

**COMPANY REGISTRATION NUMBER: 09697929**

**DEZREZ LIMITED**

**Financial Statements**

**For the year ended**

**31 March 2021**

**COHEN ARNOLD**  
Chartered Accountants & Statutory Auditor  
New Burlington House  
1075 Finchley Road  
London  
NW11 0PU



**DEZREZ LIMITED**  
**Financial Statements**  
**Year ended 31 March 2021**

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**DEZREZ LIMITED**  
**Officers and Professional Advisers**

**DIRECTOR**

Mr E Englander

**REGISTERED OFFICE**

New Burlington House  
1075 Finchley Road  
London  
NW11 0PU

**AUDITOR**

Cohen Arnold  
Chartered Accountants & Statutory Auditor  
New Burlington House  
1075 Finchley Road  
London  
NW11 0PU

**DEZREZ LIMITED**  
**Director's Report**  
**Year ended 31 March 2021**

The director presents his report and the financial statements of the company for the year ended 31 March 2021.

**Principal activities**

The principal activity of the company during the period was that of property investment which has remained unchanged during the period and no change is envisaged in the immediate future.

**Director**

The director who served the company during the year was as follows:

Mr E Englander

Mrs S Englander passed away on 23 September 2020.

**Director's responsibilities statement**

The director is responsible for preparing the director's 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 he is satisfied that they give a true and fair view of the state of affairs of the company and 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 judgments 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. He 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.

**Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Small company provisions**

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

**DEZREZ LIMITED**

**Director's Report** *(continued)*

**Year ended 31 March 2021**

This report was approved by the board of directors on 4 January 2022 and signed on behalf of the board by:



Mr E Englander  
Director

## **DEZREZ LIMITED**

### **Independent Auditor's Report to the Members of Dezrez Limited**

**Year ended 31 March 2021**

#### **Opinion**

We have audited the financial statements of Dezrez Limited (the 'company') for the year ended 31 March 2021 which comprise the profit and loss account, balance sheet and the related notes, 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 March 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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**

In auditing the financial statements, we have concluded that the director's 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 director with respect to going concern are described in the relevant sections of this report.

## **DEZREZ LIMITED**

### **Independent Auditor's Report to the Members of Dezrez Limited** *(continued)*

**Year ended 31 March 2021**

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information. 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 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.

#### **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 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 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the director's report and from the requirement to prepare a strategic report.

## **DEZREZ LIMITED**

### **Independent Auditor's Report to the Members of Dezrez Limited** *(continued)*

**Year ended 31 March 2021**

#### **Responsibilities of the 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.

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:

- We obtained an understanding of the legal and regulatory framework that are applicable to the company through discussion with the management, and identified which were most significant with respect to the financial statements. We identified Companies Act 2006 (including associated regulations), Financial Reporting Standard 102, Taxation Laws and Regulations, The Landlord and Tenant Act and Health & Safety Regulations as being most significant to these financial statements. We communicated these identified frameworks amongst our audit team and remained alert to any indications of non-compliance throughout the audit. We ensured that the engagement team had sufficient competence and capability to identify or recognise non-compliance with laws and regulations.
- We discussed with the management the policies and procedures regarding compliance with the legal and regulatory framework.
- We assessed the susceptibility of the company's financial statements to material misstatement due to non-compliance with legal and regulatory framework, including how fraud might occur, by enquiry with the management during the planning and finalisation stages of our audit and by using proprietary disclosure checklists. The susceptibility to such material misstatement was determined to be low.
- Based on this understanding, we designed our audit procedures to identify non-compliance with the identified legal and regulatory framework, which were part of our procedures on the related financial statement items. Our procedures included reviewing the company's internal controls policies and procedures, reviewing the minutes of board meetings and correspondence with regulatory bodies including HM Revenue & Customs, testing transactions outside the normal course of the business and journal entries, and discussions with the management.



## DEZREZ LIMITED

### Independent Auditor's Report to the Members of Dezrez Limited *(continued)*

**Year ended 31 March 2021**

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

#### **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.



Asher Sternlicht (Senior Statutory Auditor)

For and on behalf of  
Cohen Arnold  
Chartered Accountants & Statutory Auditor  
New Burlington House  
1075 Finchley Road  
London  
NW11 0PU

4 JANUARY 2022

**DEZREZ LIMITED**  
**Profit and Loss Account**  
**Year ended 31 March 2021**

	Note	2021 £	2020 £
Cost of sales		<u>(55,153)</u>	<u>(65,281)</u>
<b>Gross loss</b>		<b>(55,153)</b>	<b>(65,281)</b>
Administrative expenses		<b>(3,820)</b>	(3,945)
Other operating income		<b>8,642</b>	7,963
Net valuation gain/(deficit) on investment properties		<u><b>77,573</b></u>	<u>(41,422)</u>
<b>Operating profit/(loss)</b>		<b>27,242</b>	(102,685)
Interest payable and similar expenses		<u><b>(690,653)</b></u>	<u>(626,745)</u>
<b>Loss before taxation</b>	<b>5</b>	<b>(663,411)</b>	(729,430)
Tax on loss	<b>6</b>	<u><b>(14,739)</b></u>	<u>(52,787)</u>
<b>Loss for the financial year</b>		<u><b>(678,150)</b></u>	<u><b>(782,217)</b></u>

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the year as set out above.

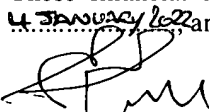
The notes on pages 10 to 15 form part of these financial statements.

