

Company Number: 08975833

TOUCHPOINT HOUSING (SKI) LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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TOUCHPOINT HOUSING (SKI) LTD**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019**

	Notes	31-Dec-19 £	31-Dec-18 £
ASSETS			
Non-current assets			
Investment property		-	22,472,700
		-	22,472,700
Current assets			
Investment property	3	27,330,000	-
Trade and other receivables	4	70,952	47,932
Cash and cash equivalents		489,473	759,667
		27,890,426	807,599
TOTAL ASSETS		27,890,426	23,280,299
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	5	20,274,540	19,674,540
Revenue reserves		4,231,916	3,416,726
TOTAL EQUITY		24,506,456	23,091,266
Current liabilities			
Intercompany creditors	6	-	180,943
Trade and other payables	7	3,383,970	8,090
TOTAL LIABILITIES		3,383,970	189,033
TOTAL EQUITY AND LIABILITIES		27,890,426	23,280,299

(The notes on pages 3 to 6 form part of these unaudited financial statements)

TOUCHPOINT HOUSING (SKI) LTD

STATEMENT OF FINANCIAL POSITION - (CONTINUED)**AS AT 31 DECEMBER 2019**

For the year ended 31 December 2019, the Company was entitled to an exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

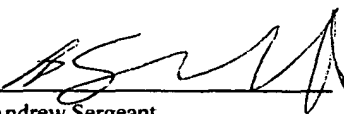
The members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime. As a result, a Profit and Loss account and a Statement of Changes in Equity have not been included in these financial statements.

The Company is taking advantage of the small companies exemption in preparing the Directors' report and from the requirement to prepare a Strategic report.

The unaudited financial statements were approved and authorised for issue by the Board of Directors on the day of 10 JUN 2020 and were signed on its behalf by:

Director: 
Andrew Sergeant

(The notes on pages 3 to 6 form part of these unaudited financial statements)

TOUCHPOINT HOUSING (SKI) LTD

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 General information

Touchpoint Housing (SKI) Ltd (the "Company") was incorporated in England and Wales on 3 April 2014 as a private company with limited liability under the Companies Act 2006. The address of the registered office is Asticus Building, 21 Palmer Street, London, SW1H 0AD. The principal activity of the Company is property investment. The Company was incorporated as Romiga South Limited and changed its name on 13 June 2016.

2 Accounting policies

Basis of measurement and preparation of accounts

The financial statements are prepared on a basis other than that of a going concern. The accounts have been prepared under the historical cost convention except for the revaluation of investment properties and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standards applicable in the United Kingdom and the Republic Ireland" ("FRS 102")

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date. It also requires the Directors to exercise its judgement in the process of applying the Company's accounting policies. The significant accounting estimates and judgements include going concern assumption and the valuation of investment property.

Going concern

The Directors have prepared the financial statements on a basis other than that of a going concern, which assumes that the Company will terminate and cease operations within the foreseeable future.

The Company is a subsidiary of SoPro Holdings Real Estate Investment Trust Plc. SoPro Holdings Real Estate Investment Trust Plc and its subsidiaries (including the Company) compose the Fund. The Fund's expiry date is 31 March 2021. There are currently no plans to extend the life of the Fund and indirectly the operations of the Company, beyond the Fund's expiry date, which will be a period of less than 12 months after the approval date of these financial statements. The Company is expected to enter into a period of managed wind down to the expiry date, with the objective to realise its assets at the best available prices/values. The Directors have therefore prepared the financial statements on a basis other than going concern and accordingly all non-current assets/liabilities have been classified as current assets/liabilities.

Statement of Cash Flows

A Statement of Cash Flows has not been included in these financial statements as the Company qualifies for exemption as a small company under the terms of FRS 102 Section 7.1B.

Investment property

Investment property consists of property and land that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company. Investment property is recognised initially at its cost, including related transaction costs and (where applicable) borrowing costs. After the initial recognition, investment property is carried at fair value.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected.

TOUCHPOINT HOUSING (SKI) LTD

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2 Accounting policies (continued)

Financial assets

Basic financial assets, including trade and other receivables and cash and cash equivalents, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting year financial assets measured at amortised cost are assessed for objective evidence of impairment.

If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Profit and Loss account.

Financial liabilities

Basic financial liabilities, including trade and other payables and intercompany creditor, 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 receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Functional and presentational currency

The Company's functional and presentational currency is Pound Sterling (£).

