

Company Registration No. 632484 (England and Wales)

**A R & V INVESTMENTS LIMITED AND SUBSIDIARIES**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**REGISTRAR'S COPY**  
**OF ACCOUNTS**

**Cavendish**  
**Chartered Certified Accountants**  
**68 Grafton Way**  
**London W1T 5DS**

Ref: 3737c



# **A R & V INVESTMENTS LIMITED AND SUBSIDIARIES**

## **COMPANY INFORMATION**

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<b>Directors</b>	Edward Azouz Jeffrey Azouz Joshua Azouz Aron Azouz Limor Azouz Theodore Azouz
<b>Secretary</b>	Jeffrey Azouz
<b>Company number</b>	632484
<b>Registered office</b>	68 Grafton Way London W1T 5DS
<b>Auditor</b>	Cavendish Chartered Certified Accountants Statutory Auditor 68 Grafton Way London W1T 5DS
<b>Business address</b>	Permanent House 133 Hammersmith Road London W14 0QL

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# **A R & V INVESTMENTS LIMITED AND SUBSIDIARIES**

## **CONTENTS**

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	<b>Page</b>
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 6
Group statement of comprehensive income	7
Group balance sheet	8
Company balance sheet	9
Group statement of changes in equity	10
Company statement of changes in equity	11
Group statement of cash flows	12
Notes to the financial statements	13 - 32

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# **A R & V INVESTMENTS LIMITED AND SUBSIDIARIES**

## **STRATEGIC REPORT**

**FOR THE YEAR ENDED 31 MARCH 2023**

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The directors present the strategic report for the year ended 31 March 2023.

### **Fair review of the business**

The directors consider the results achieved and the state of the group's affairs at the year end to be satisfactory in the current economic climate. Due to the nature of the composition of the group accounts it is not possible to make direct comparisons of results, which are affected by the trading environment in the changing property market and also by stage completion of various development joint venture projects and financing issues.

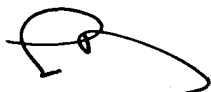
Turnover during the year decreased to £27.1 million due to a lower level of property sales activity. This resulted in gross loss of £1.53 million.

The directors constantly review the various risk factors associated with property dealing and development activity. The group continues to participate with other joint venture partners in the majority of substantial development projects as this is considered to be appropriate approach to mitigate the risk of sustaining significant losses on particular property development.

### **Other information and explanations**

The directors continue to be mindful of the economic uncertainty caused by inflation and interest rate rises. The directors have undertaken precautions to minimise the risk to enable the group to continue to operate and trade. Trading has remained satisfactory and the directors expect that the company and the group will be able to continue to trade successfully over the forthcoming year.

On behalf of the board



Edward Azouz  
Director

25 March 2024

# **A R & V INVESTMENTS LIMITED AND SUBSIDIARIES**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2023**

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The directors present their annual report and financial statements for the year ended 31 March 2023.

### **Principal activities**

The principal activity of the company and its subsidiaries in the year under review continued to be that of property dealing and investment. The group is also involved in several joint ventures, which are substantially engaged in property dealing in United Kingdom.

### **Results and dividends**

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Edward Azouz  
Jeffrey Azouz  
Joshua Azouz  
Aron Azouz  
Limor Azouz  
Theodore Azouz

### **Auditor**

The auditor, Cavendish, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable 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 group and company, and of the profit or loss of the group 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 UK Accounting Standards 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **A R & V INVESTMENTS LIMITED AND SUBSIDIARIES**

## **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2023***

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### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board



Edward Azouz  
Director

25 March 2024

# **A R & V INVESTMENTS LIMITED AND SUBSIDIARIES**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF A R & V INVESTMENTS LIMITED AND SUBSIDIARIES**

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#### **Opinion**

We have audited the financial statements of A R & V Investments Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2023 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

# **A R & V INVESTMENTS LIMITED AND SUBSIDIARIES**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF A R & V INVESTMENTS LIMITED AND SUBSIDIARIES**

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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 our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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 parent 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.



