

Company Registration No. 02552311 (England and Wales)

RYEWISE PROPERTIES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 5 NOVEMBER 2017
PAGES FOR FILING WITH REGISTRAR

RYEWISE PROPERTIES LIMITED

COMPANY INFORMATION

Director	RW Taylor
Secretary	M Ross
Company number	02552311
Registered office	30 City Road London EC1Y 2AB
Accountants	Arram Berlyn Gardner LLP 30 City Road London EC1Y 2AB

RYEWISE PROPERTIES LIMITED

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RYEWISE PROPERTIES LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 5 NOVEMBER 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	2		1,719		2,294
Investment properties	3		2,500,000		4,000,000
			<u>2,501,719</u>		<u>4,002,294</u>
Current assets					
Cash at bank and in hand		8,419		14,023	
Creditors: amounts falling due within one year	4	(1,802,414)		(1,365,435)	
Net current liabilities			<u>(1,793,995)</u>		<u>(1,351,412)</u>
Total assets less current liabilities			707,724		2,650,882
Creditors: amounts falling due after more than one year	5		(945,000)		(1,045,927)
Provisions for liabilities			-		(175,061)
Net (liabilities)/assets			<u>(237,276)</u>		<u>1,429,894</u>
Capital and reserves					
Called up share capital	6		2		2
Other reserves			483,907		2,117,388
Profit and loss reserves	7		(721,185)		(687,496)
Total equity			<u>(237,276)</u>		<u>1,429,894</u>

The director of the company have elected not to include a copy of the income statement within the financial statements.

For the financial period ended 5 November 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

RYEWISE PROPERTIES LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 5 NOVEMBER 2017

The financial statements were approved and signed by the director and authorised for issue on 29 July 2018

RW Taylor

Director

Company Registration No. 02552311

RYEWISE PROPERTIES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 5 NOVEMBER 2017

	Share capital	Revaluation reserve	Other reserves	Profit and loss reserves	Total
	£	£	£	£	£
Balance at 1 November 2015	2	2,044,196	-	(651,426)	1,392,772
Effect of transition to FRS 102	-	(2,044,196)	1,898,585	-	(145,611)
As restated	2	-	1,898,585	(651,426)	1,247,161
Period ended 31 October 2016:					
Profit and total comprehensive income for the period	-	-	-	182,733	182,733
Transfer revaluation during the year	-	-	248,253	(248,253)	-
Deferred tax movements	-	-	(29,450)	29,450	-
Balance at 31 October 2016	2	-	2,117,388	(687,496)	1,429,894
Period ended 5 November 2017:					
Loss and total comprehensive income for the period	-	-	-	(1,667,170)	(1,667,170)
Transfer revaluation during the year	-	-	(1,808,542)	1,808,542	-
Deferred tax movements	-	-	175,061	(175,061)	-
Balance at 5 November 2017	2	-	483,907	(721,185)	(237,276)

RYEWISE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 5 NOVEMBER 2017

1 Accounting policies

Company information

Ryewise Properties Limited is a private company limited by shares incorporated in England and Wales. The registered office is 30 City Road, London, EC1Y 2AB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

These financial statements for the period ended 5 November 2017 are the first financial statements of Ryewise Properties Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 November 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 8.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% Reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the income statement.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

RYEWISE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE PERIOD ENDED 5 NOVEMBER 2017**

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 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.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Classification of 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 deducting all of its liabilities.

RYEWISE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 5 NOVEMBER 2017

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from associated companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

RYEWISE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 5 NOVEMBER 2017

2 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 November 2016 and 5 November 2017	16,376
Depreciation and impairment	
At 1 November 2016	14,082
Depreciation charged in the period	575
At 5 November 2017	14,657
Carrying amount	
At 5 November 2017	1,719
At 31 October 2016	2,294

3 Investment property

	2017 £
Fair value	
At 1 November 2016	4,000,000
Additions	308,542
Revaluations	(1,808,542)
At 5 November 2017	2,500,000

The fair value of the investment property has been arrived at on the basis of a valuation carried out on 21 March 2018 by Randall Surveying Associates Chartered Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

On a historical cost basis these would have been included at an original cost of £2,016,093 (2016: £1,707,551)

4 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	913	988
Other creditors	1,801,501	1,364,447
	1,802,414	1,365,435

RYEWISE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 5 NOVEMBER 2017

5 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Bank loans and overdrafts	945,000	945,000
Other creditors	-	100,927
	<u>945,000</u>	<u>1,045,927</u>

6 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

7 Profit and loss reserves

Retained earnings represents accumulated comprehensive income for the year and prior periods less dividends paid.

8 Reconciliations on adoption of FRS 102

Reconciliation of equity

	Notes	1 November 2015 £	31 October 2016 £
Equity as reported under previous UK GAAP		1,392,772	1,604,955
Adjustments arising from transition to FRS 102:			
Deferred tax on investment property	(ii)	(145,611)	(175,061)
Equity reported under FRS 102		<u>1,247,161</u>	<u>1,429,894</u>

RYEWISE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 5 NOVEMBER 2017

8 Reconciliations on adoption of FRS 102

(Continued)

Reconciliation of (loss)/profit for the financial period

	Notes	2016 £
Loss as reported under previous UK GAAP		(36,070)
Adjustments arising from transition to FRS 102:		
Revaluation on investment property recognised in profit or loss	(i)	248,253
Deferred tax on investment property	(ii)	(29,450)
Profit reported under FRS 102		182,733

Notes to reconciliations on adoption of FRS 102

(i) Revaluation on investment property recognised in profit or loss

Under previous UK GAAP, the revaluation of investment properties was recognised in the revaluation reserve via the statement of total recognised gains and losses. However, under FRS 102, properties whose fair value can be measured with reliability without undue cost or effort should be measured at fair value at each reporting date with changes in fair value recognised in profit and loss. This shows the effect on the profit and loss account on transition.

(ii) Deferred tax on investment property

Under previous UK GAAP the company was not required to provide for taxation on revaluations, unless the company had entered into a binding sale agreement and recognised the gain or loss expected to arise. Under FRS 102 deferred taxation is provided on the temporary difference arising from the revaluation. On transition a deferred tax liability of £145,611 arose. In the period ending 5 November 2017 there is a deferred tax credit arising of £175,061.

(iii) Transfer to non-distributable reserves

On transition date an amount of £2,044,196 in relation to investment property revaluations was held in a revaluation reserve. This amount was transferred in full to the profit and loss reserve. The balance is shown in a separate "Other reserve" as these amounts are non-distributable.

