

Registered number  
10508302

**GREENSAND HOLDINGS LIMITED**  
**DIRECTORS' REPORT AND AUDITED**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM 2 DECEMBER 2016 TO 31 DECEMBER 2017**



**GREENSAND HOLDINGS LIMITED**

**COMPANY INFORMATION**

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**Directors**

J Jory  
W Pallett  
J C Reed

**Auditor**

Kreston Reeves LLP  
Springfield House  
Springfield Road  
Horsham  
West Sussex  
RH12 2RG

**Registered office**

Town Hall  
Castlefield Road  
Reigate  
Surrey  
RH2 0SH

**Registered number**

10508302

# GREENSAND HOLDINGS LIMITED

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# GREENSAND HOLDINGS LIMITED

## DIRECTORS' REPORT

### FOR THE PERIOD FROM 2 DECEMBER 2016 TO 31 DECEMBER 2017

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The directors present their report and audited financial statements for the period ended 31 December 2017.

The company was incorporated on 2 December 2016.

#### Principal activities

The company's principal activity during the period was that of commercial property investment.

#### Directors

The directors who served during the period were as follows:

J Jory  
W Pallett  
J C Reed

#### Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) (as adopted by the European Union) and applicable UK law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Disclosure of information to the auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### Small company special provisions

The report of the directors has been prepared taking advantage of the small companies exemption in Part 15 of the Companies Act 2006.

This report was approved by the board on 2/05/18 and signed on behalf of the board by



J C Reed  
Director

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF  
GREENSAND HOLDINGS LIMITED**

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**Opinion**

We have audited the financial statements of Greensand Holdings Limited for the period ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF GREENSAND HOLDINGS LIMITED**

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### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF  
GREENSAND HOLDINGS LIMITED**

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**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Kreston Reeves LLP*

**Graham Hunt BA FCA (Senior Statutory Auditor)**

for and on behalf of Kreston Reeves LLP  
Statutory Auditor, Chartered Accountants  
Horsham

Date: *21 May 2018*

**GREENSAND HOLDINGS LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE PERIOD FROM 2 DECEMBER 2016 TO 31 DECEMBER 2017**

	Notes	Period ended 31 December 2017 £
<b>Continuing operations</b>		
Revenue		164,953
Administrative expenses		(78,229)
Fair value movement on investment property		243,785
<b>Operating profit</b>	6	<u>330,509</u>
Finance income		6
Finance costs	7	(89,239)
<b>Profit before taxation</b>		<u>241,276</u>
Tax expense	8	(41,000)
<b>Profit for the period</b>		<u><u>200,276</u></u>
<b>Total comprehensive income for the period attributable to shareholders</b>		<u><u>200,276</u></u>

**Statement of total recognised gains and losses**

The company has no recognised gains or losses other than the profit for the above financial period.

The above results were derived from continuing operations.



**GREENSAND HOLDINGS LIMITED**

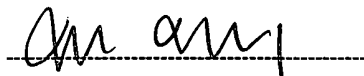
**STATEMENT OF FINANCIAL POSITION**

**AS AT 31 DECEMBER 2017**

**COMPANY REGISTRATION NUMBER: 10508302**

	Notes	31 December 2017	
		£	£
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment property	9		2,543,600
<b>Current assets</b>			
Trade and other receivables	10	100	
Cash and cash equivalents	11	<u>68,404</u>	
			<u>68,504</u>
<b>TOTAL ASSETS</b>			<u><b>2,612,104</b></u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	12	90,650	
Current tax liabilities	12	<u>10,439</u>	
			101,089
<b>Non-current liabilities</b>			
Borrowings	13	2,269,639	
Provisions	15	<u>41,000</u>	
			<u>2,310,639</u>
<b>TOTAL LIABILITIES</b>			<b>2,411,728</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	16		100
Revaluation reserve	17		202,785
Retained earnings	17		(2,509)
<b>TOTAL EQUITY AND LIABILITIES</b>			<u><b>2,612,104</b></u>