# **A R & V INVESTMENTS LIMITED AND SUBSIDIARIES**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF A R & V INVESTMENTS LIMITED AND SUBSIDIARIES**

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In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- our understanding of the legal and regulatory framework that the company and the group operates in, focusing on the provisions of those laws and regulations that had a direct effect of the determination of the material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation;
- the company's and the group's own assessment of the risks that irregularities might occur either as result of fraud or error;
- the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- our own assessment of the susceptibility of the company's and the group's financial statements to material misstatement, including how fraud might occur;
- the results of our enquiries of management about the legal and regulatory framework applicable to the company and the group and how the company and the group are complying with that framework;
- the company's and the group's policies and procedures on fraud risks, including knowledge of any actual, suspected or alleged fraud; and
- discussions among the audit engagement team regarding how and when fraud and non-compliance with laws and regulations might occur in the financial statements and any potential indicators of fraud and non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

- reviewing the financial statements disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- in assessing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of potential bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



**Sonja Henry FCA (Senior Statutory Auditor)**  
**For and on behalf of Cavendish**

26 March 2024

**Chartered Certified Accountants**  
**Statutory Auditor**

68 Grafton Way  
London  
W1T 5DS

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Turnover	3	27,107,848	34,625,611
Cost of sales		(28,634,808)	(35,049,951)
<b>Gross loss</b>		<b>(1,526,960)</b>	<b>(424,340)</b>
Other operating costs		(1,250,362)	(1,233,231)
Administrative expenses		(2,550,494)	(1,485,904)
Other operating income		5,463,128	3,815,089
Profit on disposal of investment properties		54,388	198,625
<b>Operating profit</b>	<b>4</b>	<b>189,700</b>	<b>870,239</b>
Share of results of associates and joint ventures		(998,480)	37,334
Interest receivable and similar income	8	2,014,727	87,297
Interest payable and similar expenses	9	(1,097,248)	(790,507)
Other gains and losses	10	(637,939)	1,648,638
<b>(Loss)/profit before taxation</b>		<b>(529,240)</b>	<b>1,853,001</b>
Tax on (loss)/profit	11	(580,733)	(194,879)
<b>(Loss)/profit for the financial year</b>		<b>(1,109,973)</b>	<b>1,658,122</b>

(Loss)/profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

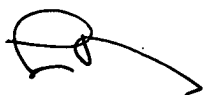
# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## GROUP BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Investment properties	13	18,701,537		18,951,537	
Investments	14	5,056,669		6,169,928	
		<u>23,758,206</u>		<u>25,121,465</u>	
<b>Current assets</b>					
Stocks	17	56,206,985		44,330,632	
Debtors	18	29,664,478		32,500,951	
Cash at bank and in hand		6,486,417		8,888,053	
		<u>92,357,880</u>		<u>85,719,636</u>	
<b>Creditors: amounts falling due within one year</b>	19	(34,623,424)		(35,810,685)	
<b>Net current assets</b>		<u>57,734,456</u>		<u>49,908,951</u>	
<b>Total assets less current liabilities</b>		<u>81,492,662</u>		<u>75,030,416</u>	
<b>Creditors: amounts falling due after more than one year</b>	20	(10,912,586)		(3,929,999)	
<b>Provisions for liabilities</b>					
Deferred tax liability	22	2,535,393		1,945,761	
		<u>(2,535,393)</u>		<u>(1,945,761)</u>	
<b>Net assets</b>		<u>68,044,683</u>		<u>69,154,656</u>	
<b>Capital and reserves</b>					
Called up share capital	24	10,000		10,000	
Profit and loss reserves		68,034,683		69,144,656	
<b>Total equity</b>		<u>68,044,683</u>		<u>69,154,656</u>	

The financial statements were approved by the board of directors and authorised for issue on 25 March 2024 and are signed on its behalf by:



