



Company Registration No. 3385920 (England and Wales)

BENCHLEVEL DEVELOPMENTS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
PAGES FOR FILING WITH REGISTRAR



BENCHLEVEL DEVELOPMENTS LIMITED

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BENCHLEVEL DEVELOPMENTS LIMITED

STATEMENT OF FINANCIAL POSITION

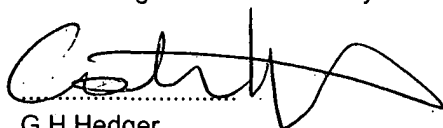
AS AT 31 DECEMBER 2019

	Notes	2019 £	2018 £
Fixed assets			
Investment properties	4	10,522,500	11,012,500
Investments	5	301	201
		<u>10,522,801</u>	<u>11,012,701</u>
Current assets			
Debtors	6	20,362,445	18,097,102
Cash at bank and in hand		91,192	111,614
		<u>20,453,637</u>	<u>18,208,716</u>
Creditors: amounts falling due within one year	7	<u>(24,925,197)</u>	<u>(17,239,086)</u>
Net current (liabilities)/assets		<u>(4,471,560)</u>	<u>969,630</u>
Total assets less current liabilities		<u>6,051,241</u>	<u>11,982,331</u>
Creditors: amounts falling due after more than one year	8	-	(5,000,000)
Provisions for liabilities		<u>(555,667)</u>	<u>(644,715)</u>
Net assets		<u><u>5,495,574</u></u>	<u><u>6,337,616</u></u>
Capital and reserves			
Called up share capital	10	2	2
Investment property revaluation reserve		3,757,974	4,536,806
Profit and loss reserves		<u>1,737,598</u>	<u>1,800,808</u>
Total equity		<u><u>5,495,574</u></u>	<u><u>6,337,616</u></u>

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

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 10/12/2020 and are signed on its behalf by:


G H Hedger
Director

Company Registration No. 3385920

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Benchlevel Developments Limited is a private company limited by shares and is incorporated and domiciled in England. The registered office address is 30 City Road, London, EC1Y 2AB.

1.1 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 at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Turnover

Turnover represents rent receivable from investment properties net of VAT. Rent receivable from tenants are measured at fair value. Rental income is recognised in the period to which it arises on an accrual basis and in accordance with the terms of the lease.

1.3 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the income statement.

The fair value model is determined by the directors with the benefit of professional 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.

1.4 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.5 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand.

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.6 Financial instruments

Financial instruments are recognised in the company's statement of financial position 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of 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 deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, 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. Financial liabilities classified as payable within one year are not amortised.

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

1.7 Equity instruments

Equity instruments issued by the company are recorded at the 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.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgement (apart from those involving estimates) has had the most significant effect on amounts recognised in the financial statements.

Investment properties

Investment properties are measured at fair value with any movement in valuation at the year-end being taken to profit or loss. The Directors have made key assumptions with the benefit of professional external valuers in the determination of the value of an investment property. The valuation was arrived at by reference to market evidence of transaction prices of similar properties in its location, together with a review of property rental yields.

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019 Number	2018 Number
Total	6	2

4 Investment property

	2019 £
Fair value	
At 1 January 2019	11,012,500
Additions	377,880
Revaluations	(867,880)
At 31 December 2019	10,522,500

No depreciation is provided in respect of these properties.

On a historical cost basis the investment properties would have been included at an original cost of £6,208,858 (2018 - £5,830,978).

5 Fixed asset investments

	2019 £	2018 £
Shares in group undertakings and participating interests	301	201

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2019	201
Additions	100
At 31 December 2019	301
Carrying amount	
At 31 December 2019	301
At 31 December 2018	201

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

6 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	4,754	3,061
Amounts owed by group undertakings	14,672,935	12,400,835
Other debtors	5,684,756	5,693,206
	<u>20,362,445</u>	<u>18,097,102</u>

7 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans	5,000,000	67,494
Amounts owed to group undertakings	19,677,453	16,903,575
Corporation tax	-	54,626
Other taxation and social security	25,580	26,138
Other creditors	222,164	187,253
	<u>24,925,197</u>	<u>17,239,086</u>

The bank loan is secured by fixed and floating charges over one of the investment properties held by the company and the investment properties of one of its subsidiary companies.

The bank loan is repayable on 29 August 2023 and is subject to "bank borrowing to value" and "interest cover" property covenants. During the year one of the secured properties was unoccupied whilst significant refurbishment works were being carried out. The works were completed, and property was re-let from December 2019. The directors expect the company to comfortably meet the interest cover covenant going forward.

However, a breach of property covenant entitles the bank to demand immediate repayment of the loan. The loan of £5m is therefore shown as repayable within 1 year at the balance sheet date. The bank had not requested early repayment of the loan as of the date when these financial statements were approved by the Board of Directors.

8 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	-	5,000,000

The bank loan is secured by fixed and floating charges over one of the investment properties held by the company and the investment properties of one of its subsidiary companies.

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

9 Provisions for liabilities

	2019	2018
	£	£
Deferred tax liabilities	555,667	644,715

10 Called up share capital

	2019	2018
	£	£
Ordinary share capital Issued and fully paid 2 Ordinary shares of £1 each	2	2

11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Paul Berlyn FGA.

The auditor was Arram Berlyn Gardner LLP.

12 Financial commitments, guarantees and contingent liabilities

The company has given a guarantee supported by a fixed and floating charge over some of its assets to secure the borrowings of its parent company Benchlevel Properties Limited. At the balance sheet date Benchlevel Properties Limited's indebtedness in respect of this guarantee was £34,475,000.

13 Related party transactions

Transactions with related parties

The company has taken advantage of the exemption available under section 1AC.35 of FRS 102 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

	Property development costs	
	2019	2018
	£	£
Other related parties	319,607	775,049

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

13 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	2019 Balance £
Amounts owed by related parties	
Other related parties	5,621,298
	<u>5,621,298</u>
	2018 Balance £
Amounts owed in previous period	
Other related parties	5,626,298
	<u>5,626,298</u>

14 Parent company

The ultimate parent company is Benchlevel Properties Limited and its registered office is 30 City Road, London, EC1Y 2AB.