The financial statements were approved by the board and authorised for issue on <sup>2<sup>nd</sup> May 2018</sup> and signed on behalf of the board by



J Jory  
Director

**GREENSAND HOLDINGS LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE PERIOD FROM 2 DECEMBER 2016 TO 31 DECEMBER 2017**

	<u>Equity attributable to equity holders of the company</u>			
	<b>Issued share capital</b>	<b>Revaluation reserve</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 2 December 2016</b>	-	-	-	-
Profit for the period	-	-	<b>200,276</b>	<b>200,276</b>
Transfer to revaluation reserve		<b>202,785</b>	<b>(202,785)</b>	-
<b>Total comprehensive income for the period</b>	-	<b>202,785</b>	<b>(2,509)</b>	<b>200,276</b>
Shares issued in period	<b>100</b>		-	<b>100</b>
<b>At 31 December 2017</b>	<b>100</b>	<b>202,785</b>	<b>(2,509)</b>	<b>200,376</b>

**GREENSAND HOLDINGS LIMITED**

**CASH FLOW STATEMENT**

**FOR THE PERIOD FROM 2 DECEMBER 2016 TO 31 DECEMBER 2017**

	<b>Period ended 31 December 2017 £</b>
<b>Cash flows from operating activities</b>	
Profit for the period	200,276
Adjustments to cash flows from non-cash items:	
Finance income	(6)
Finance costs	89,239
Revaluation	(243,785)
Deferred Tax	41,000
Operating cash flows before movements in working capital	86,724
Working capital adjustments:	
Increase in payables	75,288
<b>Cash generated by operations</b>	<b>162,012</b>
<b>Investing activities</b>	
Interest received	6
Purchase of investment property	(2,299,815)
<b>Net cash used in investing activities</b>	<b>(2,299,809)</b>
<b>Financing activities</b>	
Loan from shareholder	2,269,639
Interest paid	(63,438)
<b>Net cash generated by financing activities</b>	<b>2,206,201</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>68,404</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>-</b>
<b>Cash and cash equivalents at end of period</b>	<b>68,404</b>

The notes on pages 9 to 18 form part of the financial statements

## GREENSAND HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE PERIOD FROM 2 DECEMBER 2016 TO 31 DECEMBER

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#### 1 General information

Greensand Holdings Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The nature of the company's operations and its principal activities are set out in the Directors' Report.

The address of its registered office and principal place of business is:

Town Hall  
Castlefield Road  
Reigate  
Surrey  
RH2 0SH

#### 2 Adoption of new and revised standards

During the financial period, there were no new IFRSs or IFRIC interpretations that were effective for the first time that would be expected to have a material impact on the company.

The following pronouncements have been adopted in the period and either had no impact on the financial statements or resulted in changes to presentation and disclosure only:

- IAS 12 (amendments) 'Recognition of Deferred Tax Assets for Unrealised Losses'
- IAS 7 (amendments) 'Disclosure Initiative'
- Annual Improvements (2014-2016).

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the company, which have not been applied in these financial statements, were in issue but not yet effective. In some cases these standards and guidance had not been endorsed by the European Union:

- IFRS 9 'Financial instruments' (2014); effective 1 January 2018
- IFRS 15 'Revenue from contracts with customers'; effective 1 January 2018
- IFRS 16 'Leases'; effective 1 January 2019
- IFRIC 22 'Foreign currency transactions and advance consideration'; effective 1 January 2018
- IFRIC 23 'Uncertainty over income tax treatments'; effective 1 January 2019

The directors anticipate that the adoption of these standards and interpretations in future periods will have no material impact on the financial statements of the company.

#### 3 Significant accounting policies

##### ***Statement of compliance and basis of accounting***

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) adopted by the European Union and are consistent with the IFRSs as issued by the International Accounting Standards Board and IFRIC interpretations issued and effective at the time of preparing these financial statements and are in accordance with the Companies Act 2006.