Edward Azouz  
Director

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## COMPANY BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Investment properties	13	18,005,382		18,255,382	
Investments	14	7,595,068		7,709,946	
		<u>25,600,450</u>		<u>25,965,328</u>	
<b>Current assets</b>					
Stocks	17	13,777,120		12,215,670	
Debtors	18	48,337,023		48,184,485	
Cash at bank and in hand		4,490,351		6,266,941	
		<u>66,604,494</u>		<u>66,667,096</u>	
<b>Creditors: amounts falling due within one year</b>	19	(19,918,734)		(20,233,901)	
<b>Net current assets</b>		<u>46,685,760</u>		<u>46,433,195</u>	
<b>Total assets less current liabilities</b>		<u>72,286,210</u>		<u>72,398,523</u>	
<b>Creditors: amounts falling due after more than one year</b>	20	(1,566,773)		(1,707,284)	
<b>Provisions for liabilities</b>					
Deferred tax liability	22	2,535,393		1,945,761	
		<u>(2,535,393)</u>		<u>(1,945,761)</u>	
<b>Net assets</b>		<u>68,184,044</u>		<u>68,745,478</u>	
<b>Capital and reserves</b>					
Called up share capital	24	10,000		10,000	
Profit and loss reserves		68,174,044		68,735,478	
<b>Total equity</b>		<u>68,184,044</u>		<u>68,745,478</u>	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £561,434 (2022 - £748,702 profit).

The financial statements were approved by the board of directors and authorised for issue on 25 March 2024 and are signed on its behalf by:

  
Edward Azouz  
Director

Company Registration No. 632484

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2021</b>	10,000	67,486,534	67,496,534
<b>Year ended 31 March 2022:</b>			
Profit and total comprehensive income for the year	-	1,658,122	1,658,122
<b>Balance at 31 March 2022</b>	10,000	69,144,656	69,154,656
<b>Year ended 31 March 2023:</b>			
Loss and total comprehensive income for the year	-	(1,109,973)	(1,109,973)
<b>Balance at 31 March 2023</b>	10,000	68,034,683	68,044,683

Included in profit and loss reserves are unrealised undistributable profits totalling £14,588,826 relating to investment property and listed investment fair value adjustments.

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2021</b>	10,000	67,986,776	67,996,776
<b>Year ended 31 March 2022:</b>			
Profit and total comprehensive income for the year	-	748,702	748,702
<b>Balance at 31 March 2022</b>	10,000	68,735,478	68,745,478
<b>Year ended 31 March 2023:</b>			
Loss and total comprehensive income for the year	-	(561,434)	(561,434)
<b>Balance at 31 March 2023</b>	10,000	68,174,044	68,184,044

Included in profit and loss reserves are unrealised undistributable profits totalling £14,588,826 relating to investment property and listed investment fair value adjustments.

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	27	(4,007,550)		(5,900,367)	
Interest paid		(1,097,248)		(790,507)	
Income taxes paid		(599,624)		(2,379,529)	
<b>Net cash outflow from operating activities</b>		<b>(5,704,422)</b>		<b>(9,070,403)</b>	
<b>Investing activities</b>					
Purchase of investment property		-		(678,878)	
Proceeds on disposal of investment property		304,388		1,187,625	
Purchase of investments		(1,406,012)		(1,526,870)	
Proceeds on disposal of fixed asset investments		882,852		816,242	
Interest received		168,092		87,297	
Dividends received		1,846,635		-	
<b>Net cash generated from/(used in) investing activities</b>		<b>1,795,955</b>		<b>(114,584)</b>	
<b>Financing activities</b>					
Proceeds of new bank loans		7,840,000		2,685,868	
Repayment of bank loans		(6,231,866)		(567,035)	
<b>Net cash generated from financing activities</b>		<b>1,608,134</b>		<b>2,118,833</b>	
<b>Net decrease in cash and cash equivalents</b>		<b>(2,300,333)</b>		<b>(7,066,154)</b>	
Cash and cash equivalents at beginning of year		4,748,147		11,814,301	
<b>Cash and cash equivalents at end of year</b>		<b>2,447,814</b>		<b>4,748,147</b>	
<b>Relating to:</b>					
Cash at bank and in hand		6,486,417		8,888,053	
Bank overdrafts included in creditors payable within one year		(4,038,603)		(4,139,906)	

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

#### Company information

A R & V Investments Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 68 Grafton Way, London, W1T 5DS. The principal place of business is Permanent House, 133 Hammersmith Road, London, W14 0QL.

