

Company Registration No. 03230922 (England and Wales)

PIER HOUSE (FREEHOLD) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
25 MARCH 2022

PAGES FOR FILING WITH REGISTRAR



PIER HOUSE (FREEHOLD) LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 25 MARCH 2022**

| | Notes | 2022 £ | £ | 2021 £ | £ |
|-------------------------------------------------------|-------|-------------------------|---|-------------------------|---|
| Fixed assets | | | | | |
| Tangible assets | 3 | 54,541 | | 65,423 | |
| Investment properties | 4 | 2,372,825 | | 2,643,428 | |
| | | <u>2,427,366</u> | | <u>2,708,851</u> | |
| Current assets | | | | | |
| Debtors | 5 | 482,599 | | 3,367 | |
| Cash at bank and in hand | | 473,879 | | 489,000 | |
| | | <u>956,478</u> | | <u>492,367</u> | |
| Creditors: amounts falling due within one year | 6 | <u>(129,057)</u> | | <u>(30,235)</u> | |
| Net current assets | | <u>827,421</u> | | <u>462,132</u> | |
| Total assets less current liabilities | | <u>3,254,787</u> | | <u>3,170,983</u> | |
| Provisions for liabilities | 8 | <u>(593,206)</u> | | <u>(502,251)</u> | |
| Net assets | | <u><u>2,661,581</u></u> | | <u><u>2,668,732</u></u> | |
| Capital and reserves | | | | | |
| Called up share capital | | 125 | | 125 | |
| Share premium account | | 111,267 | | 111,267 | |
| Fair value reserve | | 1,779,619 | | 2,141,177 | |
| Profit and loss reserves | | <u>770,570</u> | | <u>416,163</u> | |
| Total equity | | <u><u>2,661,581</u></u> | | <u><u>2,668,732</u></u> | |

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 25 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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.

PIER HOUSE (FREEHOLD) LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 25 MARCH 2022

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 4/4/2022 and are signed on its behalf by:



B White
Director

PIER HOUSE (FREEHOLD) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 25 MARCH 2022

| | Share capital £ | Share premium account £ | Fair value reserve £ | Profit and loss reserves £ | Total £ |
|-------------------------------------------------------|-----------------------|----------------------------------|----------------------------|-------------------------------------|------------|
| Balance at 26 March 2020 | 125 | 111,267 | 1,982,070 | 451,017 | 2,544,479 |
| Year ended 25 March 2021: | | | | | |
| Profit and total comprehensive income for the year | - | - | - | 124,253 | 124,253 |
| Transfers | - | - | 159,107 | (159,107) | - |
| Balance at 25 March 2021 | 125 | 111,267 | 2,141,177 | 416,163 | 2,668,732 |
| Year ended 25 March 2022: | | | | | |
| Loss and total comprehensive income for the year | - | - | - | (7,151) | (7,151) |
| Transfers | - | - | (361,558) | 361,558 | - |
| Balance at 25 March 2022 | 125 | 111,267 | 1,779,619 | 770,570 | 2,661,581 |

PIER HOUSE (FREEHOLD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 25 MARCH 2022

1 Accounting policies

Company information

Pier House (Freehold) Limited is a private company limited by shares, domiciled and incorporated in England and Wales. The registered office is One Bartholomew Close, London, United Kingdom, EC1A 7BL.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 investment properties held at fair value. The principal accounting policies adopted are set out below.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company 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.

Turnover

Turnover represents ground rents receivable.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Reception, fixtures, fittings and equipment 10 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Investment properties

Investment properties are initially measured at cost and subsequently measured at fair value. Changes in fair value are recognised in profit or loss. Finance costs are capitalised and included in the valuation.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

PIER HOUSE (FREEHOLD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 25 MARCH 2022

1 Accounting policies (Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Financial instruments

The company 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 when the company becomes party to the contractual provisions of the instrument.

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.

Financial assets are classified into specific categories. the classification depends on the nature and purpose of the financial asset and is determined at the time of recognition.

Basic financial assets

Basic financial assets, which include other debtors, 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets 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.