3 Investment property

The movements during the year on investment property are as follows:

	<u>31st Dec 19</u>	<u>31st Dec 18</u>
	£	£
Opening fair value	22,472,700	10,672,237
Additions	4,319,273	6,774,772
Fair value movement	538,027	5,025,691
Closing fair value	<u>27,330,000</u>	<u>22,472,700</u>

TOUCHPOINT HOUSING (SKI) LTD

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

3 Investment property (continued)

The Company uses external professional valuers to determine the investment property fair value estimates. By necessity a valuation requires subjective judgements that, even if logical and appropriate, may differ from those made by a purchaser or another party undertaking a valuation. In estimating the fair value of the investment property, the highest and best use of the property was considered to be the planned future use.

The fair value of the investment property not tenanted and undergoing refurbishment work is calculated as acquisition cost plus refurbishment costs incurred. The valuer derives a residual value for the investment property having considered the planned use and estimating the future value of the units with reference to information in the market for comparable properties gathered from numerous sources including but not limited to other agents and the Land Registry database subscribed to by the valuer. The Directors are entitled to rely upon and have relied upon the valuations provided by the independent valuer, but are not bound by such valuation. The Directors are satisfied that this independent valuation is the best available estimate of the fair value of the Company's investment property as at 31 December 2019.

4 Trade and other receivables	31st Dec 19 £	31st Dec 18 £
Debtors	49,141	37,663
Prepayments	7,967	647
Input VAT	13,844	9,622
	<u>70,952</u>	<u>47,932</u>

5 Share capital	31st Dec 19 £	31st Dec 18 £
Allotted, called up and fully paid:		
Ordinary shares of £1 each	20,274,540	19,674,540
	<u>20,274,540</u>	<u>19,674,540</u>

During the year ended 31 December 2019, additional 600,000 ordinary shares of £1 each were issued and allotted to SoPro Holdings S.à r.l., (the "Sole shareholder") in a par exchange of cash.

6 Intercompany creditors	31st Dec 19 £	31st Dec 18 £
Amounts owed to related parties	-	180,943
	<u>-</u>	<u>180,943</u>

At 31 December 2018, the amounts owed to related parties bore no interest and were repayable on demand.

7 Trade and other payables	31st Dec 19 £	31st Dec 18 £
Creditors	3,371,470	-
Accruals	12,500	8,090
	<u>3,383,970</u>	<u>8,090</u>

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

8 Controlling party

The Company's immediate parent is SoPro Holdings S.á r.l.. There is no ultimate controlling party.

The Company is included in the consolidated financial statements of SoPro Holdings Real Estate Investment Trust Plc (the "REIT"), the parent entity to SoPro Holdings S.á r.l. whose registered office is IFC 5, St. Helier, Jersey, JE1 1ST. The Directors of the Company are also Directors of the REIT.

9 Market conditions

The UK officially left the EU on 31 January 2020 ("Brexit"); however, under the agreed transitional arrangements, all relevant rules and regulations will currently remain in place until 31 December 2020, making this latter date the UK's "effective Brexit date". This continues to create economic and other uncertainties about both the process and its consequences which are risks that affect the real estate industry, particularly market values of investment property. Although there is no evidence as at 31 December 2019 that Brexit has adversely affected the Company's activities and uncertainty in relation to the impact of Brexit on the UK and EU economies may impact the valuation of the Company's investments in the coming years.

10 Subsequent events

The Finance (No.3) Bill

The Finance (No.3) Bill published in November 2018 set out a number of significant changes to the taxation of UK real estate which are due to come into effect in the near future. Gains arising on the disposal of UK commercial property are presently exempt from tax. Going forward UK corporation tax will be applicable to all gains arising on UK commercial property from 6 April 2019 and after April 2020 non-resident corporate landlords will be subject to UK corporation tax rather than income tax. There are a number of exemptions that may be applied and elections to consider based on the investors composition and status. It is not possible at this stage to determine precisely the impact of these changes on the position of the Company but it is expected that the new rules will result, inter alia, in changes to applicable taxation rates, restrictions on allowable interest and changes in the way losses can be relieved.

COVID 19 - Outbreak

The current worldwide Coronavirus outbreak, declared by the World Health Organization as a global health emergency on 30 January 2020, has caused disruption to businesses and economic activity which has been reflected in recent fluctuations in global stock markets. The situation is being continuously monitored.

In the opinion of the Directors, whilst the situation continues to develop, it is not possible to judge the effect of Coronavirus outbreak on the financial position of the Company. As such, no adjustment for any potential impact has been made in these financial statements.

There were no other events after year end that require adjustments to the financial statements or disclosures to the notes.