

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

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NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

COMPANY INFORMATION

| | |
|--------------------------|---|
| Directors | Mr R A H Townley Mr N Frankel-Pollen |
| Company secretary | Ms A M Casson-Jones |
| Registered number | 02843695 |
| Registered office | 16 Great Queen Street Covent Garden London WC2B 5AH |
| Accountants | Blick Rothenberg Limited Chartered Accountants 16 Great Queen Street Covent Garden London WC2B 5AH |

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED**BALANCE SHEET****AS AT 30 SEPTEMBER 2020**

| | Note | 2020 £ | 2019 £ |
|---|-------------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 5 | 1,277 | 16,398 |
| Investment property | 6 | 11,136,451 | 10,310,617 |
| | | <u>11,137,728</u> | <u>10,327,015</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 7 | 150,774 | 178,719 |
| Bank current accounts | | 144,814 | 76,285 |
| | | <u>295,588</u> | <u>255,004</u> |
| Creditors: amounts falling due within one year | 8 | (330,205) | (155,117) |
| Net current (liabilities)/assets | | <u>(34,617)</u> | <u>99,887</u> |
| Total assets less current liabilities | | <u>11,103,111</u> | <u>10,426,902</u> |
| Creditors: amounts falling due after more than one year | 9 | (2,884,907) | (2,128,202) |
| Provisions for liabilities | | | |
| Deferred tax | 11 | (1,137,408) | (1,017,681) |
| | | <u>(1,137,408)</u> | <u>(1,017,681)</u> |
| Net assets | | <u><u>7,080,796</u></u> | <u><u>7,281,019</u></u> |
| Capital and reserves | | | |
| Called up share capital | 12 | 1,000 | 1,000 |
| Other reserves | | 6,120,356 | 6,240,083 |
| Profit and loss account | | 959,440 | 1,039,936 |
| Total equity | | <u><u>7,080,796</u></u> | <u><u>7,281,019</u></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 within Part 15 of the Companies Act 2006 and in accordance with Section 1A of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

**BALANCE SHEET (CONTINUED)
AS AT 30 SEPTEMBER 2020**

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 profit and loss account 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 15 February 2021.

Mr R A H Townley

Director

The notes on pages 4 to 10 form part of these financial statements.

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. General information

North Square properties (Loughborough) Limited is a private company limited by shares and registered in England and Wales. The Company's registered number is 02843695 and the Company's registered office is 16 Great Queen Street, Covent Garden, London, WC2B 5AH.

The financial statements are presented in Sterling (£).

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention 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

On 30 January 2020 the World Health Organisation declared Coronavirus (COVID-19) a public health emergency. Following the outbreak of COVID-19 the Company took advantage of some of the economic measures put in place by the UK Government and the Company adapted its operations and overhead base accordingly.

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

2.3 Rental income

Revenue comprises rental income, service charges and other recoveries from tenants of the Company's investment property, net of value added tax. Rental income is recognised on an accruals basis in the period in which it is earned, in accordance with the terms of the lease.

Lease incentives, where applicable, are recognised as an integral part of total rental income and are therefore accounted for as a reduction of rental income over the term of the lease.

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Profit and Loss Account in the same period as the related expenditure.

2.5 Interest income

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

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

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 Borrowing costs

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

2.8 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.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | | |
|-----------------------|---|-----|
| Fixtures and fittings | - | 20% |
| Computer equipment | - | 20% |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Investment property

Investment property is carried at fair value determined annually by external valuers 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 profit or loss.

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.11 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.

2.12 Share capital

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

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2019 - 4).

4. Taxation

| | 2020 £ | 2019 £ |
|---|----------------|------------------|
| Corporation tax | | |
| Current tax on profits for the year | - | 3,012 |
| Deferred tax | | |
| Origination and reversal of timing differences | 119,727 | (119,727) |
| Taxation on profit/(loss) on ordinary activities | 119,727 | (116,715) |

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

4. Taxation (continued)

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19% (2019 - 19%).