The group consists of A R & V Investments Limited and all of its subsidiaries.

#### 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.

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 investment properties and listed investments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

#### 1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.



# **A R & V INVESTMENTS LIMITED AND SUBSIDIARIES**

## **NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **1 Accounting policies**

**(Continued)**

#### **1.3 Basis of consolidation**

The consolidated group financial statements consist of the financial statements of the parent company A R & V Investments Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

#### **1.4 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.5 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for property sales and joint venture income.

Joint venture and other income is recognised when the revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the sale of properties is recognised when the significant risks and rewards of ownership of the properties have passed to the buyer (usually on completion of contracts), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

# **A R & V INVESTMENTS LIMITED AND SUBSIDIARIES**

## **NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **1 Accounting policies**

**(Continued)**

#### **1.6 Intangible fixed assets - goodwill**

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

#### **1.7 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. Changes in fair value are recognised in profit or loss.

#### **1.8 Fixed asset investments**

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. 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 group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

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

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### 1.9 Stocks

Property stocks are stated at the lower of cost and estimated selling price less costs to sell. Cost comprises the purchase cost of properties and, where applicable, direct costs that have been incurred in bringing the stocks to their present location and condition.

Cost of stocks comprises purchase costs of properties which are allocated to the specific properties to which they relate.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.10 Cash and cash equivalents

Cash and cash equivalents 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.

#### 1.11 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

##### **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.

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

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### ***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 group 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

### 1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

### 1.13 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### **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 if, and only if, there is 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.

#### **1.14 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.

#### **1.15 Retirement benefits**

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

#### **1.16 Leases**

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

#### **1.17 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### **1.18 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 in the period are included in profit or loss.

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Turnover and other revenue

	2023 £	2022 £
<b>Turnover analysed by class of business</b>		
Property sales	26,846,089	34,284,760
Joint venture income	261,759	340,851
	<u>27,107,848</u>	<u>34,625,611</u>
	2023 £	2022 £
<b>Other significant revenue</b>		
Interest income	168,092	87,297
Dividends received	1,846,635	-
Grants received	6,568	12,503
Rents receivable	4,499,001	3,662,825
	<u></u>	<u></u>

### 4 Operating profit

	2023 £	2022 £
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(5,814)	(64,843)
Government grants	(6,568)	(12,503)
Amortisation of intangible assets	-	400,226
	<u></u>	<u></u>

### 5 Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	30,000	30,000
Audit of the financial statements of the company's subsidiaries	66,720	58,190
	<u>96,720</u>	<u>88,190</u>

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 5 Auditor's remuneration (Continued)

#### For other services

All other non-audit services	33,600	33,600
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### 6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Administration	32	24	9	9

Their aggregate remuneration comprised:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Wages and salaries	1,074,566	480,408	609,500	316,350
Social security costs	108,279	43,795	72,337	32,333
Pension costs	9,905	2,724	1,897	1,231
	1,192,750	526,927	683,734	349,914

### 7 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	422,000	150,000

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2023 £	2022 £
Remuneration for qualifying services	125,000	60,000

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 8 Interest receivable and similar income

	2023 £	2022 £
<b>Interest income</b>		
Interest on bank deposits	49,286	59
Other interest income	118,806	87,238
<b>Total interest revenue</b>	<b>168,092</b>	<b>87,297</b>
<b>Other income from investments</b>		
Dividends received	1,846,635	-
<b>Total income</b>	<b>2,014,727</b>	<b>87,297</b>

### 9 Interest payable and similar expenses

	2023 £	2022 £
Interest on bank overdrafts and loans	884,813	688,514
Other interest on financial liabilities	165,348	99,033
Other interest	47,087	2,960
<b>Total finance costs</b>	<b>1,097,248</b>	<b>790,507</b>

