

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021**

**FOR**

**REVERIE ESTATES 3 LIMITED**

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**FOR THE YEAR ENDED 30 APRIL 2021**

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**REVERIE ESTATES 3 LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 30 APRIL 2021**

**DIRECTORS:**

C. Christou  
L. Hadjiioannou

**REGISTERED OFFICE:**

4th Floor  
Charles House  
108-110 Finchley Road  
London  
NW3 5JJ

**REGISTERED NUMBER:**

08313543 (England and Wales)

**AUDITORS:**

Numeria Partners LLP  
Statutory Auditors  
4th Floor  
Charles House  
108-110 Finchley Road  
London  
NW3 5JJ

**REVERIE ESTATES 3 LIMITED (REGISTERED NUMBER: 08313543)**

**BALANCE SHEET**  
**30 APRIL 2021**

	Notes	30.4.21 £	£	30.4.20 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		17,810,000		17,810,000
<b>CURRENT ASSETS</b>					
Debtors	5	97,747		53,440	
Cash at bank and in hand		<u>73,218</u>		<u>176,181</u>	
		170,965		229,621	
<b>CREDITORS</b>					
Amounts falling due within one year	6	<u>4,508,236</u>		<u>4,468,353</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(4,337,271)</u>		<u>(4,238,732)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			13,472,729		13,571,268
<b>CREDITORS</b>					
Amounts falling due after more than one year	7		(7,272,865)		(7,329,311)
<b>PROVISIONS FOR LIABILITIES</b>			<u>(2,191,945)</u>		<u>(2,191,945)</u>
<b>NET ASSETS</b>			<u>4,007,919</u>		<u>4,050,012</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			100		100
Retained earnings			<u>4,007,819</u>		<u>4,049,912</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>4,007,919</u>		<u>4,050,012</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 Board of Directors and authorised for issue on 15 December 2021 and were signed on its behalf by:

L. Hadjiioannou - Director

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2021**

**1. STATUTORY INFORMATION**

Reverie Estates 3 Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

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

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modifications to a fair value basis for the revaluation of certain assets.

**Significant judgements and estimates**

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made are included in the tangible fixed asset note.

**Turnover**

Turnover represents net invoiced rent receivable, excluding value added tax.

**Tangible fixed assets**

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

Freehold property - see below

The company adopts the group policy with regards to investment property as follows:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specified asset. If this information is not available, the company uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections.

Subsequent expenditure is included in the carrying amount of the property when it is probable that future economic benefit associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the profit and loss account during the financial period in which they are incurred.

In accordance with Financial Reporting Standard 102 (FRS 102), investment properties are revalued and the surplus or deficit is transferred to the profit and loss account, and no depreciation is provided in respect of freehold investment properties. The requirement of the Companies Act 2006 is to depreciate all properties, but that requirement conflicts with the generally accepted accounting principle set out in FRS 102. The director considers that to depreciate such properties would not give a true and fair view, but that a true and fair view is given by following FRS 102 as described above. The effect of this departure from the Companies Act 2006 has not been quantified because it is impracticable and, in the opinion of the director, would be misleading. Deferred tax is provided on these gains at the rate expected to apply when the property is sold.

Valuing the properties in the portfolio is a significant task and there are some subjectivities involved in the process. Not all accounting policies require management to make subjective or complex judgements or estimates. The following is intended to provide further detail relating to this accounting policy that management consider critical because of the level of complexity, judgement or estimation involved in its application and its impact on the financial statements.

Where possible the company obtains external valuations, however this is not considered practical or cost effective for the entire group's property portfolio. Accordingly, the balance of properties, after review by the directors, are valued by the company's own in house surveying team as at 30 April 2021. The in house surveying team use comparable data where available, such as sales prices, rental incomes and market yield information to establish the fair value at the balance sheet date.

The majority of the company's portfolio is invested in the type of properties where demand is high. Accordingly, the in house surveying team are well informed and have good recent information on current market values for similar properties. The in house surveying team also make reference to estimates of future rental income, property expenses and planning opportunities in order to value properties.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2021**

**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 or deferred taxation assets and liabilities are not discounted.

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 balance sheet date.

