

**REGISTERED NUMBER: 04543616 (England and Wales)**

**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**FOR**

**PORTFOLIO ESTATES LIMITED**

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FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**STATEMENT OF FINANCIAL POSITION**  
**30 SEPTEMBER 2021**

	Notes	30.9.21 £	30.9.20 £
<b>FIXED ASSETS</b>			
Investment property	4	4,000,867	3,997,867
<b>CURRENT ASSETS</b>			
Debtors	5	418,010	508,618
Cash at bank		315,264	228,075
		<u>733,274</u>	<u>736,693</u>
<b>CREDITORS</b>			
Amounts falling due within one year	6	(228,560)	(343,025)
<b>NET CURRENT ASSETS</b>		<u>504,714</u>	<u>393,668</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,505,581	4,391,535
<b>CREDITORS</b>			
Amounts falling due after more than one year	7	(1,449,000)	(1,449,000)
<b>PROVISIONS FOR LIABILITIES</b>		<u>(193,593)</u>	<u>(193,593)</u>
<b>NET ASSETS</b>		<u>2,862,988</u>	<u>2,748,942</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		100	100
Non-distributable reserve		1,162,013	1,162,013
Retained earnings		1,700,875	1,586,829
		<u>2,862,988</u>	<u>2,748,942</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2021 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- 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.

**STATEMENT OF FINANCIAL POSITION - continued**  
**30 SEPTEMBER 2021**

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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 director and authorised for issue on 22 June 2022 and were signed by:

A C Wheeldon - Director

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

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**1. STATUTORY INFORMATION**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is c/o DPC, Stone House, Stone Road Business Park, Stoke on Trent, Staffordshire, ST4 6SR.

The principal activity of the company during the year was that of a property investment company.

**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.

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Significant judgements and estimates**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Valuation of Investments**

As described in the notes to the financial statements, the investment property is stated at fair value as determined by the directors as at 30 September 2021.

**Revenue recognition**

The company is primarily a property investment company and also trades in the sale of properties. Rental income is recognised in the relevant rental period. Properties sales are recognised at sale price on exchange of contracts.

**Government grants**

Due to the Covid-19 pandemic, the company has claimed a government backed grant issued by the local authority. The grant is recognised as other income in the month in which it was received.

**Investment property**

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**2. ACCOUNTING POLICIES - continued**

**Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

**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 statement of financial position date.

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

## 2. ACCOUNTING POLICIES - continued

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

## 3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 1 (2020 - 1) .

## 4. INVESTMENT PROPERTY

	Total £
<b>FAIR VALUE</b>	
At 1 October 2020	3,997,867
Additions	3,000
At 30 September 2021	<u>4,000,867</u>
<b>NET BOOK VALUE</b>	
At 30 September 2021	<u>4,000,867</u>
At 30 September 2020	<u>3,997,867</u>

The director has reviewed the valuations and amended them in line with his opinion of fair value at September 2021.

Fair value at 30 September 2021 is represented by:

	£
Valuation in 2018	649,666
Valuation in 2017	195,360
Valuation in 2016	58,573
Valuation in 2014	452,008
Cost	<u>2,645,260</u>
	<u>4,000,867</u>

## 5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.21 £	30.9.20 £
Amounts owed by connected companies	291,605	350,083
Other debtors	112,545	143,079
Deferred tax asset	<u>13,860</u>	<u>15,456</u>
	<u>418,010</u>	<u>508,618</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 20215. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

Amounts owed by connected companies are unsecured, interest free and repayable on demand.

6. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.9.21	30.9.20
	£	£
Trade creditors	6,648	6,228
Amounts owed by connected companies	1,000	101,685
Tax	85,861	82,307
VAT	7,193	13,067
Other creditors	74	75
Directors' loan accounts	35,000	44,921
Accruals and deferred income	92,784	94,742
	<u>228,560</u>	<u>343,025</u>

Amounts owed to connected companies are unsecured, interest free and repayable on demand.

7. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	30.9.21	30.9.20
	£	£
Bank loans - 2-5 years	<u>1,449,000</u>	<u>1,449,000</u>

The bank loans and overdraft are secured over the investment properties.

The loans are interest only and mature in June 2024. The interest rate on the loans are a 2.82% margin over LIBOR.

8. **GUARANTEES AND OTHER FINANCIAL COMMITMENTS**

The company is a guarantor of the bank loans outstanding in two connected companies; Earlsmead Estates Limited and Novodex Limited. The total amount guaranteed at the year end is £2,500,000 (2020: £2,750,000).

9. **EVENTS AFTER THE END OF THE REPORTING PERIOD**

There were no significant events up to the date of approval of the financial statements by the Board.



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.