## GREENSAND HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE PERIOD FROM 2 DECEMBER 2016 TO 31 DECEMBER

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#### 3 Significant accounting policies - continued

##### ***Basis of accounting***

These financial statements have been prepared on the historical cost basis as modified by the accounting policies below.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the company operates and rounded to the nearest £.

The following principal accounting policies have been applied:

##### ***Presentation of financial statements in accordance with IAS 1 (Revised 2007)***

The financial statements are presented in accordance with IAS 1 Presentation of Financial Statements (Revised 2007).

##### ***Revenue***

Revenue is measured at the fair value of the consideration recoverable, net of VAT. The company's policy for the recognition of revenue from operating leases is described in the leasing policy below.

##### ***Investment properties***

Investment property, which is property held to earn rentals and/or capital appreciation is initially recognised at cost, including associated transaction costs, and subsequently at fair value at the balance sheet date. The fair value is based on market values as determined by professionally qualified external valuers. Gains or losses arising from changes in the fair value of the investment property are included in profit or loss for the period in which they arise.

##### ***Trade and other receivables***

Trade and other receivables are recognised initially at fair value and subsequently at amortised cost. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of comprehensive income.

##### ***Cash and cash equivalents***

Cash and cash equivalents at the end of the reporting period comprise cash at bank and in hand.

##### ***Trade and other payables***

Trade and other payables are recognised initially at fair value and subsequently at amortised cost.

## GREENSAND HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE PERIOD FROM 2 DECEMBER 2016 TO 31 DECEMBER

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#### 3 Significant accounting policies - continued

##### **Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the periods of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

##### **Borrowing costs**

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

##### **Taxation**

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

##### **Current tax**

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

##### **Deferred tax**

Deferred tax is tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that such taxable profits will be available, against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from the initial recognition of goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profits nor the accounting profit.

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 statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case deferred tax is also dealt with in equity.

##### **Accounting for financial assets and liabilities**

The company's operations expose it to a variety of financial risks including the effects of changes in interest rates on debt, credit risk and liquidity risk. The directors consider that the company does not have material exposures in any of these areas and consequently does not use derivative financial instruments to manage these exposures.

The company's financial assets consist of trade and other receivables, and are summarised in note 4. Trade and other receivables are financial assets with fixed or determinable payments, none of which are quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest rate method, less provision for impairment.

Receivables are considered for impairment on a case-by-case basis when they are past due at the balance sheet date or when objective evidence is received that a specific counterparty will default.

The company's financial liabilities include borrowings, trade and other payables which are measured at amortised cost using

##### **Going concern**

The financial statements have been prepared on a going concern basis as the directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future.

##### **Leasing**

##### **The company as lessor**

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant leases.

## GREENSAND HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE PERIOD FROM 2 DECEMBER 2016 TO 31 DECEMBER

#### 4 Financial risk management

The company's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk and cash flow interest rate risk. The company's overall risk management programme focuses on the unpredictability of the marketplace and seeks to minimise potential adverse effects on the company's financial performance.

Risk management is carried out by the Board of Directors.

##### *Market risk*

The company is exposed to market risk, primarily related to interest rates and market value of the investment property.

##### *Interest rate risk*

The company monitors interest rate cash flow exposures on its long term borrowing. The company does not use derivative financial instruments to mitigate these risks.

##### *Credit risk*

The company's exposure to credit risk is limited to the carrying value of financial assets recognised at the balance sheet date, as summarised below:

	2017 £
<b>Classes of financial assets - carrying amounts</b>	
<b>Cash and receivables</b>	
Cash and cash equivalents	68,404
Trade and other receivables	100
	<u>68,504</u>

The maximum exposure to credit risk in relation to trade and other receivables is equivalent to the period end balance.

The company continuously monitors the creditworthiness of tenants and other counterparties. The company's policy is only to deal with creditworthy counterparties.

The directors consider that all the above financial assets are not impaired at the reporting date under review and are of good quality credit, based on all available financial information.

The company is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics other than those debtors which are disclosed in note 10. The credit risk for cash and cash equivalents is considered negligible since the counterparties are reputable banks with high quality external credit ratings.