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 company 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 and equity

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.

PIER HOUSE (FREEHOLD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 25 MARCH 2022

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including other creditors 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of 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 company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the reporting date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the reporting date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the reporting date. Deferred tax is measured on a non-discounted basis.

For investment properties measured at fair value, deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

2 Employees

There were no employees in the current or comparative year.

PIER HOUSE (FREEHOLD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 MARCH 2022

3 Tangible fixed assets

| | Plant and machinery etc £ |
|------------------------------------|------------------------------------|
| Cost | |
| At 26 March 2021 and 25 March 2022 | 108,823 |
| Depreciation and impairment | |
| At 26 March 2021 | 43,400 |
| Depreciation charged in the year | 10,882 |
| At 25 March 2022 | 54,282 |
| Carrying amount | |
| At 25 March 2022 | 54,541 |
| At 25 March 2021 | 65,423 |

4 Investment property

| | 2022 £ |
|-------------------|-----------|
| Fair value | |
| At 26 March 2021 | 2,643,428 |
| Disposals | (418,905) |
| Revaluations | 148,302 |
| At 25 March 2022 | 2,372,825 |

The valuation of the investment property was made as at 25 March 2022 by the directors on a fair value basis. The directors have considered the impact of Covid-19 on the year end valuation and are satisfied that this remains appropriate. This assessment is based upon an assumption that a lessee would approach the company to extend their lease seeking to acquire a 90 year extension under the Leasehold Reform, Housing & Urban Development Act 1993. The figure represents the collective sum of the 11 (2021: 13) flats owned by the company.

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

| | 2022 £ | 2021 £ |
|--------------------------|-----------|-----------|
| Cost | - | - |
| Accumulated depreciation | - | - |
| Carrying amount | - | - |

PIER HOUSE (FREEHOLD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 25 MARCH 2022

5 Debtors

| | 2022 | 2021 |
|--------------------------------------|----------------|--------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Other debtors | 482,599 | 3,367 |
| | <u>482,599</u> | <u>3,367</u> |

6 Creditors: amounts falling due within one year

| | 2022 | 2021 |
|-----------------|----------------|---------------|
| | £ | £ |
| Trade creditors | 682 | - |
| Corporation tax | 75,549 | - |
| Other creditors | 52,826 | 30,235 |
| | <u>129,057</u> | <u>30,235</u> |

7 Provisions for liabilities

| | 2022 | 2021 |
|--------------------------|----------------|----------------|
| | £ | £ |
| Deferred tax liabilities | 593,206 | 502,251 |
| | <u>593,206</u> | <u>502,251</u> |

8 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

| | Liabilities 2022 | Liabilities 2021 |
|-----------------------------------------------|---------------------|---------------------|
| | £ | £ |
| Balances: | | |
| Investment property | 593,206 | 502,251 |
| | <u>593,206</u> | <u>502,251</u> |
| Movements in the year: | | 2022 £ |
| Liability at 26 March 2021 | | 502,251 |
| Credit to profit or loss | | (67,651) |
| Effect of change in tax rate - profit or loss | | 158,606 |
| | | <u>593,206</u> |
| Liability at 25 March 2022 | | <u>593,206</u> |

In the budget on 3 March 2021, the UK Government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021. Deferred tax has been calculated at 25% which was the tax rate substantively enacted at 25 March 2022.

PIER HOUSE (FREEHOLD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 25 MARCH 2022

9 Events after the reporting date

On 28 March 2022, the company issued 2 £1 Ordinary shares for a total consideration of £23,138. This consideration of £23,138 is included within other creditors at the reporting date.

10 Related party transactions

During the year the company charged ground rent totalling £120 (2021: £240) to Pier House (Cheyne Walk) Management Limited. During the year, expenses totalling £3,102 (2021: £3,360) were recharged to Pier House (Cheyne Walk) Management Limited. At 25 March 2022, the company was owed £3,102 by (2021: £3,360) Pier House (Cheyne Walk) Management Limited. No interest is charged on this balance.