

Unaudited Financial Statements for the Year Ended 31 December 2020

for

The Sanctum London Limited

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for the Year Ended 31 December 2020

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The Sanctum London Limited

Company Information
for the Year Ended 31 December 2020

DIRECTORS:

M N J Fuller
G S Molyneux

REGISTERED OFFICE:

20 Warwick Street
London
W1B 5NF

REGISTERED NUMBER:

03831880 (England and Wales)

Balance Sheet
31 December 2020

	Notes	31.12.20 £	£	31.12.19 £	£
FIXED ASSETS					
Intangible assets	4		-		-
Tangible assets	5		<u>4,938,465</u>		<u>5,369,314</u>
			4,938,465		5,369,314
CURRENT ASSETS					
Stocks	6	31,962		127,574	
Debtors	7	1,021,637		3,942,969	
Cash at bank	8	-		53	
		<u>1,053,599</u>		<u>4,070,596</u>	
CREDITORS					
Amounts falling due within one year	9	<u>2,558,127</u>		<u>5,922,133</u>	
NET CURRENT LIABILITIES			<u>(1,504,528)</u>		<u>(1,851,537)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,433,937		3,517,777
CREDITORS					
Amounts falling due after more than one year	10		<u>450,000</u>		<u>-</u>
NET ASSETS			<u>2,983,937</u>		<u>3,517,777</u>

Balance Sheet - continued
31 December 2020

	Notes	31.12.20 £	£	31.12.19 £	£
CAPITAL AND RESERVES					
Called up share capital		1,751,250		1,751,250	
Share premium		499,750		499,750	
Revaluation reserve	13	4,569,211		4,569,211	
Retained earnings		(3,836,274)		(3,302,434)	
SHAREHOLDERS' FUNDS		<u>2,983,937</u>		<u>3,517,777</u>	

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 6 September 2021 and were signed on its behalf by:

M N J Fuller - Director

Notes to the Financial Statements
for the Year Ended 31 December 2020

1. STATUTORY INFORMATION

The Sanctum London Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services rendered, stated net of discounts and of Value Added Tax.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the normal amount received is recognised as interest income.

Turnover represents net invoiced sales of goods, services and hotel accommodation, excluding value added tax.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences have been fully amortised evenly over their estimated useful life.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fine Art is carried at the revaluation model, it is carried at fair value at the date of valuation. The Fine Art is not depreciated.

Short Leasehold and Fixtures and Fittings were valued for the first time during the year ending 31 December 2019, whilst they were carried at cost less accumulated depreciation and impairment in previous periods. The use of a policy of revaluation provides more relevant and reliable information about the value of the assets. Depreciation will be provided after any impairment losses at the following rates in subsequent years:

Short leasehold	Over the term of the lease
Fixtures & fittings	10% per annum

Revaluations are performed by professional qualified valuers with sufficient regularity to ensure that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Any revaluation increase in the carrying amount of land and buildings is recognised in other comprehensive income and included in a revaluation reserve in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is credited to profit and loss to the extent of the decrease previously expended. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against revaluation reserve in equity; decreases exceeding the balance in revaluation reserve relating to an asset are recognised in profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset recognised in profit or loss and depreciation based on the asset's original cost is transferred from revaluation reserve to retained earnings.

Depreciation on Plant & Machinery (which are carried at historic cost less depreciation) is calculated to write off the cost of the asset over its estimated useful life as follows:

Plant & machinery	10% per annum
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Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and other third parties and investments in non-puttable ordinary shares.

Financial assets that are 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 profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a 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.

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

Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Leases are classified as finance leases when they transfer substantially all the risks and rewards of ownerships of the leased assets to the company. Other leases that do not transfer substantially all the risks and rewards of ownership of the leased assets to the company are classified as operating leases.

The company has entered into some hire purchase agreements for certain assets that include the option to purchase the items at the end of the lease term for a nominal amount, which is expected to be much lower than their fair value at that date. The hire purchase agreements have been classified as finance leases as it is reasonably certain that the option will be exercised.

Rights to use assets and corresponding obligations to lessors under finance leases are recognised in the statement of financial position as assets and liabilities at the lower of fair value of the assets and the present balance of the minimum lease payments, determined at the inception of the lease.

Lease payments are apportioned between finance charges and reduction of outstanding lease liabilities using the effective interest method, so as to produce a constant rate of interest on the remaining balance of the liabilities. Finance charges are recognised in profit or loss. Assets held under finance leases are included in property, plant and equipment and are depreciated and reviewed for impairment in the same way as assets owned outright. Payments received under operating leases are recognised as income over lease term on a straight-line basis.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases.