##### *Liquidity risk*

Liquidity needs are monitored carefully on a day-to-day basis. Longer term liquidity needs are assessed through monthly, quarterly, and annual cash flow forecasts.

As of 31 December 2017, the company's liabilities have maturities which are summarised below:

	31 December 2017			
	Within 6 months £	6 to 12 months £	2 to 5 years £	Later than 5 years £
Trade and other payables	90,650	-	-	-
Other taxes and social security costs	10,439	-	-	-
Borrowings	-	-	-	2,269,639
	<u>101,089</u>	<u>-</u>	<u>-</u>	<u>2,269,639</u>

# GREENSAND HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE PERIOD FROM 2 DECEMBER 2016 TO 31 DECEMBER

#### 4 Financial risk management - continued

##### *Capital management policies*

The company's capital management objectives are:

- to ensure the company's ability to continue as a going concern; and
- to provide an adequate return to shareholders.

Capital for the reporting period under review is summarised as follows:

	31 December 2017 £
Share capital	100
Revaluation reserve	202,785
Retained earnings	(2,509)
Borrowings	2,269,639
	<u>2,470,015</u>

The company has no covenant obligations with respect to capital ratios.

#### 5 Critical accounting judgements

##### *Critical judgements in applying the company's accounting policies*

In the process of applying the company's accounting policies, the following judgements have had the most significant effect on the amounts recognised in the financial statements:

##### *Investment properties*

The valuation of the company's investment property.

#### 6 Operating profit

	Period ended 31 December 2017 £
This is stated after charging/(crediting):	
Auditor's remuneration - audit work	3,800
Auditor's remuneration - other services	550
	<u>4,350</u>

#### 7 Finance costs

	Period ended 31 December 2017 £
Loan interest	<u>89,239</u>



**GREENSAND HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD FROM 2 DECEMBER 2016 TO 31 DECEMBER**

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**8 Taxation**

**Period ended  
31 December  
2017**

**Analysis of charge in period**

**£**

Total current tax (see below)

-

Deferred tax (see below and note 15)

**41,000**

**41,000**

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**Factors affecting tax charge for period**

The charge for the period can be reconciled to the profit in the statement of comprehensive income as follows:

**Period ended  
31 December  
2017**

**£**

Profit before tax on continuing operations

**241,276**

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Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%

**45,842**

Effects of:

Non taxable income

**(46,319)**

Deferred tax not recognised in respect of tax losses

**477**

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Total current tax (see above)

-

Total deferred tax (see above)

**41,000**

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Total tax for the year

**41,000**

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**GREENSAND HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD FROM 2 DECEMBER 2016 TO 31 DECEMBER**

**9 Investment property**

	<b>Freehold property</b>
	<b>£</b>
<b>Fair value</b>	
Additions at cost	2,299,815
Revaluation	<u>243,785</u>
<b>At end of period</b>	<b><u>2,543,600</u></b>
<b>Fair value</b>	
<b>At 31 December 2017</b>	<b><u>2,543,600</u></b>

Investment property with a fair value of £2,543,600 was held as security against borrowings.

The company's investment property is classed as level 1, as defined by IFRS 13 Fair Value Measurement, in the fair value hierarchy as at 31 December 2017. Observable inputs comprise an assessment of current market conditions, recent sales prices and other relevant information for similar assets in the locality.

The fair value of the company's investment property as at 31 December 2017 was determined by an independent external valuer at that date. The valuations are in accordance with the Royal Institution of Chartered Surveyors ("RICS") valuation - Professional Standards ("The Red Book"). Fair values of investment properties are calculated using an income approach and the main assumptions supporting the valuation are in respect of rents due, extant leases and yields.

The valuation of the investment property was undertaken by Wilks Head & Eve LLP.

The property income earned by the company from its investment property, which is leased to tenants under non-cancellable operating leases, amounted to £164,953 for the period.

The historical cost of the investment property is £2,299,815.

