

Leena Plaza Limited

Directors' Report and Financial Statements

Year Ended

31 December 2020

Company Number 05799670



Leena Plaza Limited

Company Information

Directors	H L Jaffer H Suleman C Sunter S Jaffer M Raman
Company secretary	Frank Truman Limited
Registered number	05799670
Registered office	Kirkland House 11-15 Peterborough Road Harrow Middlesex HA1 2AX
Independent auditor	BDO LLP Citypoint 65 Haymarket Terrace Edinburgh EH12 5HD
Bankers	Lloyds TSB Bank 286 Station Road Harrow Middlesex HA1 2EB
Solicitors	CMS Cameron Mckenna LLP Mitre House 160 Aldersgate Street London EC1A 4DD

Leena Plaza Limited

Contents

	Page
Directors' Report	1
Directors' Responsibilities Statement	4
Independent Auditors' Report	5 - 8
Statement of Comprehensive Income	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12 - 18

Leena Plaza Limited

Directors' Report For the Year Ended 31 December 2020

The directors present their report together with the audited financial statements for the year ended 31 December 2020.

Principal activity

The principal activity of the company is that of an investment holding company.

Directors

The directors who served during the year were:

H L Jaffer
H Suleman
C Sunter
S Jaffer (appointed 22 May 2020)
M Raman (appointed 22 May 2020)

Principal risks and uncertainties

The director considers the principal risk facing the business to be as follows;

Covid 19

The company has considered the implications of COVID-19 in terms of its operational capability, demand for its services and structural finance.

The impact of COVID-19 was felt on the business for the months of April 2020 through to June 2020 and continue to be felt later in 2020. This is as a result of the performance of investee companies, on whom the entity depends to provide cash inflows to service the borrowings which it holds.

Comprehensive risk assessments covering all operational aspects of the business are in place with staff working in adherence to government recommendations. The company is compliant with all Government guidelines. Turnover has reduced within investee companies in the year to 2020 which will impact their profitability and ultimately their ability to remit a dividend to the company.

Forecasts for 2021 are prepared on the basis that dividend income will remain below normal levels last seen in the year to 2019. However, the group forecasts do reflect a prudent approach to trading levels to ensure that working capital requirements are not understated.

It is not possible to predict the extent of any impact from recession, depression or significant reemergence of COVID-19 so the business has considered this in stress testing below.

The group has completed a range of period forecasts including reverse stress testing to assess the impact on COVID-19 on the company's and wider group's liquidity and ability to continue as a going concern. The company performed a stress test based on the level of performance of investee companies only allowing 1/4 of the annual expected dividend to be paid. Under this scenario, an additional funding requirement arose.

Based upon the forecasting performed, the directors are confident that through the actions and strategies in place the business can emerge strongly, when circumstances allow.

Additional funding has been obtained from the company's bankers (through an overdraft extension) and through the use of the CBILS. The company also has the option of seeking funding within the wider group.

Based on the above, the directors are confident that the actions and strategies in place, results in the company being able to mitigate business threats as they arise. The directors consider that the COVID-19 unknowns do not at present represent a fundamental uncertainty to company's ability to continue as a going concern.

Leena Plaza Limited

Directors' Report (continued) For the Year Ended 31 December 2020

Going Concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued support of the ultimate controlling party, Leena Plaza Holdings Limited. In addition to this, the directors have sought additional bank funding support within the wider group, comprising an overdraft extension and a CBILS loan.

As detailed above, the directors have completed a thorough assessment of the impact of COVID-19, including scenario forecasting and stress testing. The directors have assessed that the actions and strategies available to them mitigate business threats under stress testing, however acknowledge there is significant uncertainty in trading in the London hotel sector.

The entity places significant reliance on the ultimate controlling party not recalling amounts owing to them and on certain shareholders of this entity to provide further funds at times when required, in addition to the uncertainty around potential impacts on the future operations and results of the company and its subsidiaries as a result of COVID-19.

Management and the directors have assessed the company's ability to be able to continue as a going concern and it is in their opinion that the ultimate controlling party will continue to support the company and are in receipt of a letter of support which reflects this. The company is also in receipt of one legally binding letters of support from shareholder from within the wider group which confirms their willingness to support this company with funding as and when required. In addition to the above, the company has received a two month extension to the loan repayment in October 2021 with a view to finalising the extension of these facilities through to October 2023.

The directors therefore consider the going concern basis of preparation to be appropriate.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Leena Plaza Limited

Directors' Report (continued) For the Year Ended 31 December 2020

Auditors

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 22 October 2021

and signed on its behalf.