### 10 Other gains and losses

	2023 £	2022 £
<b>Fair value gains/(losses) on financial instruments</b>		
Change in value of financial assets held at fair value through profit or loss	(290,732)	(616,000)
<b>Other gains/(losses)</b>		
(Loss)/gain on disposal of fixed asset investments	(347,207)	298,292
Profit on disposal of associates	-	1,966,346
	<b>(637,939)</b>	<b>1,648,638</b>

### 11 Taxation

	2023 £	2022 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	39,312	323,206
Adjustments in respect of prior periods	(199,262)	-
Payments in respect of consortium relief of prior periods	151,051	-
<b>Total current tax</b>	<b>(8,899)</b>	<b>323,206</b>



# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 11 Taxation

(Continued)

	2023 £	2022 £
<b>Deferred tax</b>		
Origination and reversal of timing differences	(18,863)	(128,327)
Changes in tax rates	608,495	-
<b>Total deferred tax</b>	<b>589,632</b>	<b>(128,327)</b>
<b>Total tax charge</b>	<b>580,733</b>	<b>194,879</b>

The actual charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
(Loss)/profit before taxation	(529,240)	1,853,001
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	(100,556)	352,070
Tax effect of expenses that are not deductible in determining taxable profit	789	283
Gains not taxable	-	(114,502)
Tax effect of utilisation of tax losses not previously recognised	-	(99,647)
Unutilised tax losses carried forward	226,127	198,144
Adjustments in respect of prior years	(199,262)	-
Effect of change in corporation tax rate	608,495	-
Amortisation on assets not qualifying for tax allowances	-	76,043
Effect of revaluations of investments	55,239	126,771
Deferred tax adjustments in respect of prior years	-	(128,327)
Dividend income	(350,861)	-
Chargeable gains	-	164,743
Share of loss/ (profit) of associated undertakings	189,711	(7,093)
Disposal of associated undertaking	-	(373,606)
Payments in respect of consortium relief of prior periods	151,051	-
<b>Taxation charge</b>	<b>580,733</b>	<b>194,879</b>

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 12 Intangible fixed assets

Group	Goodwill £
<b>Cost</b>	
At 1 April 2022	5,685,804
Disposals	(5,685,804)
At 31 March 2023	-
<b>Amortisation and impairment</b>	
At 1 April 2022	5,685,804
Disposals	(5,685,804)
At 31 March 2023	-
<b>Carrying amount</b>	
At 31 March 2023	-
At 31 March 2022	-

### 13 Investment property

	Group 2023 £	Company 2023 £
<b>Fair value</b>		
At 1 April 2022	18,951,537	18,255,382
Disposals	(250,000)	(250,000)
At 31 March 2023	18,701,537	18,005,382

Investment property comprises freehold and leasehold properties. The fair value of the investment property has been arrived at on the basis of a valuation carried out at by the directors. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 13 Investment property

(Continued)

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Cost	3,584,037	3,705,193	2,887,882	3,009,038
Accumulated depreciation	-	-	-	-
Carrying amount	<u>3,584,037</u>	<u>3,705,193</u>	<u>2,887,882</u>	<u>3,009,038</u>

The carrying value of land and buildings comprises:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Freehold	18,005,382	18,255,382	18,005,382	18,255,382
Long leasehold	696,155	696,155	-	-
	<u>18,701,537</u>	<u>18,951,537</u>	<u>18,005,382</u>	<u>18,255,382</u>

### 14 Fixed asset investments

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Investments in subsidiaries	15	-	-	1,111	1,210
Investments in associates	16	(2,057,560)	(1,059,080)	479,728	479,728
Listed investments		234,705	438,500	234,705	438,500
Unlisted investments		6,879,524	6,790,508	6,879,524	6,790,508
		<u>5,056,669</u>	<u>6,169,928</u>	<u>7,595,068</u>	<u>7,709,946</u>
Listed investments carrying amount		<u>234,705</u>	<u>438,500</u>	<u>234,705</u>	<u>438,500</u>

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 14 Fixed asset investments

(Continued)