The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments.

Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life.

Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Going concern

The company depends on the continuing financial support of its parent, associated companies and a director of the parent company who has confirmed their financial support of the company and their ability to do so for the foreseeable future. For this reason the financial statements have been prepared on a going concern basis.

Debtors and creditors

Short term debtors, classified as receivable in one year, are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Short term creditors, classified as payable in one year, are measured at the transaction price. Other financial liabilities including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like goodwill and plant, property and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less cost to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

Inventories are also assessed for impairment at each reporting date. The carrying amount of each item of inventory, or group of similar items, is compared with its selling price less costs to complete and sell. If an item of inventory or group of similar items is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset or group of related assets is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset or group of related assets in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 30 (2019 - 47) .

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

4. **INTANGIBLE FIXED ASSETS**

	Other intangible assets £
COST	
At 1 January 2020 and 31 December 2020	<u>4,614</u>
AMORTISATION	
At 1 January 2020 and 31 December 2020	<u>4,614</u>
NET BOOK VALUE	
At 31 December 2020	<u>-</u>
At 31 December 2019	<u>-</u>

5. **TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
COST OR VALUATION			
At 1 January 2020	1,500,000	4,088,487	5,588,487
Additions	-	47,526	47,526
At 31 December 2020	<u>1,500,000</u>	<u>4,136,013</u>	<u>5,636,013</u>
DEPRECIATION			
At 1 January 2020	-	219,173	219,173
Charge for year	111,804	366,571	478,375
At 31 December 2020	<u>111,804</u>	<u>585,744</u>	<u>697,548</u>
NET BOOK VALUE			
At 31 December 2020	<u>1,388,196</u>	<u>3,550,269</u>	<u>4,938,465</u>
At 31 December 2019	<u>1,500,000</u>	<u>3,869,314</u>	<u>5,369,314</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

5. **TANGIBLE FIXED ASSETS - continued**

Cost or valuation at 31 December 2020 is represented by:

	Land and buildings £	Plant and machinery etc £	Totals £
Valuation in 2016	-	30,000	30,000
Valuation in 2019	1,182,246	2,813,013	3,995,259
Cost	<u>317,754</u>	<u>1,293,000</u>	<u>1,610,754</u>
	<u>1,500,000</u>	<u>4,136,013</u>	<u>5,636,013</u>

If fine artwork (included in P&M) had not been revalued it would have been included at the following historical cost:

	31.12.20 £	31.12.19 £
Cost	<u>65,000</u>	<u>65,000</u>

The fine artwork was valued on fair value basis on 14 November 2016 by Clare Auctions .

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

5. TANGIBLE FIXED ASSETS - continued

Fine artwork has not been revalued at the year ending 31 December 2020 as the directors do not consider the carrying value of the asset to differ materially from its fair value at the reporting date.

If fixtures and fittings (included in P&M etc) had not been revalued it would have been included at the following historical cost:

	31.12.19	31.12.18
	£	£
Cost	786,987	689,318
Aggregate depreciation	<u>519,069</u>	<u>465,401</u>

Fixtures and fittings were valued on fair value basis on 21 April 2020 by Davis Coffey Lyons. Fixtures and fittings have not been revalued at the year ending 31 December 2020 as the directors do not consider the carrying value of the assets to differ materially from its fair value at the reporting date.

If the short leasehold had not been revalued it would have been included at the following historical cost:

	31.12.19	31.12.18
	£	£
Cost	317,754	317,574
Aggregate depreciation	<u>121,263</u>	<u>108,553</u>

The short leasehold was valued on fair value basis on 21 April 2020 by Davis Coffey Lyons. The short leasehold has not been revalued at the year ending 31 December 2020 as the directors do not consider the carrying value of the asset to differ materially from its fair value at the reporting date.

The finance leases are now finished and the assets are now held under tangible assets as owned assets.

6. STOCKS

	31.12.20	31.12.19
	£	£
Stocks	<u>31,962</u>	<u>127,574</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Trade debtors	5,407	829,702
Amounts owed by group undertakings	472,131	1,846,050
Other debtors	544,099	1,267,217
	<u>1,021,637</u>	<u>3,942,969</u>

8. CASH AT BANK

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings under current liabilities.