**Deferred tax**

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

**Related parties**

The company has taken advantage of FRS 102, Section 1AC.35, for the disclosure of transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member. Amounts owed to and from group companies are therefore shown in aggregate.

**Financial liabilities**

Short term creditors are measured at transaction price. Other financial liabilities, including loans from group companies are measured initially at fair value, net of transaction cost and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**Going concern**

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company, therefore continues to adopt the going concern policy in preparing its financial statements.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was NIL (2020 - NIL).

**4. TANGIBLE FIXED ASSETS**

	Freehold property £
<b>COST OR VALUATION</b>	
At 1 May 2020	11,485,000
Revaluations	6,325,000
At 30 April 2021	17,810,000
<b>NET BOOK VALUE</b>	
At 30 April 2021	17,810,000
At 30 April 2020	11,485,000

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2021**

**4. TANGIBLE FIXED ASSETS - continued**

Cost or valuation at 30 April 2021 is represented by:

	Freehold property £
Valuation in 2015	3,600,000
Valuation in 2016	250,000
Valuation in 2018	2,375,000
Valuation in 2019	(10,000)
Valuation in 2020	110,000
Cost	<u>11,485,000</u>
	<u>17,810,000</u>

If freehold property had not been revalued it would have been included at the following historical cost:

	30.4.21 £	30.4.20 £
Cost	<u>11,485,000</u>	<u>11,485,000</u>

Freehold property to the sum of £17,810,000 is included at open market value as valued by the director.

The company after review by the director, uses valuations performed by its own in house surveying team to value its own residential and commercial investment properties as at 30 April 2021.

The assumptions relevant to the valuation of investment property are outlined in Note 2 above.

Rental income from investment property during the year was £341,090 (2020: £473,578).

**5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.4.21 £	30.4.20 £
Trade debtors	12,936	2,975
Other debtors	<u>84,811</u>	<u>50,465</u>
	<u>97,747</u>	<u>53,440</u>

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.4.21 £	30.4.20 £
Bank loans and overdrafts	74,420	37,210
Trade creditors	84,873	81,280
Amounts owed to group undertakings	4,229,862	4,186,757
Other creditors	<u>119,081</u>	<u>163,106</u>
	<u>4,508,236</u>	<u>4,468,353</u>

**7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	30.4.21 £	30.4.20 £
Bank loans	<u>7,272,865</u>	<u>7,329,311</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 APRIL 2021**

**8. SECURED DEBTS**

The following secured debts are included within creditors:

	30.4.21	30.4.20
	£	£
Bank loans	<u>7,347,285</u>	<u>7,366,521</u>

Bank loans are secured by way of a fixed and floating mortgage charge over the company's property.

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

The Report of the Auditors was unqualified.

Giles Cohen (Senior Statutory Auditor)  
for and on behalf of Numera Partners LLP

**10. RELATED PARTY DISCLOSURES**

Included in creditors due within one year is an amount of £4,229,862 (2020: £4,186,757 owed to group undertakings).

Amounts outstanding between group companies arise by virtue of financing transactions. These amounts are unsecured, interest free and due within one year.

**11. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES**

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

**12. SHAREHOLDERS' FUNDS**

Included in retained earnings are amounts which are distributable and not distributable to the shareholders. These are £(125,236) and £4,133,055 respectively.

**13. EVENTS AFTER THE REPORTING PERIOD**

During and subsequent to the year-end, the global economy has seen high levels of market volatility in connection with the COVID-19 pandemic. The business is closely monitoring the latest market developments relating to COVID-19 and its potential impact on the entity. The pandemic is considered a non-adjusting post balance sheet event. The ultimate impact of the COVID-19 pandemic on the global economy is highly uncertain and the full extent of the economic impacts on the financial performance of the companies are as yet unknown. The Director continues to review any developments in the COVID-19 pandemic in the context of the risks presented to the company's business.



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