H L Jaffer
Director

Leena Plaza Limited

Directors' Responsibilities Statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom accounting standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, to disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Leena Plaza Limited

Independent Auditors' Report to the Members of Leena Plaza Limited

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Leena Plaza Limited ("the company") for the year ended 31 December 2020 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Leena Plaza Limited

Independent Auditors' Report to the Members of Leena Plaza Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Leena Plaza Limited

Independent Auditors' Report to the Members of Leena Plaza Limited (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The procedures that we designed and executed included:

- > performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud. Areas of identified risk are then tested substantively;
- > reading minutes of meetings of those charged with governance; reviewing correspondence with regulatory bodies and from legal advisors to identify indications of non-compliance with laws and regulations;
- > determining whether the accounting policies and presentation adopted in the financial statements are in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice);
- > identifying whether there are instances of potential bias in areas with significant degrees of judgement such as carrying value of assets subject to impairment reviews
- > addressing the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in accounting estimates are indicative of a potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business;
- > vouching balances and reconciling items in key control account reconciliations to supporting documentation as at 31 December 2020; and
- > carrying out detailed testing, on a sample basis, of transactions and balances agreeing to appropriate documentary evidence to verify the completeness, existence and accuracy of the reported financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Leena Plaza Limited

Independent Auditors' Report to the Members of Leena Plaza Limited (continued)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Martin Gill

B6F16A8EF9FD4ED...

Martin Gill (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Edinburgh

United Kingdom

Date: 22 October 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Leena Plaza Limited

Statement of Comprehensive Income For the Year Ended 31 December 2020

	Note	2020 £	2019 £
Administrative expenses		(294,995)	(143,321)
Operating loss	4	(294,995)	(143,321)
Income from fixed assets investments	7	1,650,000	2,200,000
Interest receivable and similar income		68	507
Interest payable and other charges	8	(1,153,325)	(1,242,457)
Fair value movement on interest rate swap	13	513,207	590,207
Profit before tax		714,955	1,404,936
Tax on loss/profit		-	-
Profit for the financial year		714,955	1,404,936
Other comprehensive income for the year			
Total comprehensive income for the year		714,955	1,404,936

The notes on pages 12 to 18 form part of these financial statements.

Leena Plaza Limited
Registered number: 05799670

Balance Sheet
As at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	10	8,227,752	8,227,752
		<u>8,227,752</u>	<u>8,227,752</u>
Current assets			
Debtors: amounts falling due within one year	11	25,617,706	25,595,099
Cash at bank and in hand	12	5	893,811
		<u>25,617,711</u>	<u>26,488,910</u>
Creditors: amounts falling due within one year	13	(27,312,177)	(8,079,804)
Net current assets		<u>(1,694,466)</u>	<u>18,409,106</u>
Total assets less current liabilities		<u>6,533,286</u>	<u>26,636,858</u>
Creditors: amounts falling due after more than one year	14	-	(20,818,527)
Net assets		<u><u>6,533,286</u></u>	<u><u>5,818,331</u></u>
Capital and reserves			
Called up share capital	16	1	1
Profit and loss account	17	6,533,285	5,818,330
Total equity		<u><u>6,533,286</u></u>	<u><u>5,818,331</u></u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

22 October 2021


H L Jaffer
Director

The notes on pages 12 to 18 form part of these financial statements.

Leena Plaza Limited

Statement of Changes in Equity For the Year Ended 31 December 2020

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2020	1	5,818,330	5,818,331
Comprehensive loss for the year			
Profit for the year	-	714,955	714,955
Other comprehensive loss for the year	-	-	-
Total comprehensive loss for the year	-	714,955	714,955
At 31 December 2020	1	6,533,285	6,533,286

Statement of Changes in Equity For the Year Ended 31 December 2019

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2019	1	4,413,394	4,413,395
Comprehensive income for the year			
Profit for the year	-	1,404,936	1,404,936
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	1,404,936	1,404,936
At 31 December 2019	1	5,818,330	5,818,331

The notes on pages 12 to 18 form part of these financial statements.

Leena Plaza Limited

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

1. General information

Leena Plaza Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activity are set out in the directors' report report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The financial statements are being prepared in Pounds Sterling, which is the functional currency of the entity. No level of rounding has been applied.

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The company is a parent company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2.3 Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued support of the ultimate controlling party, Leena Plaza Holdings Limited. In addition to this, the directors have sought additional bank funding support within the wider group, comprising an overdraft extension and a CBILS loan.

As detailed above, the directors have completed a thorough assessment of the impact of COVID-19, including scenario forecasting and stress testing. The directors have assessed that the actions and strategies available to them mitigate business threats under stress testing, however acknowledge there is significant uncertainty in trading in the London hotel sector.

The entity places significant reliance on the ultimate controlling party not recalling amounts owing to them and on certain shareholders of this entity to provide further funds at times when required, in addition to the uncertainty around potential impacts on the future operations and results of the company and its subsidiaries as a result of COVID-19.

Management and the directors have assessed the company's ability to be able to continue as a going concern and it is in their opinion that the ultimate controlling party will continue to support the company and are in receipt of a letter of support which reflects this. The company is also in receipt of one legally binding letters of support from shareholder from within the wider group which confirms their willingness to support this company with funding as and when required. In addition to the above, the company has received a two month extension to the loan repayment in October 2021 with a view to finalising the extension of these facilities through to October 2023.

