

**SANDHU PROPERTY INVESTMENT LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

Sandhu Property Investment Ltd
Unaudited Financial Statements
For The Year Ended 31 December 2016

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Sandhu Property Investment Ltd
Balance Sheet
As at 31 December 2016

Registered number: 08331521

		2016		2015 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	5		15,862,628		12,266,340
			<u>15,862,628</u>		<u>12,266,340</u>
CURRENT ASSETS					
Debtors	6	33,223		20,772	
Cash at bank and in hand		475,331		371,204	
		<u>508,554</u>		<u>391,976</u>	
Creditors: Amounts Falling Due Within One Year	7	(348,599)		(590,742)	
		<u></u>		<u></u>	
NET CURRENT ASSETS (LIABILITIES)			159,955		(198,766)
			<u>159,955</u>		<u>(198,766)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			16,022,583		12,067,574
			<u>16,022,583</u>		<u>12,067,574</u>
Creditors: Amounts Falling Due After More Than One Year	8		(9,755,237)		(9,748,481)
			<u>(9,755,237)</u>		<u>(9,748,481)</u>
PROVISIONS FOR LIABILITIES					
Deferred Taxation	10		(1,084,105)		(363,243)
			<u>(1,084,105)</u>		<u>(363,243)</u>
NET ASSETS			5,183,241		1,955,850
			<u>5,183,241</u>		<u>1,955,850</u>
CAPITAL AND RESERVES					
Called up share capital	11		2		2
Revaluation reserve			4,336,422		1,452,974
Other reserves - non distributable			67,669		61,313
Profit and loss account			779,148		441,561
			<u>779,148</u>		<u>441,561</u>
SHAREHOLDERS' FUNDS			5,183,241		1,955,850
			<u>5,183,241</u>		<u>1,955,850</u>

Sandhu Property Investment Ltd
Balance Sheet (continued)
As at 31 December 2016

For the year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

On behalf of the board

Mr Sukhdev Sandhu

29/09/2017

The notes on pages 4 to 8 form part of these financial statements.

Sandhu Property Investment Ltd
Statement of Changes in Equity
For The Year Ended 31 December 2016

	Share Capital	Revaluation reserve	Other reserves - non distributable	Profit & Loss Account	Total
	£	£	£	£	£
As at 1 January 2015	2	-	-	273,510	273,512
Profit for the year and total comprehensive income	-	-	-	1,679,494	1,679,494
Dividends paid	-	-	-	(90,000)	(90,000)
Movements in other reserves	-	-	92,844	-	92,844
Transfer to/from Other Reserves	-	-	-	31,531	31,531
Transfer from revaluation reserve	-	-	-	(1,452,974)	(1,452,974)
Transfer to/from Profit & Loss Account	-	1,452,974	(31,531)	-	1,421,443
As at 31 December 2015 and 1 January 2016 as restated	2	1,452,974	61,313	441,561	1,955,850
Profit for the year and total comprehensive income	-	-	-	3,189,343	3,189,343
Movements in other reserves	-	-	38,048	-	38,048
Transfer to/from Other Reserves	-	-	-	31,692	31,692
Transfer from revaluation reserve	-	-	-	(2,883,448)	(2,883,448)
Transfer to/from Profit & Loss Account	-	2,883,448	(31,692)	-	2,851,756
As at 31 December 2016	2	4,336,422	67,669	779,148	5,183,241

Sandhu Property Investment Ltd
Notes to the Unaudited Accounts
For The Year Ended 31 December 2016

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

The financial statements for the year ended 31st December 2016 are the first financial statements of Sandhu Property Investment Ltd prepared in accordance with the FRS 102 Section 1A Small Entities. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance of the previous reporting period has been affected by the transition to FRS 102 regarding the revalued investment property. The impact of the relevant adjustment has been presented below.

Profit and loss account as previously stated at 31st December 2015 was £2,257,777

The relevant adjustments are:

1. Deferred tax liability not previously recognised, (£363,246)
2. Fair value adjustments on loans from connected company, £61,313
3. Other, £4

Therefore, the Profit and loss account as previously stated as restated at 31st December 2015 was £1,955,848

1.2. Turnover

Turnover comprises the rents receivable during the period.

1.3. Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor Vehicles	33.33% on cost
Fixtures & Fittings	33.33% on cost

1.4. Investment properties

All investment properties are carried at fair value determined annually 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 for. This treatment as regards the company's investment properties may be a departure from the requirements of the Companies Act concerning the depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Changes in fair value are recognised in the profit and loss account.

1.5. Financial Instruments

1.6. Deferred Taxation

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in periods in which the timing differences reverse, based on tax rates and the law enacted or substantively enacted at the balance sheet date.

