

Company Registration No. 06055162 (England and Wales)

THE BARNs AT PIGGOTTs HALL LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020



THE BARNs AT PIGGOTTs HALL LTD

COMPANY INFORMATION

Director	P Sheppard	(Appointed 12 November 2019)
Company number	06055162	
Registered office	12a Princes Gate Mews London SW7 2PS	
Auditor	Azets Audit Services Ship Canal House 98 King Street Manchester M2 4WU	

THE BARNS AT PIGGOTTS HALL LTD

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THE BARNs AT PIGGOTTs HALL LTD

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 JULY 2020

The director presents her annual report and financial statements for the year ended 31 July 2020.

Principal activities

The principal activity of the company continued to be that of owning and letting domestic properties.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

P Thomas (Resigned 12 November 2019)

P Sheppard (Appointed 12 November 2019)

Auditor

The auditor, Azets Audit Services (previously trading as Baldwins Audit Services), is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless she is 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 director is required to:

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

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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. She is 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

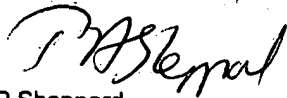
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

THE BARNS AT PIGGOTTS HALL LTD

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

On behalf of the board



P Sheppard
Director

18 September 2020

THE BARNs AT PIGGOTTs HALL LTD

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDER OF THE BARNs AT PIGGOTTs HALL LTD

Opinion

We have audited the financial statements of The Barns at Piggotts Hall Ltd (the 'company') for the year ended 31 July 2020 which comprise the statement of income and retained earnings, the balance sheet, the statement of cash flows 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2020 and of its loss 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.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

THE BARNs AT PIGGOTTs HALL LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE SHAREHOLDER OF THE BARNs AT PIGGOTTs HALL LTD

Matters on which we are required to report by exception

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 director's report.

We have nothing to report in respect of the following matters where 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE BARNS AT PIGGOTTS HALL LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE SHAREHOLDER OF THE BARNS AT PIGGOTTS HALL LTD

Use of our report

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to her 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 shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Lee Van Houplines (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

18 September 2020

Ship Canal House
98 King Street
Manchester
M2 4WU

THE BARNS AT PIGGOTTS HALL LTD

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 JULY 2020

	Notes	2020 £	2019 £
Turnover	2	81,918	86,419
Cost of sales		(14,946)	(42,857)
Gross profit		66,972	43,562
Administrative expenses		(79,652)	(51,151)
Other operating income		913	-
Operating loss	3	(11,767)	(7,589)
Interest payable and similar expenses		(43,730)	-
Fair value gains/(losses) on investment properties	7	37,456	(211,674)
Loss on sale of investment properties		(109,119)	-
Loss before taxation		(127,160)	(219,263)
Tax on loss	5	1,763	(2,792)
Loss for the financial year		(125,397)	(222,055)
Retained earnings brought forward as previously reported		(222,055)	-
Retained earnings carried forward		(347,452)	(222,055)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

THE BARNS AT PIGGOTTS HALL LTD


BALANCE SHEET

AS AT 31 JULY 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	6		3,235		9,262
Investment properties	7		1,215,521		2,440,000
Investments	8		3		-
			<u>1,218,759</u>		<u>2,449,262</u>
Current assets					
Debtors	10	6,229		10,512	
Cash at bank and in hand		<u>99,929</u>		<u>11,533</u>	
		106,158		22,045	
Creditors: amounts falling due within one year	11	<u>(1,180,054)</u>		<u>(2,693,262)</u>	
Net current liabilities			<u>(1,073,896)</u>		<u>(2,671,217)</u>
Total assets less current liabilities			144,863		(221,955)
Creditors: amounts falling due after more than one year	12		(492,215)		-
Net liabilities			<u>(347,352)</u>		<u>(221,955)</u>
Capital and reserves					
Called up share capital	13		100		100
Profit and loss reserves			<u>(347,452)</u>		<u>(222,055)</u>
Total equity			<u>(347,352)</u>		<u>(221,955)</u>

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

The financial statements were approved by the board of directors and authorised for issue on 18 September 2020 and are signed on its behalf by:


P Sheppard
Director

Company Registration No. 06055162

THE BARNS AT PIGGOTTS HALL LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	16		(6,852)		7,615
Income taxes paid			(2,233)		-
Net cash (outflow)/inflow from operating activities			(9,085)		7,615
Investing activities					
Purchase of tangible fixed assets		-		(15,988)	
Proceeds on disposal of tangible fixed assets		2,514		-	
Purchase of investment property				(2,651,674)	
Proceeds on disposal of investment property		1,152,815		-	
Purchase of shares in associates		(3)		-	
Net cash generated from/(used in) investing activities			1,155,326		(2,667,662)
Financing activities					
Proceeds from issue of shares		-		100	
Net movement on bank loan		675,215		-	
Interest paid		(43,730)		-	
Net movement on amounts owed to group undertakings		(1,689,330)		2,671,480	
Net cash (used in)/generated from financing activities			(1,057,845)		2,671,580
Net increase in cash and cash equivalents			88,396		11,533
Cash and cash equivalents at beginning of year			11,533		-
Cash and cash equivalents at end of year			99,929		11,533

THE BARNs AT PIGGOTTs HALL LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

Company information

The Barns at Piggotts Hall Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 12a Princes Gate Mews, London, SW7 2PS.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

Notwithstanding the net liabilities position at the balance sheet date, which includes a liability of £982,148 to the company's ultimate parent undertaking, M&M Investment Company plc, the accounts have been prepared on a going concern basis. The director is confident in the company's ability to raise finance and that ongoing financial support will be provided by the group headed by M&M Investment Company plc. The director is not aware of any reason why payment of the parent company debt would be demanded to the detriment of third party creditors.

1.3 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, excluding discounts, rebates, value added tax and other sales taxes.

Rendering of services

Turnover from a rental agreement is recognised on an accruals basis over the period to which the agreement relates when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably; and
- it is probable that the company will receive the consideration due under the agreement.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

THE BARNES AT PIGGOTTS HALL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

1.5 Investment properties

Investment properties are carried at valuation determined annually and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the statement of income and retained earnings.

The directors make an assessment of market value based on third party valuations where available, anticipated rental yields and local market knowledge compared to total purchase price and construction costs. Where necessary, provisions are made for impairment. These impairments are charged to the statement of income and retained earnings.

1.6 Fixed asset investments

Interests in associates are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

1.8 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 debtors and creditors and loans from banks and related parties.

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 the statement of comprehensive income.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

THE BARNs AT PIGGOTTs HALL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

THE BARNs AT PIGGOTTs HALL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

2 Turnover and other revenue

The whole of the turnover is attributable to the principal activity of the business.

All turnover arose within the United Kingdom.

3 Operating loss

	2020 £	2019 £
Operating loss for the year is stated after charging:		
Auditors' remuneration	6,000	4,800
Depreciation of owned tangible fixed assets	1,124	6,726
Loss on disposal of tangible fixed assets	2,390	-
	<u> </u>	<u> </u>

4 Employees

In the current and prior year, the company had no employees other than the director, who did not receive any remuneration.

5 Taxation

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the current period	(559)	2,792
Adjustments in respect of prior periods	(1,204)	-
	<u> </u>	<u> </u>
Total current tax	<u>(1,763)</u>	<u>2,792</u>

The actual (credit)/charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
Loss before taxation	<u>(127,160)</u>	<u>(219,263)</u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(24,160)	(41,660)
Tax effect of expenses that are not deductible in determining taxable profit	24,623	44,452
Adjustments in respect of prior years	(11,765)	-
Group relief	9,539	-
	<u> </u>	<u> </u>
Taxation (credit)/charge for the year	<u>(1,763)</u>	<u>2,792</u>

THE BARNS AT PIGGOTTS HALL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

6 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 August 2019	15,988
Disposals	(5,780)
	<hr/>
At 31 July 2020	10,208
	<hr/>
Depreciation and impairment	
At 1 August 2019	6,726
Depreciation charged in the year	1,124
Eliminated in respect of disposals	(877)
	<hr/>
At 31 July 2020	6,973
	<hr/>
Carrying amount	
At 31 July 2020	3,235
	<hr/> <hr/>
At 31 July 2019	9,262
	<hr/> <hr/>

7 Investment properties

	2020 £
Fair value	
At 1 August 2019	2,440,000
Disposals	(1,261,935)
Net gains or losses through fair value adjustments	37,456
	<hr/>
At 31 July 2020	1,215,521
	<hr/> <hr/>

Investment properties held by the company at valuation are based on the director's expected realisable value as at 31 July 2020.