#### Movements in fixed asset investments

Group	Shares in associates £	Other investments £	Total £
<b>Cost or valuation</b>			
At 1 April 2022	(1,059,080)	7,229,008	6,169,928
Additions	-	1,406,012	1,406,012
Share of profit after tax	(998,480)	-	(998,480)
Disposals	-	(1,230,059)	(1,230,059)
At 31 March 2023	(2,057,560)	7,404,961	5,347,401
<b>Impairment</b>			
At 1 April 2022	-	-	-
Impairment losses	-	290,732	290,732
At 31 March 2023	-	290,732	290,732
<b>Carrying amount</b>			
At 31 March 2023	(2,057,560)	7,114,229	5,056,669
At 31 March 2022	(1,059,080)	7,229,008	6,169,928

#### Movements in fixed asset investments

Company	Shares in subsidiaries and associates £	Other investments £	Total £
<b>Cost or valuation</b>			
At 1 April 2022	480,938	7,229,008	7,709,946
Additions	1	1,406,012	1,406,013
Disposals	(100)	(1,230,059)	(1,230,159)
At 31 March 2023	480,839	7,404,961	7,885,800
<b>Impairment</b>			
At 1 April 2022	-	-	-
Impairment losses	-	290,732	290,732
At 31 March 2023	-	290,732	290,732
<b>Carrying amount</b>			
At 31 March 2023	480,839	7,114,229	7,595,068
At 31 March 2022	480,938	7,229,008	7,709,946

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 15 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
A R & V Developments Limited	68 Grafton Way, London W1T 5DS	Ordinary	100.00	-
A R & V Properties Limited	As above	Ordinary	100.00	-
A R & V Properties (No 2) Limited	As above	Ordinary	-	100.00
Carter House Properties Limited	As above	Ordinary	100.00	-
Demoguide Limited	As above	Ordinary	-	100.00
Earlyfind Limited	As above	Ordinary	100.00	-
Epicview Limited	As above	Ordinary	100.00	-
Falconwood Limited	As above	Ordinary	100.00	-
Frogna Ground Rents Limited	As above	Ordinary	-	100.00
Hillybilly Limited	As above	Ordinary	100.00	-
Limeband Limited	As above	Ordinary	100.00	-
Oakstore Limited	As above	Ordinary	100.00	-
Outerline Limited	As above	Ordinary	100.00	-
Oakstore Birmingham Limited	As above	Ordinary	100.00	-
Tramperty Limited	As above	Ordinary	100.00	-
UK Property Sellers Limited	As above	Ordinary	-	100.00
The James (Liverpool) Limited	As above	Ordinary	-	100.00
Oakstore Long Term Limited	As above	Ordinary	-	100.00
Oakstore Short Term Limited	As above	Ordinary	-	100.00
The James (Manchester) Limited	As above	Ordinary	-	100.00

### 16 Associates

Details of associates at 31 March 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
Dewbrook Properties Limited	22 Chancery Lane, London WC2A 1LS	Ordinary	50	-
Circle Property Limited	287 Regents Park Road, London N3 3JY	Ordinary	50	-
Hilby Limited	As above	Ordinary	50	-
Holloway Birmingham Limited	As above	Ordinary	50	-
Islandpost Limited	As above	Ordinary	-	50
Merchant City Limited	As above	Ordinary	50	-
Newark Property Development Limited	As above	Ordinary	-	50
Nisacrown Limited	As above	Ordinary	50	-
Pathfinder Recovery 1 Limited	As above	Ordinary	50	-
Plainrise Limited	As above	Ordinary	50	-
Master Paintings Limited	As above	Ordinary	-	50
Finchley Road Properties Limited	As above	Ordinary	-	50
Posthandle Limited	Lynton House, 7-12 Tavistock Square, London WC1H 9BQ	Ordinary	25	-
GHL (Eagle Wharf Road) Limited	28 Manchester Square, London W1U 7LF	Ordinary	20	-
Apian House Properties Limited	3rd Floor, Sterling House, Langston Road, Loughton, Essex IG10 3TS	Ordinary	25	-

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 17 Stocks

	Group 2023 £	2022 £	Company 2023 £	2022 £
Properties for resale	56,206,985	44,330,632	13,777,120	12,215,670

