

India Properties Limited
Filleted Unaudited Financial Statements
30 November 2017



CHARLES BURROWS & CO

Chartered Accountants
7 Palmerston Place
Edinburgh
EH12 5AH

India Properties Limited

Financial Statements

Year ended 30 November 2017

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India Properties Limited

Officers and Professional Advisers

The board of directors

G W Rule
A J Rule

Company secretary

Angela J Rule

Registered office

7 Palmerston Place
Edinburgh
EH12 5AH

Accountants

Charles Burrows & Co
Chartered Accountants
7 Palmerston Place
Edinburgh
EH12 5AH

India Properties Limited

Statement of Financial Position

30 November 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	623,302	520,458
Current assets			
Debtors	6	383	241
Cash at bank and in hand		33,649	23,902
		<u>34,032</u>	<u>24,143</u>
Creditors: amounts falling due within one year	7	<u>18,513</u>	<u>17,424</u>
Net current assets		15,519	6,719
Total assets less current liabilities		<u>638,821</u>	<u>527,177</u>
Creditors: amounts falling due after more than one year	8	69,915	80,134
Provisions			
Taxation including deferred tax		<u>59,278</u>	<u>41,751</u>
Net assets		<u><u>509,628</u></u>	<u><u>405,292</u></u>

The statement of financial position
continues on the following page.

The notes on pages 5 to 10 form part of these financial statements.

India Properties Limited

Statement of Financial Position *(continued)*

30 November 2017

	Note	2017 £	2016 £
Capital and reserves			
Called up share capital		100	100
Revaluation reserve		362,020	276,120
Profit and loss account		147,508	129,072
Shareholders funds		<u>509,628</u>	<u>405,292</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 30 November 2017 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 of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 24 May 2018, and are signed on behalf of the board by:



G W Rule
Director

Company registration number: SC080985

The notes on pages 5 to 10 form part of these financial statements.

India Properties Limited

Statement of Changes in Equity

Year ended 30 November 2017

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 December 2015	100	274,724	116,070	390,894
Profit for the year			16,898	16,898
Other comprehensive income for the year:				
Reclassification from revaluation reserve to profit and loss account	—	1,396	(1,396)	—
Total comprehensive income for the year	—	1,396	15,502	16,898
Dividends paid and payable	—	—	(2,500)	(2,500)
Total investments by and distributions to owners	—	—	(2,500)	(2,500)
At 30 November 2016	100	276,120	129,072	405,292
Profit for the year			106,836	106,836
Other comprehensive income for the year:				
Reclassification from revaluation reserve to profit and loss account	—	85,900	(85,900)	—
Total comprehensive income for the year	—	85,900	20,936	106,836
Dividends paid and payable	—	—	(2,500)	(2,500)
Total investments by and distributions to owners	—	—	(2,500)	(2,500)
At 30 November 2017	100	362,020	147,508	509,628

The notes on pages 5 to 10 form part of these financial statements.

India Properties Limited

Notes to the Financial Statements

Year ended 30 November 2017

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is 7 Palmerston Place, Edinburgh, EH12 5AH.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 December 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 11.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

The turnover shown in the profit and loss account represents rent receivable during the year.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

India Properties Limited

Notes to the Financial Statements *(continued)*

Year ended 30 November 2017

3. Accounting policies *(continued)*

Taxation *(continued)*

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 15% reducing balance
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Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

India Properties Limited

Notes to the Financial Statements *(continued)*

Year ended 30 November 2017

3. Accounting policies *(continued)*

Provisions *(continued)*

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

4. Tax on profit

Major components of tax expense

	2017 £	2016 £
Current tax:		
UK current tax expense	5,077	4,096
Deferred tax:		
Origination and reversal of timing differences	17,527	(1,396)
Tax on profit	<u>22,604</u>	<u>2,700</u>

India Properties Limited

Notes to the Financial Statements *(continued)*

Year ended 30 November 2017

5. Tangible assets

	Investment property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 December 2016	516,573	36,324	552,897
Revaluations	103,427	–	103,427
At 30 November 2017	<u>620,000</u>	<u>36,324</u>	<u>656,324</u>
Depreciation			
At 1 December 2016	–	32,439	32,439
Charge for the year	–	583	583
At 30 November 2017	<u>–</u>	<u>33,022</u>	<u>33,022</u>
Carrying amount			
At 30 November 2017	<u>620,000</u>	<u>3,302</u>	<u>623,302</u>
At 30 November 2016	<u>516,573</u>	<u>3,885</u>	<u>520,458</u>

Tangible assets held at valuation

The investment properties were revalued in March 2018 at market value.

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Investment property £
At 30 November 2017	
Aggregate cost	198,701
Aggregate depreciation	–
Carrying value	<u>198,701</u>
At 30 November 2016	
Aggregate cost	198,701
Aggregate depreciation	–
Carrying value	<u>198,701</u>

6. Debtors

	2017 £	2016 £
Other debtors	<u>383</u>	<u>241</u>

India Properties Limited

Notes to the Financial Statements *(continued)*

Year ended 30 November 2017

7. Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	11,736	11,627
Corporation tax	5,077	4,097
Other creditors	1,700	1,700
	<u>18,513</u>	<u>17,424</u>

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

	2017	2016
	£	£
Bank loans and overdrafts	<u>69,915</u>	<u>80,134</u>

The bank loans and overdraft are secured by a Bond and Floating Charge over the whole assets of the company.

9. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2017	2016
	£	£
Included in provisions	<u>59,278</u>	<u>41,751</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2017	2016
	£	£
Fair value adjustment of investment property	<u>59,278</u>	<u>41,751</u>

10. Related party transactions

The company was under the control of Mr G W Rule throughout the current and previous year. Mr Rule is the managing director and majority shareholder with his wife.

11. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 December 2015.

India Properties Limited

Notes to the Financial Statements *(continued)*

Year ended 30 November 2017

11. Transition to FRS 102 *(continued)*

Reconciliation of equity

	1 December 2015			30 November 2016		
	As previously stated £	Effect of FRS 102 (as transition £	restated) £	As previously stated £	Effect of FRS 102 (as transition £	restated) £
Fixed assets	521,143	–	521,143	520,458	–	520,458
Current assets	40,672	–	40,672	24,143	–	24,143
Creditors: amounts falling due within one year	(19,210)	–	(19,210)	(17,424)	–	(17,424)
Net current assets	21,462	–	21,462	6,719	–	6,719
Total assets less current liabilities	542,605	–	542,605	527,177	–	527,177
Creditors: amounts falling due after more than one year	(108,564)	–	(108,564)	(80,134)	–	(80,134)
Provisions	–	(43,147)	(43,147)	(43,147)	1,396	(41,751)
Net assets	434,041	(43,147)	390,894	403,896	1,396	405,292
Capital and reserves	434,041	(43,147)	390,894	403,896	1,396	405,292

Investment properties are included at market value rather than cost. As a result of this a provision is included in deferred tax to account for the potential tax liability that would arise if these investments were realised at market value.