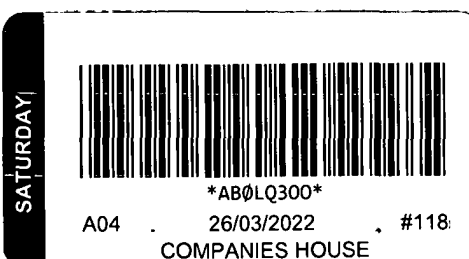


Registered number: 00443554

HARTLEY PROPERTY TRUST LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021



HARTLEY PROPERTY TRUST LIMITED

COMPANY INFORMATION

Directors	A J Lewis I.M.Directors Limited
Company secretary	Grosvenor Secretaries Limited
Registered number	00443554
Registered office	Cumberland House Greenside Lane Bradford West Yorkshire BD8 9TF
Accountants	Crowe U.K. LLP 3rd floor The Lexicon Mount Street Manchester M2 5NT

HARTLEY PROPERTY TRUST LIMITED

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HARTLEY PROPERTY TRUST LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The directors present their report and the financial statements for the year ended 31 March 2021.

Directors

The directors who served during the year were:

A J Lewis
I.M.Directors Limited

Small companies exemption

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 on 14 March 2022 and signed on its behalf.



I.M.Directors Limited
A J Lewis Director

HARTLEY PROPERTY TRUST LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Turnover		529,437	547,786
Cost of sales		(41,043)	(120,501)
Gross profit		488,394	427,285
Administrative expenses		(62,565)	(20,650)
Exceptional administrative expenses		-	71,514
Operating profit		425,829	478,149
Interest receivable and similar income		293	1,274
Interest payable and similar expenses		-	(27)
Profit before tax		426,122	479,396
Profit for the financial year		426,122	479,396

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021 (2020: £NIL).

The notes on pages 5 to 13 form part of these financial statements.

HARTLEY PROPERTY TRUST LIMITED
REGISTERED NUMBER: 00443554

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	5	33,409	33,409
Investment property	6	17,720,855	17,714,838
		<u>17,754,264</u>	<u>17,748,247</u>
Current assets			
Debtors	7	8,617,335	8,317,636
Cash at bank and in hand	8	23,558	288,842
		<u>8,640,893</u>	<u>8,606,478</u>
Creditors: amounts falling due within one year	9	(4,596,755)	(4,982,445)
Net current assets		<u>4,044,138</u>	<u>3,624,033</u>
Total assets less current liabilities		<u>21,798,402</u>	<u>21,372,280</u>
Net assets		<u><u>21,798,402</u></u>	<u><u>21,372,280</u></u>
Capital and reserves			
Called up share capital		345,000	345,000
Share premium account	10	20,000	20,000
Revaluation reserve	10	12,409,031	12,409,031
Profit and loss account	10	9,024,371	8,598,249
		<u>21,798,402</u>	<u>21,372,280</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 the 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 and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

14 March 2022

I.M. Directors Limited

HARTLEY PROPERTY TRUST LIMITED
REGISTERED NUMBER: 00443554

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

A J Lewis Director

The notes on pages 5 to 13 form part of these financial statements.

HARTLEY PROPERTY TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. General information

The company is a company limited by shares, registered in England and Wales (Registered no. 00443554)

The registered office address is;
Cumberland House
Greenside Lane
Bradford
BD8 9TF

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006:

The following principal accounting policies have been applied:

2.2 Going concern

At the time of approval of the financial statements, the COVID-19 situation continues to develop. It was designated a global pandemic by the World Health Organisation and the government has requested that non-essential business travel does not take place and social distancing should continue.

The company operates as a property investment company within a diverse Group, elements of which have experienced a slowing of activity. However there has been no impact upon the Company itself, the administration and finance functions are outsourced to third party providers and these services have continued.

The director has reviewed the forecasts and likely financing requirements for the foreseeable future, extending 12 months from the approval of these financial statements. Taking account of the predicted timing of cash flows and the availability of financial support if required from both related undertakings and the Group headed by Hartley Investment Trust Limited, the director has prepared the financial statements on the going concern basis.

HARTLEY PROPERTY TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)**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, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Rental income is recognised in the period for which it is receivable.

All turnover is exclusive of value added tax and trade discounts (where applicable).