### 18 Debtors

	Group 2023 £	2022 £	Company 2023 £	2022 £
<b>Amounts falling due within one year:</b>				
Trade debtors	355,606	649,979	222,774	250,480
Corporation tax recoverable	168,596	-	-	68,161
Amounts owed by group undertakings	-	-	21,144,063	16,423,924
Amounts owed by undertakings in which the company has a participating interest	12,736,591	14,011,156	12,736,591	14,011,156
Other debtors	15,808,720	16,944,161	13,900,627	16,875,603
Prepayments and accrued income	594,965	895,655	332,968	555,161
	29,664,478	32,500,951	48,337,023	48,184,485

### 19 Creditors: amounts falling due within one year

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans and overdrafts	21	4,579,260	10,055,016	4,188,603	4,310,906
Trade creditors		708,421	462,105	79,726	69,999
Amounts owed to group undertakings		-	-	1,555,517	1,656,456
Corporation tax payable		-	439,927	-	-
Other taxation and social security		223,988	81,558	141,544	7,473
Other creditors		28,238,544	24,045,052	13,637,357	13,842,514
Accruals and deferred income		873,211	727,027	315,987	346,553
		34,623,424	35,810,685	19,918,734	20,233,901

### 20 Creditors: amounts falling due after more than one year

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans and overdrafts	21	10,912,586	3,929,999	1,566,773	1,707,284

**NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)**  
***FOR THE YEAR ENDED 31 MARCH 2023***

(Continued)

Payable by instalments	906,772	1,085,292	-	-
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	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans	11,453,243	9,845,109	1,716,773	1,878,284
Bank overdrafts	4,038,603	4,139,906	4,038,603	4,139,906
	<u>15,491,846</u>	<u>13,985,015</u>	<u>5,755,376</u>	<u>6,018,190</u>
Payable within one year	4,579,260	10,055,016	4,188,603	4,310,906
Payable after one year	10,912,586	3,929,999	1,566,773	1,707,284

In addition, the company's bank loan is also secured fixed charges over certain properties owned personally by the directors and by an unlimited guarantee provided by Ovaline Limited, a subsidiary undertaking.

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	<b>Liabilities</b>	<b>Liabilities</b>
	<b>2023</b>	<b>2022</b>
<b>Group</b>	<b>£</b>	<b>£</b>
Investment property	2,535,393	1,945,761
	<u>2,535,393</u>	<u>1,945,761</u>
	<b>Liabilities</b>	<b>Liabilities</b>
	<b>2023</b>	<b>2022</b>
<b>Company</b>	<b>£</b>	<b>£</b>
Investment property	2,535,393	1,945,761

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 22 Deferred taxation

(Continued)

	Group 2023 £	Company 2023 £
<b>Movements in the year:</b>		
Liability at 1 April 2022	1,945,761	1,945,761
Credit to profit or loss	(18,863)	(18,863)
Effect of change in tax rate - profit or loss	608,495	608,495
Liability at 31 March 2023	<u>2,535,393</u>	<u>2,535,393</u>

### 23 Retirement benefit schemes

	2023 £	2022 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>9,905</u>	<u>2,724</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 24 Share capital

Group and company	2023 Number	2022 Number	2023 £	2022 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>



## **A R & V INVESTMENTS LIMITED AND SUBSIDIARIES**

### **NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2023**

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#### **25 Related party transactions**

Included in other creditors are amounts totalling £5,092,602 (2022: £5,000,007) due to Central Estates Limited, one of the company's shareholders in which Edward Azouz and Jeffrey Azouz are directors and shareholders. During the year the company paid rent of £30,000 (2022: £30,000) to Central Estates Limited.

Included in creditors are amounts totalling £4,266,957 (2022: £4,589,601) due to the directors, Edward Azouz and Jeffrey Azouz. The amounts are interest free and are repayable on demand.

Also included in creditors are amounts totalling £1,000,000 (2022: £2,000,000) due to the directors, Joshua Azouz, Aron Azouz, Limor Azouz and Theodore Azouz. The loans are repayable on demand. During the year the company incurred interest of £80,883 (2022: £100,000) in respect of the loan.