**10 Trade and other receivables**

	<b>2017</b>
	<b>£</b>
Other receivables - unpaid share capital	<u>100</u>

All amounts are due within one year. The carrying value of receivables is considered a reasonable approximation of fair value.

**11 Cash and cash equivalents**

	<b>2017</b>
	<b>£</b>
Cash at bank	<u>68,404</u>

## GREENSAND HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE PERIOD FROM 2 DECEMBER 2016 TO 31 DECEMBER

#### 12 Current liabilities

	2017 £
Accruals	90,650
Trade and other payables	90,650
Other taxes and social security costs	10,439
	<u>101,089</u>

The fair value of the trade and other payables classified as financial instruments are disclosed in the financial instruments note. The company's exposure to market and liquidity risks, including maturity analysis relating to trade and other payables, is disclosed in the financial risk management note.

#### 13 Non-current liabilities

	31 December 2017 £
Borrowings	2,269,639
	<u>2,269,639</u>

#### 14 Borrowings

	2017 £
<b>Secured borrowings</b>	
Loan from shareholder	2,269,639
Amount due for settlement within 12 months	-
Amount due for settlement after 12 months	2,269,639

The loan from Reigate and Banstead Borough Council is denominated in sterling with an interest rate equivalent to the rate charged by the Public Works Loan Board plus 2%. The final repayment date is 19 February 2032. The loan is secured on the freehold investment property.

#### 15 Provisions for liabilities

Deferred taxation provided in the financial statements is as follows:

	Provided 2017 £
Unrealised gain on revalued assets	41,000

Under IAS 12, a deferred tax provision is made for the tax that would potentially be payable on the revaluation of investment property at its fair value in these financial statements.

## GREENSAND HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE PERIOD FROM 2 DECEMBER 2016 TO 31 DECEMBER

16 Share capital	Nominal value	31-Dec	31-Dec
		2017	2017
		Number	£
Allotted and called up Ordinary shares	£1 each	<u>100</u>	<u>100</u>

During the period the company issued 100 ordinary shares of £1 each. The cash consideration due remains unpaid and is included in debtors.

#### 17 Reserves

##### Share capital

Represents the nominal value of shares that have been issued.

##### Revaluation reserve

Represents a non-distributable reserve arising on the revaluation of the investment property to its fair value.

##### Retained earnings

Represents accumulated realised profits less accumulated realised losses.

#### 18 Operating lease arrangements

Property rental income earned during the period was £164,953. The lessees do not have an option to purchase the property at the expiry of the lease period.

At the balance sheet date the company had contracted with tenants for the following total future minimum lease payments:

	31 December 2017 £
Within one year	174,690
Within two to five years inclusive	577,335
In over five years	130,667
	<u>882,692</u>

#### 19 Related party transactions

##### Reigate and Banstead Borough Council

During the period Reigate and Banstead Borough Council provided a loan to the company totalling £2,269,639. The interest on loan in the period totalled £89,239. The balance on the loan outstanding at the period end is £2,269,639 and £25,801 of interest is included in accruals. Reigate and Banstead Borough Council also recharged its officer time spent dealing with company management and administration and this amounted to £60,499. The balance outstanding at the period end is £60,499.

##### W Pallett (Director)

During the period the company was charged £357 for management services by Mr W Pallett.

**GREENSAND HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD FROM 2 DECEMBER 2016 TO 31 DECEMBER**

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**20 Financial instruments**

**Categories of financial instruments**

The company held the following financial assets:

	<b>2017</b>
	<b>£</b>
Trade and other receivables	<b>100</b>
Cash and cash equivalents	<b>68,404</b>
	<b><u>68,504</u></b>

The company held the following financial liabilities:

	<b>2017</b>
	<b>£</b>
Trade and other payables	<b>90,650</b>
Borrowings	<b>2,269,639</b>
	<b><u>2,360,289</u></b>

**21 Ultimate controlling party**

The company is controlled by Reigate and Banstead Borough Council which owns 100% of the company's share capital.