

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

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

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED FOR THE YEAR ENDED 30 SEPTEMBER 2021

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of North Square Properties (Loughborough) Limited for the year ended 30 September 2021 which comprise the Balance sheet and the related notes from the Company's accounting records and from information and explanations you have given to us.

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

It is your duty to ensure that North Square Properties (Loughborough) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the Company's assets, liabilities, financial position and loss. You consider that North Square Properties (Loughborough) Limited is exempt from the statutory audit requirement for the year.

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

Use of our report

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

Blick Rothenberg Limited

Chartered Accountants
16 Great Queen Street
Covent Garden
London
WC2B 5AH

10 March 2022

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED**BALANCE SHEET****AS AT 30 SEPTEMBER 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	5	1,688	1,277
Investments	6	383,266	-
Investment property	7	9,140,000	11,136,451
		<u>9,524,954</u>	<u>11,137,728</u>
Current assets			
Debtors: amounts falling due within one year	8	507,373	150,774
Cash at bank and in hand		62,808	144,814
		<u>570,181</u>	<u>295,588</u>
Creditors: amounts falling due within one year	9	(223,867)	(330,205)
Net current assets/(liabilities)		<u>346,314</u>	<u>(34,617)</u>
Total assets less current liabilities		<u>9,871,268</u>	<u>11,103,111</u>
Creditors: amounts falling due after more than one year	10	(3,745,504)	(2,884,907)
Provisions for liabilities			
Deferred tax	12	(747,434)	(1,137,408)
Net assets		<u><u>5,378,330</u></u>	<u><u>7,080,796</u></u>
Capital and reserves			
Called up share capital	13	1,000	1,000
Other reserves		4,457,837	6,120,356
Profit and loss account		919,493	959,440
Total equity		<u><u>5,378,330</u></u>	<u><u>7,080,796</u></u>

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2021

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.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. The profit and loss account and the directors' report have not been filed.

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

Mr R A H Townley
Director

Date: 9 March 2022

The notes on pages 5 to 14 form part of these financial statements.

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. General information

North Square properties (Loughborough) Limited is a private company limited by shares incorporated in England and Wales. Its 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

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.

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.

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

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.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.12 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.

2.13 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.

2.14 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.

2.15 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.

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.16 Current and deferred taxation

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

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

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

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

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

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

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

2.17 Financial instruments

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

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

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

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

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

Financial instruments (continued)

Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances and intercompany financing are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

Financial liabilities

Basic financial liabilities, including trade and other creditors and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

Impairment of financial assets

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

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

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

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

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

Financial instruments (continued)

Derecognition of financial assets and financial liabilities

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

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

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2020 - 3).

4. Taxation

	2021	2020
	£	£

Deferred tax

Origination and reversal of timing differences	<u>(389,974)</u>	<u>119,727</u>
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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% (2020 - 19%).

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

5. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation			
At 1 October 2020	78,796	1,615	80,411
Additions	-	850	850
At 30 September 2021	78,796	2,465	81,261
Depreciation			
At 1 October 2020	78,796	338	79,134
Charge for the year on owned assets	-	439	439
At 30 September 2021	78,796	777	79,573
Net book value			
At 30 September 2021	-	1,688	1,688
At 30 September 2020	-	1,277	1,277

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
Additions	383,266
At 30 September 2021	383,266

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

7. Investment property

	Freehold investment property £
Valuation	
At 1 October 2020	11,136,451
Additions at cost	56,042
Surplus on revaluation	(2,052,493)
	<u>9,140,000</u>
At 30 September 2021	<u>9,140,000</u>

The 2021 valuations were made by the 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:

	2021 £	2020 £
Historic cost	<u>3,920,447</u>	<u>3,864,405</u>

8. Debtors

	2021 £	2020 £
Trade debtors	10,770	54,613
Other debtors	422,179	24,291
Prepayments and accrued income	74,424	71,870
	<u>507,373</u>	<u>150,774</u>

9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	114,702	74,716
Trade creditors	71	165,815
Other taxation and social security	20,518	15,805
Other creditors	31,831	17,320
Accruals and deferred income	56,745	56,549
	<u>223,867</u>	<u>330,205</u>

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

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

	2021 £	2020 £
Bank loans	<u>3,745,504</u>	<u>2,884,907</u>

11. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	114,702	74,716
Amounts falling due 2-5 years		
Bank loans	2,967,556	2,607,614
Amounts falling due after more than 5 years		
Bank loans	777,948	277,293
	<u>3,860,206</u>	<u>2,959,623</u>

Bank loans of £3,860,206 (2020 - £2,959,623) are secured against the assets of the Company and the assets of the Company's subsidiary investment.

12. Deferred taxation

	2021 £
At beginning of year	(1,137,408)
Charged to profit or loss	389,974
At end of year	<u>(747,434)</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Deferred tax on fair value movements on investment property	<u>(747,434)</u>	<u>(1,137,408)</u>

NORTH SQUARE PROPERTIES (LOUGHBOROUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

13. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
1,000 (2020 - 1,000) Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

14. 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 £1,283 (2020 - £1,094). Contributions totalling £950 (2020 - £1,124) 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.