (CONTINUED)
AS AT 31 MAY 2023

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 27 February 2024.

P E Summers
Director

The notes on pages 4 to 11 form part of these financial statements.

V & K PROPERTIES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2023

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 June 2021	100	1,085,971	1,207,643	2,293,714
Comprehensive income for the year				
Loss for the year	-	-	(53,249)	(53,249)
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(70,000)	(70,000)
Transfer to/from profit and loss account	-	(81,001)	81,001	-
At 1 June 2022	100	1,004,970	1,165,395	2,170,465
Comprehensive income for the year				
Profit for the year	-	-	114,601	114,601
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(70,000)	(70,000)
At 31 May 2023	100	1,004,970	1,209,996	2,215,066

The notes on pages 4 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023**

1. General information

V & K Properties Limited ("the company") is a company limited by shares, incorporated in England and Wales. Its registered office is Leytonstone House, Leytonstone, London, E11 1GA.

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 following principal accounting policies have been applied:

2.2 Revenue

The company's primary source of revenue is rental income from investment properties let to third parties. Revenue is recognised in the accounting period in which the services are rendered.

2.3 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.4 Finance costs

Finance costs are charged to profit or loss 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.

2.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

2. Accounting policies (continued)

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.7 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023**

2. Accounting policies (continued)

2.8 Valuation of investments

Investment property relates to the long leasehold interests. Investment property is carried at fair value determined annually by the directors or external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

Investments in associates relate to unlisted company shares. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period.

Investments held as current assets represent loans provided to third parties to finance property development projects. These are shown at cost less provision for impairment when it is considered probable that the amount will not be fully recovered.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment.

2.10 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

2. Accounting policies (continued)

2.11 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2022 - 2).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023**

4. Fixed asset investments

	Investments in associates	Investment properties	Total
	£	£	£
Cost or valuation			
At 1 June 2022	1	2,904,018	2,904,019
Additions	-	1,263,456	1,263,456
	<u>1</u>	<u>4,167,474</u>	<u>4,167,475</u>
At 31 May 2023	<u>1</u>	<u>4,167,474</u>	<u>4,167,475</u>

The investment properties with a value of £808,018 have been valued by the directors, and the properties with a value of £2,095,000 have been valued by external valuers GL Hearn Limited, independent valuers, as at 31 May 2018 at their open market value based on experience of the property market and comparable evidence. The directors are of the opinion this value remains appropriate.

The historical cost of investment properties is £1,645,918 (2022 - £1,623,331).

The above investments are used in operating leases.

Associate

The following was an associate of the Company:

Name	Registered office	Class of shares	Holding
Sefton Commercial Limited	United Kingdom	Ordinary	50 %

5. Debtors

	2023 £	2022 £
Other debtors	1,120,129	2,156,314
Prepayments and accrued income	7,813	9,688
	<u>1,127,942</u>	<u>2,166,002</u>

6. Current asset investments

	2023 £	2022 £
Shares in group undertakings	<u>45,853</u>	<u>45,853</u>

V & K PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

7. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	41,423	50,000
Other loans	1,220,000	1,000,000
Corporation tax	28,320	20,359
Other creditors	320,362	311,174
Accruals and deferred income	8,300	22,305
	<u>1,618,405</u>	<u>1,403,838</u>

Other loans amounting to £1,220,000 (2022 - £1,000,000) are secured against specific investment properties held by the company and is repayable on demand.

8. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans	<u>1,289,139</u>	<u>1,292,949</u>

Secured bank loans

Bank loans amounting to £1,246,128 (2022 - £1,246,128) are secured against investment properties held by the company along with first debenture over all other assets and undertaking of the company. In addition, a personal guarantee from the Estate of the late V P Summers in respect of these amounts and a personal guarantee from K Summers limited to £50,000 have also been provided as security.

V & K PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

9. Loans

Analysis of the maturity of loans is given below:

	2023 £	2022 £
Amounts falling due within one year		
Bank loans	41,423	50,000
Other loans	1,220,000	1,000,000
	<u>1,261,423</u>	<u>1,050,000</u>
Amounts falling due 2-5 years		
Bank loans	1,246,128	-
Amounts falling due after more than 5 years		
Bank loans	43,011	1,292,949
	<u>2,550,562</u>	<u>2,342,949</u>

10. Deferred taxation

	2023 £
At beginning of year	253,129
At end of year	<u>253,129</u>

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Revaluation of investment properties	<u>253,129</u>	<u>253,129</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

11. Reserves

Revaluation reserve

The revaluation reserve represents cumulative revaluations of freehold properties, less the associated deferred tax adjustment in accordance with FRS102.

Profit and loss account

The profit and loss account represents cumulative distributable profits and losses net of dividends and other adjustments.

12. Directors: Advances, credits and guarantees

	2023	2022
	£	£
At beginning of period	902,030	3,983
Advances	-	1,059,493
Repayments	(911,755)	(174,981)
Interest charges	9,725	13,535
As at 31 May 2023	-	902,030

Interest has been charged at the HM Revenue & Customs official rate on beneficial loans.

13. Related party transactions

Included within other creditors is an amount of £266,230 (2022 - £155,399) owed to directors and owners of the company.

At the year end is an amount of £15,610 (2022 - £2,252) due to participators of the company.

Included within current asset investments is an amount of £34,166 (2022 - £34,166) which represents amounts loaned to an associated undertaking of the company.

During the year, dividends of £70,000 (2022 - £70,000) were distributed to the directors.

Included within other debtors is an amount of £Nil (2022 - £902,030) owed from the directors.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.