

Company Registration No. 00767708 (England and Wales)

DOMO SECURITIES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017
PAGES FOR FILING WITH REGISTRAR

DOMO SECURITIES LIMITED

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DOMO SECURITIES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2017

		2017		2016	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3		5,373		6,321
Investment properties	4		22,379,400		18,240,000
Investments	5		7,475,081		7,799,196
			<u>29,859,854</u>		<u>26,045,517</u>
Current assets					
Debtors	6	8,035,704		8,293,378	
Cash at bank and in hand		22,603		22,622	
		<u>8,058,307</u>		<u>8,316,000</u>	
Creditors: amounts falling due within one year	7	<u>(7,210,790)</u>		<u>(7,756,613)</u>	
Net current assets			<u>847,517</u>		<u>559,387</u>
Total assets less current liabilities			<u>30,707,371</u>		<u>26,604,904</u>
Creditors: amounts falling due after more than one year	8		(8,477,039)		(7,792,239)
Provisions for liabilities			<u>(2,280,780)</u>		<u>(1,889,055)</u>
Net assets			<u><u>19,949,552</u></u>		<u><u>16,923,610</u></u>
Capital and reserves					
Called up share capital	9		264		264
Non-distributable profits reserve	10		14,883,687		13,494,789
Distributable profit and loss reserves			<u>5,065,601</u>		<u>3,428,557</u>
Total equity			<u><u>19,949,552</u></u>		<u><u>16,923,610</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year 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.

DOMO SECURITIES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2017

The financial statements were approved by the board of directors and authorised for issue on 21 September 2018 and are signed on its behalf by:

Mr P Jay
Director

Company Registration No. 00767708

DOMO SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Company information

Domo Securities Limited is a private company limited by shares incorporated in England and Wales. The registered office is Foframe House, 2nd Floor, 35-37 Brent Street, London, NW4 2EF.

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 have been prepared with early application of the FRS 102 Triennial Review 2017 amendments in full.

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 the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2017 are the first financial statements of Domo Securities 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 31 December 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 12.

1.2 Reporting period

These financial statements for the year ended 31 December 2017 are the first financial statements of Domo Securities 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 31 December 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 12.

1.3 Turnover

Turnover represents amounts receivable for rents and services.

Revenue is recognised on the commencement of and in accordance with a lease, adjusted for any incentives as required under FRS102.

A property is regarded as sold when significant risks and returns have been transferred to the buyer. For conditional exchanges, sales are recognised as the conditions are satisfied.

1.4 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.

DOMO SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

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	15% 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. Sale proceeds include the unpaid shortfall on any mortgage loan over the asset disposed of, which is deemed paid in full due to the structure of the loan arrangement.

1.5 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 profit or loss.

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

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in profit or loss. Transaction costs are expensed to profit or loss as incurred.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet 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.

DOMO SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and 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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares 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.

1.9 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.

1.10 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 profit and loss account 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 profit and loss account, 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.

DOMO SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 8 (2016 - 8).

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2017 and 31 December 2017	21,588
Depreciation and impairment	
At 1 January 2017	15,267
Depreciation charged in the year	948
At 31 December 2017	16,215
Carrying amount	
At 31 December 2017	5,373
At 31 December 2016	6,321

DOMO SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

4 Investment property

	2017 £
Fair value	
At 1 January 2017	18,240,000
Additions	2,252,306
Disposals	(250,000)
Revaluations	2,137,094
At 31 December 2017	22,379,400

The fair value of the investment property has been arrived at on the basis of a valuation carried out by a director of the company. The valuation was made on an open market value basis.

5 Fixed asset investments

	2017 £	2016 £
Investments	7,475,081	7,799,196

Fixed asset investments revalued

The fair value of the fixed asset investments has been arrived at on the basis of a valuation carried out by a director of the company. The valuation was made on an open market value basis. The historical cost of the fixed asset investments is £1,064 (2016 : £1,064).

6 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Other debtors	8,035,704	8,293,378

Included in other debtors is an amount of £6,855,246 (2016 : £7,275,928) owed in total by companies under common control with this one. These loans are interest free and are repayable on demand.

DOMO SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

7 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	1,100,045	458,001
Amounts due to group undertakings	1,020	178,738
Corporation tax	168,029	54,450
Other taxation and social security	3,723	2,566
Other creditors	5,937,973	7,062,858
	<u>7,210,790</u>	<u>7,756,613</u>

Included in other creditors is an amount of £2,971,670 (2016 : £3,561,980) owed in total to companies under common control with this one. These loans are interest free and are repayable on demand.

8 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Bank loans and overdrafts	8,477,039	7,709,739
Other creditors	-	82,500
	<u>8,477,039</u>	<u>7,792,239</u>

The long-term loans are secured by a charge over the company's property investments.

Creditors which fall due after five years are as follows:

	2017 £	2016 £
Payable by instalments	2,401,591	2,410,521
Payable other than by instalments	3,900,279	2,615,281
	<u>6,301,870</u>	<u>5,025,802</u>

9 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
240 Ordinary Shares of £1 each	240	240
24 A Ordinary shares of £1 each	24	24
	<u>264</u>	<u>264</u>

DOMO SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

10 Non-distributable profits reserve

	2017 £	2016 £
At the beginning of the year	13,494,789	11,702,372
Non distributable profits in the year	1,388,898	1,792,417
At the end of the year	14,883,687	13,494,789

11 Directors' transactions

Description	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Mr D Jay -	54,169	195,348	(192,496)	57,021
Mr P Jay -	54,169	195,348	(192,496)	57,021
Mr I S Jay -	54,169	195,348	(192,496)	57,021
	162,507	586,044	(577,488)	171,063

Amounts advanced include personal tax payments totalling £201,496. Amounts repaid include offset of directors loan account credit balances totalling £335,030 from other companies controlled by the directors.

Interest was charged at 2.5% to 3%.

12 Reconciliations on adoption of FRS 102

Reconciliation of equity

	Notes	31 December 2015 £	31 December 2016 £
Equity as reported under previous UK GAAP		9,687,922	11,124,571
Adjustments arising from transition to FRS 102:			
Deferred tax on property revaluation		(339,873)	(460,910)
Deferred tax on investment revaluation		(1,260,000)	(1,360,000)
Revaluation of investments		7,119,949	7,619,949
Equity reported under FRS 102		15,207,998	16,923,610

DOMO SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

12 Reconciliations on adoption of FRS 102

(Continued)

Reconciliation of profit for the financial period

	2016 £
Profit as reported under previous UK GAAP	190,195
Adjustments to prior year (note)	1,792,417
As restated	<u>1,982,612</u>

Notes to reconciliations on adoption of FRS 102

FRS 102 required the company to reclassify its investment property revaluation reserve and provide deferred tax on the before mentioned as part of its non-distributable profits reserves. The revaluation reserve increase in 2016 (formerly in the Statement of Total Recognised Gains and Losses) was £1,513,454. Movement on the deferred tax provision is put through the profit and loss account for the year. The amount that was debited as a result for 2016 was £121,037. The amount of reserves reclassified as at 31 December 2015 was £5,842,423 and the amount of reserves reclassified at 31 December 2016 was £7,234,840. As noted above, these included amounts now provided as deferred tax of £339,873 and £460,910 respectively, with the respective balances reclassified as non-distributable profits reserves.

Also in accordance with FRS102 the company has revalued its investments in associates, with resulting net increases to previously stated reserves (after allowing for the related deferred tax) of £5,859,949 at 31 December 2015 and £6,259,949 at the following year-end, including a net increase to the profit reported for 2016 of £400,000.

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.