

Registered number: 09453786

**LONDON IRON WORKS LIMITED**  
**UNAUDITED ANNUAL REPORT AND FINANCIAL**  
**STATEMENTS**  
**31 MARCH 2018**



# **LONDON IRON WORKS LIMITED**

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# **LONDON IRON WORKS LIMITED**

## **COMPANY INFORMATION**

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**Directors**

D B Harris  
A D Harris  
G N Harris  
L S Harris  
A D Rose

**Registered number**

09453786

**Registered office**

16 Great Queen Street  
Covent Garden  
London  
WC2B 5AH

**Accountants**

Blick Rothenberg Limited  
16 Great Queen Street  
Covent Garden  
London  
WC2B 5AH

# **LONDON IRON WORKS LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

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The directors present their report and the financial statements for the year ended 31 March 2018.

### **Directors**

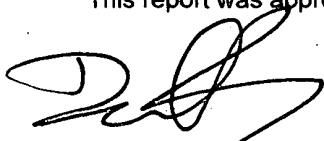
The directors who served during the year were:

D B Harris  
A D Harris  
G N Harris  
L S Harris  
A D Rose

### **Small companies exemptions**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



**D B Harris**  
Director

Date: 29 May 2018

## **LONDON IRON WORKS LIMITED**

### **ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF LONDON IRON WORKS LIMITED FOR THE YEAR ENDED 31 MARCH 2018**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of London Iron Works Limited for the year ended 31 March 2018 which comprise the profit and loss account, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given to us.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales (ICAEW) and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

This report is made solely to the board of directors of London Iron Works Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of London Iron Works Limited and state those matters that we have agreed to state to them in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than London Iron Works Limited and its board of directors, as a body, for our work or for this report.

It is your duty to ensure that London Iron Works Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the company's assets, liabilities, financial position and profit. You consider that London Iron Works Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of London Iron Works Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

*Blick Rothenberg Limited*

**Blick Rothenberg Limited**

16 Great Queen Street  
Covent Garden  
London  
WC2B 5AH

Date: 29 May 2018

**LONDON IRON WORKS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	Note	2018 £	2017 £
Administrative expenses		(43,683)	(27,365)
Other operating income	3	192,866	215,475
<b>Operating profit</b>		<b>149,183</b>	<b>188,110</b>
Interest receivable and similar income		-	52
Interest payable and similar expenses		(46,424)	(77,132)
<b>Profit before tax</b>		<b>102,759</b>	<b>111,030</b>
Tax on profit		(19,524)	(23,756)
<b>Profit for the financial year</b>		<b>83,235</b>	<b>87,274</b>

There are no items of other comprehensive income for either the year or the prior year other than the profit for the year. Accordingly, no statement of other comprehensive income has been presented.

**LONDON IRON WORKS LIMITED**

REGISTERED NUMBER:09453786

**BALANCE SHEET  
AS AT 31 MARCH 2018**

	Note	2018 £	2017 £
<b>Current assets</b>			
Stocks	5	5,423,413	5,241,985
Debtors: amounts falling due within one year	6	45,275	61,100
Cash at bank	7	952	13,807
		<u>5,469,640</u>	<u>5,316,892</u>
Creditors: amounts falling due within one year	8	(5,279,322)	(5,209,809)
<b>Net current assets</b>		<u>190,318</u>	<u>107,083</u>
<b>Total assets less current liabilities</b>		<u>190,318</u>	<u>107,083</u>
<b>Net assets</b>		<u>190,318</u>	<u>107,083</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		190,218	106,983
<b>Total equity</b>		<u>190,318</u>	<u>107,083</u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and in accordance with Section 1A of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**D B Harris**  
Director

Date: 29 May 2018

The notes on pages 6 to 11 form part of these financial statements.

# **LONDON IRON WORKS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

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### **1. General information**

London Iron Works Limited is a private company limited by shares incorporated in England. Its principal place of business is Suite 1.6, The Loom, 14 Gowers Walk, London, E1 8PY.

The financial statements are presented in Sterling (£).

### **2. Accounting policies**

#### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ('FRS 102') and the Companies Act 2006.

The following principal accounting policies have been applied:

#### **2.2 Going concern**

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### **2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates and value added tax.

Revenue on the sale of developed property is recognised at the later of practical completion of the development or exchange of contracts for the sale of the property.

#### **2.4 Stock**

Property stock represents costs incurred to the balance sheet date on the redevelopment of the company's freehold property.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.



# **LONDON IRON WORKS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2018**

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#### **2. Accounting policies (continued)**

##### **2.5 Financial instruments**

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

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.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

##### **Financial assets**

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

##### **Financial liabilities**

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

##### **Impairment of financial assets**

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been

# **LONDON IRON WORKS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

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### **2. Accounting policies (continued)**

recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets and financial liabilities**

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

#### **Offsetting of financial assets and financial liabilities**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

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

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### **2.7 Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### **2.8 Finance costs**

Finance costs are charged to the profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**LONDON IRON WORKS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**2. Accounting policies (continued)**

**2.9 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Current tax is the amount of income tax payable in respect of taxable profit for the year or prior years.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**3. Other operating income**

	2018 £	2017 £
Rental income	<u>192,866</u>	<u>215,475</u>

**4. Employees**

The average monthly number of employees, including directors, during the year was 5 (2017 - 5).

**5. Stocks**

	2018 £	2017 £
Property stock	<u>5,423,413</u>	<u>5,241,985</u>

# **LONDON IRON WORKS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

### **6. Debtors**

	2018 £	2017 £
Trade debtors	29,620	56,691
Other debtors	15,655	4,409
	<u>45,275</u>	<u>61,100</u>

### **7. Cash and cash equivalents**

	2018 £	2017 £
Cash at bank and in hand	952	13,807
	<u>952</u>	<u>13,807</u>

### **8. Creditors: amounts falling due within one year**

	2018 £	2017 £
Other loan	-	1,211,053
Trade creditors	-	10,843
Corporation tax	19,524	23,756
Other creditors	5,240,865	3,913,449
Accruals and deferred income	18,933	50,708
	<u>5,279,322</u>	<u>5,209,809</u>

The other loan is secured by a fixed and floating charge over all of the assets of the company.

# LONDON IRON WORKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

### 9. Commitments under operating leases

#### Lessor

Future minimum rentals receivable under non-cancellable operating leases are as follows:

	2018 £	2017 £
Not later than 1 year	28,625	171,890
Later than 1 year and not later than 5 years	-	365,372
Later than 5 years	-	53,396
	<u>28,625</u>	<u>590,658</u>

### 10. Related party transactions

Transactions with related parties are as follows:

Name (relationship)	Transaction	Amount		Amount due (to)/from related parties	
		2018 £	2017 £	2018 £	2017 £
D B Harris (director)	Loan	1,280,282	903,000	(4,874,245)	(3,593,963)
A D Rose (director)	Loan	4,620	288,000	(292,620)	(288,000)

Amounts owed to related parties are unsecured, interest free and due for repayment within one year.