Sandhu Property Investment Ltd
Notes to the Unaudited Accounts (continued)
For The Year Ended 31 December 2016

1.7. Registrar Filing Requirements

The company has taken advantage of Companies Act 2006 section 444(1) and opted not to file the profit and loss account, directors report, and notes to the financial statements relating to the profit and loss account. The notes which are not included have been hidden but original note numbering has remained the same for those that are present.

3. Staff Costs

Staff costs, including directors' remuneration, were as follows:

	2016	2015 as restated
	£	£
Wages and salaries	21,786	19,872
	<u>21,786</u>	<u>19,872</u>

4. Average number of employees

Average number of employees, including directors, during the year was as follows:

	2016	2015
Office and administration	2	2
	<u>2</u>	<u>2</u>

5. Tangible Assets

	Investment Properties	Motor Vehicles	Fixtures & Fittings	Total
	£	£	£	£
Cost				
As at 1 January 2016	12,255,690	6,838	62,112	12,324,640
Additions	-	-	3,523	3,523
Revaluation	3,604,310	-	-	3,604,310
As at 31 December 2016	<u>15,860,000</u>	<u>6,838</u>	<u>65,635</u>	<u>15,932,473</u>
Depreciation				
As at 1 January 2016	-	5,832	52,468	58,300
Provided during the period	-	1,006	10,539	11,545
As at 31 December 2016	<u>-</u>	<u>6,838</u>	<u>63,007</u>	<u>69,845</u>
Net Book Value				
As at 31 December 2016	<u>15,860,000</u>	<u>-</u>	<u>2,628</u>	<u>15,862,628</u>
As at 1 January 2016	<u>12,255,690</u>	<u>1,006</u>	<u>9,644</u>	<u>12,266,340</u>

Sandhu Property Investment Ltd
Notes to the Unaudited Accounts (continued)
For The Year Ended 31 December 2016

6. Debtors

	2016	2015 as restated
	£	£
Due within one year		
Trade debtors	22,930	6,999
Other debtors	10,293	13,773
	<u>33,223</u>	<u>20,772</u>

7. Creditors: Amounts Falling Due Within One Year

	2016	2015 as restated
	£	£
Trade creditors	322	10,363
Bank loans and overdrafts	83,251	163,052
Corporation tax	82,200	64,527
Other creditors	182,826	352,800
	<u>348,599</u>	<u>590,742</u>

8. Creditors: Amounts Falling Due After More Than One Year

	2016	2015 as restated
	£	£
Bank loans	4,165,660	4,166,772
Other creditors	5,589,577	5,581,709
	<u>9,755,237</u>	<u>9,748,481</u>

9. Secured Creditors

Of the creditors falling due within and after more than one year the following amounts are secured.

	2016	2015 as restated
	£	£
Bank loans and overdrafts	4,248,911	4,330,274

Sandhu Property Investment Ltd
Notes to the Unaudited Accounts (continued)
For The Year Ended 31 December 2016

10. Deferred Taxation

	2016	2015 as restated
	£	£
As at 1 January 2016	363,243	-
Deferred taxation	720,862	363,243
	<u>1,084,105</u>	<u>363,243</u>
Deferred tax	<u>1,084,105</u>	<u>363,243</u>

11. Share Capital

	Value	Number	2016	2015 as restated
	£		£	£
Allotted, called up and fully paid				
Ordinary shares	1.000	2	2	2
		<u>2</u>	<u>2</u>	<u>2</u>

12. Transactions With and Loans to Directors

Dividends paid to directors

13. Dividends

	2016	2015 as restated
	£	£
On equity shares:		
Interim dividend paid	-	90,000
	<u>-</u>	<u>90,000</u>
	<u>-</u>	<u>90,000</u>

14. Related Party Transactions

SK Finance Limited

Mr S Sandhu and Mrs K Sandhu are directors and shareholders

Balances relate to loans provided by the related party. Loan interest (before fair value adjustments) paid during the year was £56,584 (2016: £56,431). At the balance sheet date the amount due to the related party (before fair value adjustments) was £5,656,775 (2016: £5,656,775)

Harnam Holdings Limited

Parent company

At the balance sheet date the amount owed by the related party was £4,700 (2016: the related party was owed £151,350)

Mr SS Sandhu and Mrs KK Sandhu

Directors

At the balance sheet date the amount due to the related parties is £80 (2016: £20,911).

Sandhu Property Investment Ltd
Notes to the Unaudited Accounts (continued)
For The Year Ended 31 December 2016

15. Ultimate Controlling Party

The company is controlled by Mr SS & Mrs KK Sandhu. They control the company by virtue of their 100% shareholding in the immediate and ultimate parent company, Harnam Holdings Limited. The ultimate controlling party is the same as the controlling party.

The ultimate parent company is Harnam Holdings Limited. The ultimate parent is incorporated in Isle of Man.

16. General Information

Sandhu Property Investment Ltd Registered number 08331521 is a limited by shares company incorporated in England & Wales. The Registered Office is 13b The Vale, London, W3 7SH.

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.