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.6 Finance costs

Finance costs are charged to profit or loss 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.

2.7 Pensions**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

HARTLEY PROPERTY TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)**2.8 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.9 Investment properties

Investment property is carried at fair value determined annually by the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

2.10 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 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.

2.14 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of

HARTLEY PROPERTY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.15 Financial instruments (continued)

financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2020 - 2).

4. Exceptional items

	2021 £	2020 £
(Reversal)/provision for non recovery of amounts owed by Group undertakings	-	(71,514)

HARTLEY PROPERTY TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2020	256,658
At 31 March 2021	<u>256,658</u>
Impairment	
At 1 April 2020	223,249
At 31 March 2021	<u>223,249</u>
Net book value	
At 31 March 2021	<u><u>33,409</u></u>
At 31 March 2020	<u><u>33,409</u></u>

HARTLEY PROPERTY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

6. Investment property

	Freehold investment property £
Valuation	
At 1 April 2020	17,714,838
Additions at cost	6,017
At 31 March 2021	17,720,855

The 2021 valuations were made by the director, on an open market value for existing use basis.

At 31 March 2021

If the investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2021 £	2020 £
Historic cost	5,810,740	5,804,723
Accumulated depreciation and impairments	(406,825)	(406,825)
	5,403,915	5,397,898

HARTLEY PROPERTY TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7. Debtors

	2021 £	2020 £
Due after more than one year		
Other debtors - accrued income	240,404	259,199
Due within one year		
Trade debtors	529,303	336,614
Amounts owed by group undertakings	2,412,713	2,353,512
Amounts owed by related undertakings (note 11)	5,337,551	5,337,551
Other debtors	97,364	30,760
	<u>8,617,335</u>	<u>8,317,636</u>

Amounts owed by group and related undertakings have no formal repayment terms and are therefore classified as due within one year.

8. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<u>23,558</u>	<u>288,842</u>

9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	(17,378)	16,936
Amounts owed to group undertakings	745,995	1,081,941
Amounts owed to related undertakings (note 11)	3,766,090	3,766,090
Other taxation and social security	-	1,720
Other creditors	3	6,309
Accruals and deferred income	102,045	109,449
	<u>4,596,755</u>	<u>4,982,445</u>

Amounts owed to group and related undertakings have no formal repayment terms and are therefore classified as due within one year.

HARTLEY PROPERTY TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

10. Reserves**Share premium account**

The share premium account represents the premium on previous share issues and is not distributable.

Investment property revaluation reserve

The revaluation reserve represents the accumulated unrealised surplus on revaluation of investment properties and is not distributable.

Profit and loss account

The profit and loss account is the cumulative retained earnings of the company and is distributable.

11. Related party transactions

FRS 102, Section 33, requires disclosures necessary to draw attention to the possibility that its financial position and profit or loss have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

FRS102 does not require disclosure of transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Amounts owed by related parties (note 7)

Amounts due from related undertakings below represent loans to Spanish registered companies under the control of Mr A J Lewis, the beneficial owner of the entire issued share capital of the ultimate parent undertaking, Hartley Investment Trust Limited.

The loans were for the purchase of commercial property in Marbella, Ronda and development land near Marbella and have no fixed repayment terms. The company is entitled to £100,000 share of the profits on the sale of the commercial property in lieu of interest and properties cannot be sold or charged without the lending company's authorisation.

Amounts owed to related parties (note 9)

Amounts due to related undertakings represented amounts due to Campion Limited group of companies as follows;

Beachminster Limited £1,516,089 (2020: £1,516,089)

SRT (Walsall) Limited £2,250,000 (2020: £2,250,000)

These companies are controlled by A J Lewis. The loans are interest free and have no fixed repayment terms. The company has received assurances that repayment of these loans will not be demanded for the foreseeable future.

HARTLEY PROPERTY TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Controlling party

Hartley Investment Trust Limited, registered in England, is the ultimate parent of Hartley Property Trust Limited. It is also the parent undertaking of the only group of undertakings for which group financial statements are drawn up and of which Hartley Property Trust Limited is a member.

The financial statements of Hartley Investment Trust Limited are available from the Registrar of Companies, Crown Way, Cardiff CF14 3UZ.