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Bank loans and overdrafts	29	-
Finance leases (see note 11)	-	12,222
Trade creditors	2,107,536	3,693,392
Taxation and social security	213,182	231,544
Other creditors	237,380	1,984,975
	<u>2,558,127</u>	<u>5,922,133</u>

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.20	31.12.19
	£	£
Bank loans	50,000	-
Other creditors	400,000	-
	<u>450,000</u>	<u>-</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr	<u>25,000</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

11. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Finance leases	
	31.12.20	31.12.19
	£	£
Net obligations repayable:		
Within one year	<u>-</u>	<u>12,222</u>
	Non-cancellable	operating leases
	31.12.20	31.12.19
	£	£
Within one year	4,617	6,925
Between one and five years	<u>-</u>	<u>4,617</u>
	<u>4,617</u>	<u>11,542</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

12. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.20	31.12.19
	£	£
Aif 1 Ltd	-	63,524
Huddle Spv 4 Ltd	400,000	-
	<u>400,000</u>	<u>63,524</u>

Date	Name	Amount	Description
24/07/2020	Huddle SPV 4 Ltd	All monies due or to become due from the company.	Charge - contains fixed charge, contains floating charge. Floating charge covers all property or undertaking of the company. Contains negative pledges. Full details given charge code 038318800005.

The below charge to Aif1 Ltd was satisfied on the 4 August 2020.

Date	Name	Amount	Description
7/02/2019	Aif 1 Ltd	All monies due or to become due from the company.	Charge - Contains fixed charges, contains floating charge, floating charge covers all the property or undertaking of the company. Contains Negative pledge. Full details given charge code 038318800004.

The following securities are given by the company in respect of Sanctum On The Green Ltd (and are outstanding at the year end). The charges relating to Alfandari Private Equities Limited were satisfied on the 6 April 2020 and the charge relating to Soho Estates Ltd was satisfied on the 13 January 2021.

Alfandari Private Equities Ltd £NIL (2019: £NIL).

Date	Name	Amount	Description
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Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

06/10/2016	Alfandari Private Equities Limited	All monies due or to become due from the company.	Charge - The Sanctum London Ltd including fixed charge over present and future freehold and lease hold property. Fixed charge over, among other things, interest, future rights, licences, guarantees, rents, deposits, contracts, covenants relating to properties. All intellectual property. Full details given charge code 038318800003
15/09/2016	Alfandari Private Equities Limited	All monies due or to become due from the company.	Charge - The Sanctum London Ltd including fixed charge over present and future freehold and lease hold property. Fixed charge over, among other things, interest, future rights, licences, guarantees, rents, deposits, contracts, covenants relating to properties. All intellectual property. Full details given charge code 038318800002
18/08/2011	Soho Estates Limited	All monies due or to become due from the company.	Debenture - Fixed and floating charge over the undertaking and all property and assets including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant & machinery,

13. RESERVES

	Revaluation reserve £
At 1 January 2020 and 31 December 2020	<u>4,569,211</u>

14. RELATED PARTY DISCLOSURES

Concept Venues Ltd

The parent company.

The Sanctum London Ltd gave funding of £87,763 to Concept Venues Ltd in the year (2019: £1,753,357). At the balance sheet date Concept Venues Ltd owes the company £443,468 (2019: £235,705). The amount is classified as a current debtor and is repayable on demand, no interest is charged.

14. RELATED PARTY DISCLOSURES - continued

Sanctum On The Green Ltd

A fellow subsidiary.

During the year the company received net funding from The Sanctum London Ltd of £NIL (2019: £31,878) and Sanctum On The Green repaid £406,434 (2019: £NIL). At the balance sheet date the company owes The Sanctum London Ltd £2,400 (2019: £408,834). The amount is classified as a current debtor and is repayable on demand, no interest is charged.

Geales Restaurant Ltd

A fellow subsidiary.

During the year the The Sanctum London Ltd received net funding from the company of £NIL (2019: £89,111) and Geales Restaurant Ltd repaid £1,186,529 (2019: £NIL). At the balance sheet date the company owes The Sanctum London Ltd £14,982 (2019: £1,201,511). The amount is classified as a current debtor and is repayable on demand, no interest is charged.

Mole & Badger Ltd

A fellow subsidiary.

During the year the company made net funding of £11,281 (2019: £NIL) to Mole & Badger Ltd. At the balance sheet date the company owes Sanctum London Limited £11,281 (2019: £NIL). The amount is classified as a current debtor and is repayable on demand, no interest is charged.

A close relation of a director.

During the year The Sanctum London Limited repaid £NIL (2019: £NIL) of the loan. At the balance sheet date the company owes the close relation of the director £98,698 (2019: £98,698). The amount is classified as a current creditor and is repayable on demand, no interest is charged.

15. ULTIMATE CONTROLLING PARTY

The controlling party is Concept Venues Ltd (company No:03831969).

The Ultimate Controlling Parties are A J Taylor and M N J Fuller through their control of the parent company Concept Venues Ltd (a company registered in England & 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.