8 Fixed asset investments

	Notes	2020 £	2019 £
Investments in associates	9	3	-
		<hr/> <hr/>	<hr/> <hr/>

THE BARNs AT PIGGOTTs HALL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

8 Fixed asset investments

(Continued)

Movements in fixed asset investments

	Shares in associated undertakings £
Cost or valuation	
At 1 August 2019	-
Additions	3
	<hr/>
At 31 July 2020	3
	<hr/>
Carrying amount	
At 31 July 2020	3
	<hr/>
At 31 July 2019	-
	<hr/>

9 Associates

Details of the company's associates at 31 July 2020 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Piggotts Hall Property Management Company Ltd	United Kingdom	Ordinary	37.00

10 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Corporation tax recoverable	1,204	-
Other debtors	4,100	8,300
Prepayments and accrued income	925	2,212
	<hr/>	<hr/>
	6,229	10,512
	<hr/>	<hr/>

THE BARNs AT PIGGOTTs HALL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

11 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans	183,000	-
Trade creditors	23	90
Amounts owed to group undertakings	982,148	2,671,480
Corporation tax	-	2,792
Other creditors	7,083	12,300
Accruals and deferred income	7,800	6,600
	<u>1,180,054</u>	<u>2,693,262</u>

The bank loan attracts interest at 2.25% above LIBOR and is repayable no later than September 2024.
The loan is secured via fixed charges over the assets of the company.

12 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans	<u>492,215</u>	<u>-</u>

The bank loan attracts interest at 2.25% above LIBOR and is repayable no later than September 2024.
The loan is secured via fixed charges over the assets of the company.

13 Share capital

	2020 £	2019 £
Ordinary share capital Issued and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

THE BARNs AT PIGGOTTs HALL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

14 Related party transactions

M&M Investment Company plc ("MMIC") is the sole shareholder of the company. During the year MMIC paid expenses of £52,100 (2019: £2,752,108) and received customer receipts of £16,432 (2019: £83,063) on behalf of the company. The company made a repayment of £1,725,000 (2019: £nil) to MMIC. During the period MMIC charged the company management charges of £nil (2019: £2,435).

The amount due to MMIC as at the year end is £982,148 (2019: £2,671,480).

During the year the company was charged accommodation management fees of £7,817 (2019: £31,850) by The Unicorn Serviced Apartments Limited, a fellow wholly owned subsidiary of MMIC. At the year end no amount was owed by the company (2019: £nil).

During the year the company was charged property management fees of £6,830 (2019: £nil) by Piggotts Hall Property Management Company Ltd ("PHPM"), an associated company of The Barns at Piggotts Hall Ltd. At the year end no amount was owed by the company (2019: £nil).

15 Ultimate controlling party

The company is a wholly owned subsidiary of M&M Investment Company Plc ("MMIC").

All MMIC shares are owned directly or indirectly by the Sheppard family. Hence, MMIC is under the control of Mark Sheppard by virtue of his direct and beneficial shareholdings in the company.

16 Cash generated from operations

	2020 £	2019 £
Loss for the year after tax	(125,397)	(222,055)
Adjustments for:		
Taxation (credited)/charged	(1,763)	2,792
Finance costs	43,730	-
Loss on disposal of tangible fixed assets	2,390	-
Loss on disposal of investment property	109,120	-
Fair value gains and losses on investment properties	(37,456)	211,674
Depreciation and impairment of tangible fixed assets	1,124	6,726
Movements in working capital:		
Decrease/(increase) in debtors	5,487	(10,512)
(Decrease)/increase in creditors	(4,087)	18,990
Cash (absorbed by)/generated from operations	(6,852)	7,615