The directors therefore consider the going concern basis of preparation to be appropriate.

Leena Plaza Limited

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

2. Accounting policies (continued)

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Debtors

Short term debtors 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.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Short term creditors 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.

2.11 Financial instruments

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

Leena Plaza Limited

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

2. Accounting policies (continued)

2.12 Derivatives and fair value accounting

The company uses variable to fixed interest rate swaps to manage its exposure to interest rate risk on its bank loans. These derivatives are measured at fair value at each balance sheet date.

Gains and losses on the hedging instruments and the hedged items are recognised in profit or loss for the year. When a hedged item is an unrecognised firm commitment, the cumulative hedging gain or loss on the hedged item is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The directors have made no key judgements or estimates in preparing these financial statements.

4. Operating loss

The operating loss is stated after charging:

	2020 £	2019 £
Fees payable to the company's auditor for the audit of the company's annual financial statements	12,000	11,100
Fees payable to the auditor for non-audit services	6,193	6,306

5. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Employees	3	3

6. Key management remuneration

	2020 £	2019 £
Directors' emoluments	5,000	10,000

Leena Plaza Limited

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

7. Income from investments

	2020 £	2019 £
Dividends received	<u>1,650,000</u>	<u>2,200,000</u>

8. Interest payable and similar charges

	2020 £	2019 £
Bank interest payable	<u>1,153,325</u>	<u>1,242,457</u>

9. Taxation

	2020 £	2019 £
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on profit/loss on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year/period

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19% (2019 - 19%).

Factors that may affect future tax charges

There is an unprovided deferred tax asset of £466,944 (2019: £417,792) in respect of losses carried forward.

Leena Plaza Limited

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

10. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2020	8,227,752
At 31 December 2020	<u>8,227,752</u>

11. Debtors: amounts falling due within one year

	2020 £	2019 £
Amounts owed by group undertakings	25,592,099	25,592,099
Other debtors	25,607	3,000
	<u>25,617,706</u>	<u>25,595,099</u>

12. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	5	893,811
Less: bank overdrafts	(546,736)	(23)
	<u>(546,731)</u>	<u>893,788</u>

Leena Plaza Limited

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

13. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	546,736	23
Bank loans	21,277,645	1,010,259
Other loans	2,379,173	2,755,723
Trade creditors	49,134	38,448
Amounts owed to group undertakings	2,028,744	2,713,028
Accruals and deferred income	262,714	281,085
Financial instruments	768,031	1,281,238
	<u>27,312,177</u>	<u>8,079,804</u>

Secured loans

Included in bank loans are two term loans of £20,189,520 and £1,114,630, which are repayable in October 2021.

The bank loans of £21,277,645 (2019 - £21,828,786) are secured by a debenture over Leena Plaza Limited's assets and unlimited guarantee over Leena Plaza Limited, Victoria Docks Hotel Company Limited and Victoria Docks Hotel Company (Number Two) Limited. The bank also has the right to set off balances held by each of the above companies, against any liabilities due to the bank.

Derivative financial instruments

To hedge the potential volatility in future interest cash flows arising from movements in LIBOR, the company has entered into fixed to floating interest rate swaps with a nominal value equal to that of the initial borrowings, the same terms as the loans and interest re-pricing dates identical to those of the fixed rate loans. These result in the company paying LIBOR and receiving fixed interest though cash flows are settled on a net basis.

The fair value of the derivative liability at the balance sheet date was £768,031 (2019 - £1,281,238). The cash flows arising from the interest rate swaps will continue until their maturity in October 2021 and July 2021, coincidental with the repayments of the term loans. Changes in the fair value of the derivative recognised in the statement of income and retained earnings amounted to a gain of £513,207 (2019 - gain of £590,207).

14. Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans	-	20,818,527

Leena Plaza Limited

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

15. Loans

Analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year		
Bank loans	21,277,645	1,010,259
Other loans	2,379,173	2,755,723
	<u>23,656,818</u>	<u>3,765,982</u>
Amounts falling due 1-2 years		
Bank loans	-	20,818,527
	<u>23,656,818</u>	<u>24,584,509</u>

16. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
1 (2019 -1) Ordinary share of £1	1	1

17. Reserves

The company's capital and reserves are as follows:

Profit & loss account

The profit and loss account represents the accumulated profits and losses on the activities of the company.

18. Related party transactions

Leena Plaza Limited have taken the exemption to disclose related party transactions within the group as permitted by FRS 102.

Included within administrative expenses are management charges of £57,000 (2019 - £49,500) from Frank Truman Limited, a company controlled by two of the company's directors.

19. Ultimate parent undertaking and controlling party

Leena Plaza Limited's immediate parent undertaking is Leena Plaza Holdings Limited, a company registered in Jersey.

There is no ultimate controlling party.