The directors, Edward Azouz and Jeffrey Azouz have charged certain properties owned personally by them to one of the company's bankers to secure certain of the company's borrowings.

Included in debtors are the following amounts due from participating interests:

Apian House Properties Limited £370,008 (2022: £399,430)

GHL (Eagle Wharf Road) Limited £1,195,322 (2022: £1,595,322)

Circle Property Limited £468,555 (2022: £468,555)

Hilby Limited £1,892,655 (2022: £1,788,222)

Islandpost Limited £2,756,174 (2022: £2,756,174)

Merchant City Limited £2,163,884 (2022: £3,108,362)

Posthandle Limited £2,905,629 (2022: £1,969,222)

Timber SPV Limited £984,364 (2022: £1,925,869)

Included in creditors are the following amounts due to participating interests:

Newark Property Development Limited £428,218 (2022: £428,217)

Edward Azouz is a director of Circle Property Limited, Hilby Limited, Islandpost Limited, Merchant City Limited, Pathfinder Recovery 1 Limited, Posthandle Limited, GHL (Eagle Wharf Road) Limited, Apian House Properties Limited, Newark Property Development Limited and Newark Property Development Limited.

Jeffrey Azouz is a director of Circle Property Ltd, Islandpost Limited, Pathfinder Recovery 1 Limited and GHL (Eagle Wharf Road) Limited.

Aron Azouz is a director of Posthandle Limited and Timber SPV Limited.

Also during the year, the company received interest £12,322 (2022: £8,024) and joint venture income £53,612 (2022: £10,226) from Supermare LLP. The company together with Edward Azouz and Jeffrey Azouz are designated members of Supermare LLP.

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 26 Financial commitments, guarantees and contingent liabilities

##### Group

The group is a party to joint and several guarantees limited to £600,000 (2022: £600,000) to secure the bank borrowings of Westgate House Developments Limited, a joint venture company. The maximum potential liability as at 31 March 2023 was £600,000 (2022: £600,000).

##### Company

The company is a party to joint and several guarantees limited to £2,780,336 (2022: £1,140,000) to secure the bank borrowings of Oakstore Limited (a subsidiary company) and Westgate House Developments Limited. The maximum potential liabilities as at 31 March 2023 were:

Oakstore Limited £2,180,336 (2022: £540,000)

Westgate House Developments Limited £600,000 (2022: £600,000)

#### 27 Cash absorbed by group operations

	2023 £	2022 £
(Loss)/profit for the year after tax	(1,109,973)	1,658,122
<b>Adjustments for:</b>		
Share of results of associates and joint ventures	998,480	(37,334)
Taxation charged	580,733	194,879
Finance costs	1,097,248	790,507
Investment income	(2,014,727)	(87,297)
Gain on disposal of investment property	(54,388)	(198,625)
Amortisation and impairment of intangible assets	-	400,226
Loss/(gain) on sale of investments	347,207	(298,292)
Other gains and losses	290,732	(1,350,346)
<b>Movements in working capital:</b>		
Increase in stocks	(11,876,353)	(5,062,293)
Decrease/(increase) in debtors	3,005,069	(1,903,646)
Increase/(decrease) in creditors	4,728,422	(6,268)
<b>Cash absorbed by operations</b>	<u>(4,007,550)</u>	<u>(5,900,367)</u>

# A R & V INVESTMENTS LIMITED AND SUBSIDIARIES

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 28 Analysis of changes in net debt - group

	1 April 2022	Cash flows	31 March 2023
	£	£	£
Cash at bank and in hand	8,888,053	(2,401,636)	6,486,417
Bank overdrafts	(4,139,906)	101,303	(4,038,603)
	<u>4,748,147</u>	<u>(2,300,333)</u>	<u>2,447,814</u>
Borrowings excluding overdrafts	(9,845,109)	(1,608,134)	(11,453,243)
	<u>(5,096,962)</u>	<u>(3,908,467)</u>	<u>(9,005,429)</u>