

Company Registration No. 06287553 (England and Wales)

SP (WELWYN) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
PAGES FOR FILING WITH REGISTRAR

SP (WELWYN) LIMITED

CONTENTS

	Page
Statement of financial position	1 - 2
Notes to the financial statements	3 - 6

SP (WELWYN) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investment properties	3		13,023,668		13,023,668
Current assets					
Debtors	4	2,016,035		1,596,745	
Cash at bank and in hand		548,071		436,146	
		<u>2,564,106</u>		<u>2,032,891</u>	
Creditors: amounts falling due within one year	5	<u>(15,230,581)</u>		<u>(14,479,003)</u>	
Net current liabilities			<u>(12,666,475)</u>		<u>(12,446,112)</u>
Total assets less current liabilities			357,193		577,556
Creditors: amounts falling due after more than one year	6		(3,187,937)		(3,716,978)
Provisions for liabilities			<u>(442,853)</u>		<u>(442,853)</u>
Net liabilities			<u><u>(3,273,597)</u></u>		<u><u>(3,582,275)</u></u>
Capital and reserves					
Called up share capital	7		2		2
Profit and loss reserves			<u>(3,273,599)</u>		<u>(3,582,277)</u>
Total equity			<u><u>(3,273,597)</u></u>		<u><u>(3,582,275)</u></u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

SP (WELWYN) LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
--	-------	-----------	---	-----------	---

The financial statements were approved by the board of directors and authorised for issue on 4 February 2022 and are signed on its behalf by:

Mr R S Sandhu
Director

Company Registration No. 06287553

SP (WELWYN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

SP (Welwyn) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2 Wellington Road, London, NW8 9SP.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The company has net liabilities at the balance sheet date of £3,273,597. However the company's financiers have indicated that they will continue to support the company, and not demand repayment of their loans until the company can afford to do so. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the loan facility by the company's financiers.

1.3 Turnover

Turnover represents amounts receivable for rents and other property related income net of VAT.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

SP (WELWYN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 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.

1.8 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

SP (WELWYN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Investment property

	2021 £
Fair value	
At 1 April 2020 and 31 March 2021	13,023,668

The fair value of the investment property has been arrived on the basis of a valuation carried out by the directors of the company. Their opinion was based on references to market evidence of transaction prices for similar properties.

4 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	648,138	517,086
Other debtors	1,367,897	1,079,659
	<u>2,016,035</u>	<u>1,596,745</u>

5 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	668,220	668,230
Trade creditors	656,988	183,665
Taxation and social security	51,294	21,297
Other creditors	13,854,079	13,605,811
	<u>15,230,581</u>	<u>14,479,003</u>

A loan of £12,667,074 included in creditors is guaranteed by the parent company. Hanover Investment Capital Ltd and its shareholding.

6 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	<u>3,187,937</u>	<u>3,716,978</u>

Bank loans are secured by a legal mortgage over the company's investment property.

SP (WELWYN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7	Called up share capital				
		2021	2020	2021	2020
		Number	Number	£	£
	Ordinary share capital				
	Issued and not fully paid				
	Ordinary shares of £1 each	2	2	2	2
		<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

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.