

Financial Statements for the Year Ended 31 December 2020

for

Basetheme Limited

ASE Audit LLP
Statutory Auditors & Chartered Accountants
Rowan Court
Concord Business Park
Manchester
Greater Manchester
M22 0RR

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for the Year Ended 31 December 2020

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Basetheme Limited

Company Information
for the Year Ended 31 December 2020

DIRECTOR: R J Hughes

REGISTERED OFFICE: C/O White Dove Securities Ltd
Hadfield Road
Cardiff
South Glamorgan
CF11 8WD

REGISTERED NUMBER: 05607348 (England and Wales)

AUDITORS: ASE Audit LLP
Statutory Auditors & Chartered Accountants
Rowan Court
Concord Business Park
Manchester
Greater Manchester
M22 0RR

Statement of Financial Position
31 December 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	3	-	-
Investment property	4	1,522,457	1,522,457
		<u>1,522,457</u>	<u>1,522,457</u>
CURRENT ASSETS			
Debtors	5	6,978	7,546
Cash at bank		17,986	11,231
		<u>24,964</u>	<u>18,777</u>
CREDITORS			
Amounts falling due within one year	6	(519,467)	(520,094)
NET CURRENT LIABILITIES		<u>(494,503)</u>	<u>(501,317)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,027,954	1,021,140
CREDITORS			
Amounts falling due after more than one year	7	(807,450)	(816,150)
PROVISIONS FOR LIABILITIES		<u>(59,365)</u>	<u>(43,672)</u>
NET ASSETS		<u>161,139</u>	<u>161,318</u>
CAPITAL AND RESERVES			
Called up share capital	10	2	2
Fair value reserve		181,654	196,186
Retained earnings		(20,517)	(34,870)
SHAREHOLDERS' FUNDS		<u>161,139</u>	<u>161,318</u>

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 27.09.2021 and were signed by:



 R J Hughes - Director

The notes form part of these financial statements

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

1. STATUTORY INFORMATION

Basetheme Limited is a private company, limited by shares, registered in England and Wales. The company's registered number is included on the Statement of Financial Position and the registered office and principal place of business is Hadfield Road, Cardiff, CF11 8WD.

The presentation currency of the financial statements is Pound Sterling (£).

The principal activity of the company in the year under review was that of investment property rental.

2. ACCOUNTING POLICIES

Basis of preparation

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 preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies.

Going Concern

At the reporting date, the company had net current liabilities of £494,503 (2019: £501,317). Other creditors within current liabilities include £510,000 (2019: £510,000) payable to a related party. The director has received a letter of support from the related party confirming the amounts due will not be repayable unless the company is in a position to do so. Also, Covid-19 has caused, and will continue to cause, widespread economic disruption. The director has considered cash flow and facilities and is confident that the company will be able to meet its debts as they fall due for the period of 12 months after the approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the reporting 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 following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Investment properties

Investment property valuations are considered using market rental values capitalised at a market capitalisation rate, but there is an inevitable degree of judgment involved in that each property is unique and value can only ultimately be reliably tested in the market itself.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable.

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

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

Fixtures and fittings - 33% on cost

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the Income Statement.

Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from revaluation is recognised in the Income Statement.

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

2. ACCOUNTING POLICIES - continued

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 tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the reporting statement of financial position date.

Deferred tax

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

Financial instruments

The company only has basic financial instruments, which are recognised at amortised cost.

Finance costs

Finance costs are charged to the Income Statement over the term of the debt.

3. TANGIBLE FIXED ASSETS

	Fixtures and Fittings £
COST	
At 1 January 2020	
and 31 December 2020	22,575
DEPRECIATION	
At 1 January 2020	
and 31 December 2020	22,575
NET BOOK VALUE	
At 31 December 2020	-

4. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 January 2020	
and 31 December 2020	1,522,457
NET BOOK VALUE	
At 31 December 2020	1,522,457
At 31 December 2019	1,522,457

All investment property is pledged as security for the company loans and as part of an unlimited multilateral guarantee for the group HSBC overdraft.

The above properties were valued by Alder King LLP and P.K Solomon & Co as of 31 December 2012. The director believes that as of 31 December 2020 this valuation is still appropriate and there is no material changes in the value of the property.

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

4. INVESTMENT PROPERTY - continued

Fair value at 31 December 2020 is represented by:

Valuation in 2012	£ <u><u>1,522,457</u></u>
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If Investment property had not been revalued it would have been included at the following historical cost:

	2020 £	2019 £
Cost	<u><u>1,280,252</u></u>	<u><u>1,280,252</u></u>
5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2020 £	2019 £
Other debtors	<u><u>6,978</u></u>	<u><u>7,546</u></u>
6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2020 £	2019 £
Bank loan	8,700	8,700
Other creditors	<u><u>510,767</u></u>	<u><u>511,394</u></u>
	<u><u>519,467</u></u>	<u><u>520,094</u></u>
7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	2020 £	2019 £
Bank loan	23,925	32,625
Other creditors	<u><u>783,525</u></u>	<u><u>783,525</u></u>
	<u><u>807,450</u></u>	<u><u>816,150</u></u>
8. LEASING AGREEMENTS		

At the statement of financial position date the company had minimum lease income of £79,513 (2019: £46,017) due under non-cancellable operating leases.

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

9. SECURED DEBTS

The following secured debts are included within creditors:

	2020 £	2019 £
Bank loan	32,625	41,325
Other loans	783,525	783,525
	<u>816,150</u>	<u>824,850</u>

HSBC Bank Plc hold an unlimited multilateral guarantee over the assets of White Dove Motor Services Limited, White Dove Contracts Limited, White Dove Securities Limited and White Dove Garages Limited. This is used as security against the loan.

The bank loan bears interest at a rate of 2.75% over base rate and is due to be repaid by September 2024.

The other loans, with Paragon Mortgages, are interest only loans which bear interest at a rate of 2.5% above LIBOR and are due to be repaid by April 2022.

The bank loan and other loans are secured by a first legal charge over the investment property and fixed and floating charges over all assets.

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2020	2019
Number:	Class:	Nominal value:	£	£
200	Ordinary	£0.10	<u>2</u>	<u>2</u>

11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Beverley Richardson FCA (Senior Statutory Auditor)
for and on behalf of ASE Audit LLP

12. RELATED PARTY DISCLOSURES

White Dove Securities Limited

During the year under review the following transactions and balances subsisted in respect of the above named company:-

	2020 £	2019 £
Balances:		
Loan creditor	<u>510,000</u>	<u>510,000</u>

R J Hughes is a director of White Dove Securities Limited. The loan is interest free and is repayable on demand.