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

5. Tangible fixed assets

| | Fixtures and fittings £ | Computer equipment £ | Total £ |
|-------------------------------------|-------------------------------|----------------------------|------------|
| Cost or valuation | | | |
| At 1 October 2019 | 78,796 | 766 | 79,562 |
| Additions | - | 849 | 849 |
| | <hr/> | <hr/> | <hr/> |
| At 30 September 2020 | 78,796 | 1,615 | 80,411 |
| | <hr/> | <hr/> | <hr/> |
| Depreciation | | | |
| At 1 October 2019 | 63,036 | 128 | 63,164 |
| Charge for the year on owned assets | 15,760 | 210 | 15,970 |
| | <hr/> | <hr/> | <hr/> |
| At 30 September 2020 | 78,796 | 338 | 79,134 |
| | <hr/> | <hr/> | <hr/> |
| Net book value | | | |
| At 30 September 2020 | - | 1,277 | 1,277 |
| | <hr/> | <hr/> | <hr/> |
| At 30 September 2019 | 15,760 | 638 | 16,398 |
| | <hr/> | <hr/> | <hr/> |

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

6. Investment property

| | Freehold investment property £ |
|-----------------------------|---|
| Valuation | |
| At 1 October 2019 | 10,310,617 |
| Additions at cost | 825,834 |
| At 30 September 2020 | 11,136,451 |

The 2020 valuations were made by directors, on an open market value for existing use basis.

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

| | 2020 £ | 2019 £ |
|---------------|------------------|------------------|
| Historic cost | <u>3,864,405</u> | <u>3,038,572</u> |

7. Debtors

| | 2020 £ | 2019 £ |
|--------------------------------|----------------|----------------|
| Trade debtors | 54,613 | 36,000 |
| Other debtors | 24,291 | 45,711 |
| Prepayments and accrued income | 71,870 | 97,008 |
| | <u>150,774</u> | <u>178,719</u> |

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

8. Creditors: Amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------------|----------------|----------------|
| Bank loans | 74,716 | 46,488 |
| Trade creditors | 165,815 | 11,064 |
| Corporation tax | - | 3,012 |
| Other taxation and social security | 15,805 | 1,622 |
| Other creditors | 17,320 | 16,472 |
| Accruals and deferred income | 56,549 | 76,459 |
| | <u>330,205</u> | <u>155,117</u> |

9. Creditors: Amounts falling due after more than one year

| | 2020 £ | 2019 £ |
|------------|------------------|------------------|
| Bank loans | <u>2,884,907</u> | <u>2,128,202</u> |

10. Loans

Analysis of the maturity of loans is given below:

| | 2020 £ | 2019 £ |
|--|------------------|------------------|
| Amounts falling due within one year | | |
| Bank loans | 74,716 | 46,488 |
| Amounts falling due 2-5 years | | |
| Bank loans | 2,607,614 | 1,685,954 |
| Amounts falling due after more than 5 years | | |
| Bank loans | 277,293 | 442,248 |
| | <u>2,959,623</u> | <u>2,174,690</u> |

Bank loans of £2,959,623 (2019 - £2,174,690) are secured against the assets of the Company.

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

11. Deferred taxation

| | 2020 £ |
|---------------------------|---------------------------|
| At beginning of year | (1,017,681) |
| Charged to profit or loss | (119,727) |
| At end of year | <u>(1,137,408)</u> |

The provision for deferred taxation is made up as follows:

| | 2020 £ | 2019 £ |
|---|--------------------|--------------------|
| Deferred tax on fair value movements on investment property | <u>(1,137,408)</u> | <u>(1,017,681)</u> |

12. Share capital

| | 2020 £ | 2019 £ |
|--|--------------|--------------|
| Allotted, called up and fully paid | | |
| 1,000 (2019 - 1,000) Ordinary shares of £1.00 each | <u>1,000</u> | <u>1,000</u> |

13. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £1,094 (2019: £712). Contributions totalling £1,124 (2019: £276) were payable to the fund at the balance sheet date and are included in creditors.

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.