

Cignia UK Properties Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 September 2019

J D Bregman & Co Limited
Chartered Accountants
First Floor
Spitalfields House
Stirling Way
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WD6 2FX

Cignia UK Properties Limited

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Cignia UK Properties Limited

Company Information

Directors	R Dangoor E Dangoor R Samra
Registered office	26 Cleveland Gardens London W2 6DE
Accountants	J D Bregman & Co Limited Chartered Accountants First Floor Spitalfields House Stirling Way Herts WD6 2FX

Cignia UK Properties Limited
(Registration number: 05410139)
Balance Sheet as at 30 September 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>3</u>	47,498	63,395
Investment property	<u>4</u>	18,092,224	14,003,461
		<u>18,139,722</u>	<u>14,066,856</u>
Current assets			
Debtors	<u>5</u>	3,407,851	2,205,247
Cash at bank and in hand		<u>2,000,437</u>	<u>6,087,529</u>
		5,408,288	8,292,776
Creditors: Amounts falling due within one year	<u>6</u>	<u>(5,759,029)</u>	<u>(5,145,814)</u>
Net current (liabilities)/assets		<u>(350,741)</u>	<u>3,146,962</u>
Total assets less current liabilities		17,788,981	17,213,818
Creditors: Amounts falling due after more than one year	<u>6</u>	<u>(6,309,290)</u>	<u>(6,402,000)</u>
Provisions for liabilities		<u>(1,518,368)</u>	<u>(1,518,368)</u>
Net assets		<u>9,961,323</u>	<u>9,293,450</u>
Capital and reserves			
Called up share capital	<u>7</u>	100	100
Other reserves		6,073,472	6,073,472
Profit and loss account		<u>3,887,751</u>	<u>3,219,878</u>
Total equity		<u>9,961,323</u>	<u>9,293,450</u>

For the financial year ending 30 September 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 4 to 9 form an integral part of these financial statements.
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Cignia UK Properties Limited
(Registration number: 05410139)
Balance Sheet as at 30 September 2019

Approved and authorised by the Board on 26 February 2020 and signed on its behalf by:

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R Samra
Director

The notes on pages 4 to 9 form an integral part of these financial statements.
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Cignia UK Properties Limited

Notes to the Financial Statements for the Year Ended 30 September 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

26 Cleveland Gardens
London
W2 6DE

These financial statements were authorised for issue by the Board on 26 February 2020.

2 Accounting policies

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of the company is considered to be pounds sterling.

Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

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

Judgements in respect of fair value of the investment properties has had the most significant effects on amounts recognized in the financial statements.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for rents receivable and sale of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when: The amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Cignia UK Properties Limited

Notes to the Financial Statements for the Year Ended 30 September 2019

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	25% on straight line basis

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

No depreciation is provided on investment properties.

Investment properties are recognised in the accounts on unconditional exchanged of contracts.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Cignia UK Properties Limited

Notes to the Financial Statements for the Year Ended 30 September 2019

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions

Deferred tax is provided on the difference between fair value and cost at the rate expected to apply when the property is sold. The difference between fair value and cost less attributable deferred tax is disclosed in the Fair Value Reserve.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Cignia UK Properties Limited

Notes to the Financial Statements for the Year Ended 30 September 2019

3 Tangible assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 October 2018	244,454	780	245,234
At 30 September 2019	244,454	780	245,234
Depreciation			
At 1 October 2018	181,643	-	181,643
Charge for the year	15,703	390	16,093
At 30 September 2019	197,346	390	197,736
Carrying amount			
At 30 September 2019	47,108	390	47,498
At 30 September 2018	62,810	585	63,395

4 Investment properties

	2019 £
At 1 October	14,003,461
Additions	4,088,763
At 30 September	18,092,224

Freehold properties were revalued by the directors at the year end 30 September 2019 at £18,092,224. The fair value of the properties is based on the market values for comparable properties adjusted if necessary for any difference in the nature, location or condition of the asset.

There are no restrictions on the realisability of investment property and remittance of income.

5 Debtors

	2019 £	2018 £
Trade debtors	12,165	10,400
Prepayments	25,190	15,939
Other debtors	3,370,496	2,178,908
	3,407,851	2,205,247

Cignia UK Properties Limited

Notes to the Financial Statements for the Year Ended 30 September 2019

6 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Bank loans and overdrafts	<u>8</u>	98,000	98,000
Trade creditors		3,735	12,240
Taxation and social security		195,576	73,870
Accruals and deferred income		57,170	237,003
Other creditors		<u>5,404,548</u>	<u>4,724,701</u>
		<u>5,759,029</u>	<u>5,145,814</u>

Creditors include bank loans and overdrafts which are secured of £98,000 (2017 - £98,000).

Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
Due after one year			
Loans and borrowings	<u>8</u>	<u>6,309,290</u>	<u>6,402,000</u>

Creditors include bank loans and overdrafts which are secured of £6,309,290 (2017 - £6,402,000).

7 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

8 Loans and borrowings

	2019 £	2018 £
Non-current loans and borrowings		
Bank borrowings	<u>6,309,290</u>	<u>6,402,000</u>

Cignia UK Properties Limited

Notes to the Financial Statements for the Year Ended 30 September 2019

	2019 £	2018 £
Current loans and borrowings		
Bank borrowings	98,000	98,000

Bank borrowings

Bank loans is denominated in pound sterling with a nominal interest rate of LIBOR+2%. The carrying amount at year end is £6,407,290 (2018 - £6,500,000). The loan of £6,010,000 is repayable in one sum in September 2023. The loan of £490,000 is repayable by sixty instalments by September 2023.

The bank loans are secured by legal mortgage over the investment properties.

Other borrowings

Other loans are denominated in pound sterling. The carrying amount at year end is £1,700,000 (2018 - £4,700,000).

The loan is repayable on demand and interest free.

9 Dividends

	2019 £	2018 £
Interim dividend of £1,500.00 (2018 - £900.00) per ordinary share	150,000	90,000

10 Related party transactions

Summary of transactions with other related parties

Included in creditors amounts falling due within one year is an amount of £1,700,000 (2018: £4,700,000) owed to a related company with common directors and shareholders.

Included in other debtors amounts falling due within one year is an amount totalling £3,359,794 (2018; £2,158,908) owed by related companies with common directors.

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.