
DEFTBRENT LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 NOVEMBER 2022

DEFTBRENT LIMITED

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DEFTBRENT LIMITED
REGISTERED NUMBER: 01857392

BALANCE SHEET
AS AT 30 NOVEMBER 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Investment property	4		15,300,000		13,000,000
			<u>15,300,000</u>		<u>13,000,000</u>
Current assets					
Debtors: amounts falling due within one year	5	82,982		136,738	
Cash at bank and in hand	6	232,996		1,059,531	
		<u>315,978</u>		<u>1,196,269</u>	
Creditors: amounts falling due within one year	7	(2,654,378)		(2,903,280)	
Net current liabilities			<u>(2,338,400)</u>		<u>(1,707,011)</u>
Total assets less current liabilities			<u>12,961,600</u>		<u>11,292,989</u>
Provisions for liabilities					
Deferred tax	8	(2,843,481)		(2,432,001)	
			<u>(2,843,481)</u>		<u>(2,432,001)</u>
Net assets			<u><u>10,118,119</u></u>		<u><u>8,860,988</u></u>
Capital and reserves					
Called up share capital			96		96
Investment property reserve	9		5,005,093		4,536,469
Profit and loss account	9		5,112,930		4,324,423
			<u><u>10,118,119</u></u>		<u><u>8,860,988</u></u>

DEFTBRENT LIMITED
REGISTERED NUMBER: 01857392

BALANCE SHEET (CONTINUED)
AS AT 30 NOVEMBER 2022

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11 August 2023.

D G Matthey
Director

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

1. General information

Deftbrent Limited is a private company, limited by shares and incorporated in England and Wales, United Kingdom, with a registration number 01857392. The address of the registered office is Lawrence House, Goodwyn Avenue, Mill Hill, London, NW7 3RH. The principal activity of the company is that of property investment.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The financial statements are presented in pounds sterling which is the functional currency of the company and rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue represents rental and ancillary income due from properties for the period.

2.3 Investment property

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.

Sums received for lease extensions have been deducted from the original cost where the company owns the relevant freehold reversions until the original cost is extinguished. Sums received for subsequent lease extensions are taken directly to profit and loss account.

2.4 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.

2.5 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The Company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the Company's Balance sheet when the Company becomes party to the contractual provisions of the instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

2. Accounting policies (continued)

2.5 Financial instruments (continued)

Financial assets and liabilities are offset, with 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 trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

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 Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.5 Financial instruments (continued)

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

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.6 Interest income

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

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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.

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 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. Employees

The average monthly number of employees, including directors, during the year was 4 (2021 - 4).

DEFTBRENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022

4. Investment property

	Freehold investment property £
Valuation	
At 1 December 2021	13,000,000
Additions at cost	1,499,827
Disposals	(650,333)
Surplus on revaluation	1,450,506
At 30 November 2022	15,300,000

The 2022 valuations were made by the directors, on an open market value for existing use basis.

5. Debtors

	2022 £	2021 £
Trade debtors	52,200	52,200
Other debtors	30,782	84,538
	82,982	136,738

6. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	232,996	1,059,531
	232,996	1,059,531

DEFTBRENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022

7. Creditors: Amounts falling due within one year

	2022 £	2021 £
Amounts owed to group undertakings	2,599,500	2,899,500
Corporation tax	51,098	-
Accruals and deferred income	3,780	3,780
	<u>2,654,378</u>	<u>2,903,280</u>

8. Deferred taxation

	2022 £	2021 £
At beginning of year	(2,432,001)	(1,340,614)
Charged to profit or loss	(411,480)	(1,091,387)
At end of year	<u>(2,843,481)</u>	<u>(2,432,001)</u>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Fair value movements	(2,843,481)	(2,432,001)
	<u>(2,843,481)</u>	<u>(2,432,001)</u>

9. Reserves

Investment property revaluation reserve

The investment property revaluation reserve represents cumulative effects of fair value adjustments on investment properties net of deferred tax and other adjustments.

Profit & loss account

The profit and loss account represents cumulative distributable profits and losses net of dividends and other adjustments.

DEFTBRENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022

10. Related party transactions

During the year the following transactions occurred:

	Loans due (to)/from at 30/11/2022 £	<i>Loans due (to)/from at 30/11/2021 £</i>
Entities with control, joint control or significant influence over the entity	<u>(2,599,500)</u>	<u>(2,899,500)</u>

11. Controlling party

The immediate parent company is DCT Enterprises Limited, a company incorporated in England and Wales.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.