**DEZREZ LIMITED****Balance Sheet****31 March 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	7	29,000,000	27,000,000
<b>Current assets</b>			
Debtors	8	87,475	120,150
<b>Creditors: amounts falling due within one year</b>	9	<u>(297,377)</u>	<u>(245,434)</u>
<b>Net current liabilities</b>		<u>(209,902)</u>	<u>(125,284)</u>
<b>Total assets less current liabilities</b>		<b>28,790,098</b>	<b>26,874,716</b>
<b>Creditors: amounts falling due after more than one year</b>	10	<b>(25,629,972)</b>	<b>(23,051,179)</b>
<b>Provisions</b>	11	<u>(583,112)</u>	<u>(568,373)</u>
<b>Net assets</b>		<u><b>2,577,014</b></u>	<u><b>3,255,164</b></u>
<b>Capital and reserves</b>			
Called up share capital	12	1	1
Profit and loss account		<u><b>2,577,013</b></u>	<u><b>3,255,163</b></u>
<b>Shareholders funds</b>		<u><b>2,577,014</b></u>	<u><b>3,255,164</b></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on ~~11 January 2022~~ and are signed on behalf of the board by:



Mr E Englander  
Director

Company registration number: 09697929

The notes on pages 10 to 15 form part of these financial statements.

**DEZREZ LIMITED**  
**Notes to the Financial Statements**  
**Year ended 31 March 2021**

**1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is New Burlington House, 1075 Finchley Road, London, NW11 0PU.

**2. Statement of compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, the Director is required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The valuation of investment properties is inherently subjective, depending on many factors, including the individual nature of each property, its location and expected future net rental values, market yields and comparable market transactions. Therefore the valuations are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of difficult market or economic conditions.

## **DEZREZ LIMITED**

### **Notes to the Financial Statements** *(continued)*

**Year ended 31 March 2021**

#### **3. Accounting policies** *(continued)*

##### **Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is expected tax payable or receivable on the taxable income or loss for the year, using rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For investment property that is measured at fair value, deferred tax is provided at the rate and allowances applicable to the sale of the property.

##### **Investment properties**

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition -

- Investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in the profit and loss account in the period that they arise; and
- No depreciation is provided in respect of investment properties applying the fair value model.

Investment property fair value is determined by the Director in consultation with RICS qualified surveyors based on his understanding of property market conditions and the specific property concerned, using a sales valuation approach, derived from recent comparable transactions on the market, adjusted by applying discounts to reflect status of occupation and condition.

##### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

##### **Acquisitions and disposals of properties**

Acquisitions and disposals are considered to have taken place at the date of legal completion and are included in the financial statements accordingly.

## DEZREZ LIMITED

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

#### 3. Accounting policies *(continued)*

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

##### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments.

The company has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities.

#### 4. Turnover

The turnover of the company is represented by rents and charges receivable in respect of its investment properties.

The gross profit is comprised as follows:

	2021 £	2020 £
Property outgoings	<u>(55,153)</u>	<u>(65,281)</u>

#### 5. Profit before taxation

Profit before taxation is stated after charging:

	2021 £	2020 £
Fees payable for the audit of the financial statements	<u>3,500</u>	<u>3,600</u>

**DEZREZ LIMITED**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 31 March 2021**

**6. Tax on loss**

**Major components of tax expense**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	<b>14,739</b>	<b>52,787</b>
<b>Tax on loss</b>	<b><u>14,739</u></b>	<b><u>52,787</u></b>

**7. Tangible assets**

	<b>Freehold investment property £</b>
<b>Fair value</b>	
At 1 April 2020	<b>27,000,000</b>
Additions	<b>1,922,427</b>
Revaluations	<b><u>77,573</u></b>
<b>At 31 March 2021</b>	<b><u>29,000,000</u></b>
<b>Carrying amount</b>	
<b>At 31 March 2021</b>	<b><u>29,000,000</u></b>
At 31 March 2020	<b><u>27,000,000</u></b>

The Company's investment properties are valued by Mr E Englander (the Director) in consultation with RICS qualified surveyors based on his understanding of property market conditions using a sales valuation approach, derived from recent comparable transactions on the market, adjusted by applying discounts to reflect status of occupation and condition.

The historical cost of the investment properties is £24,861,310 (2020: £22,938,883).

In accordance with the Company's stated accounting policy (see Note 3) no depreciation has been provided in respect of freehold properties which are held for investment purposes.

**8. Debtors**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Other debtors	<b><u>87,475</u></b>	<b><u>120,150</u></b>

# DEZREZ LIMITED

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

### 9. Creditors: amounts falling due within one year

	2021	2020
	£	£
Other creditors	<u>297,377</u>	<u>245,434</u>

### 10. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Amounts owed to group undertakings	11,180,401	8,601,608
Other creditors	<u>14,449,571</u>	<u>14,449,571</u>
	<u>25,629,972</u>	<u>23,051,179</u>

### 11. Provisions

	Deferred tax
	£
At 1 April 2020	568,373
Movement in year	<u>14,739</u>
At 31 March 2021	<u>583,112</u>

The provision for deferred tax is in relation to timing differences in respect of the fair value adjustment of investment properties.

### 12. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

### 13. Contingent liabilities and guarantees

The Company together with other Related Companies have guaranteed and charged certain of their properties as security for a bank loan and overdraft of another Related Company which, at 31 March 2021, amounted to £54.4m.



## **DEZREZ LIMITED**

### **Notes to the Financial Statements** *(continued)*

**Year ended 31 March 2021**

#### **14. Related party transactions**

(i) Amounts owed to group undertakings (Note 10) represents an amount due to WUK Estates Limited, the immediate Parent Company. The loan bore interest at 2.5% plus Bank of England Base Rate.

(ii) Other creditors (Note 10) represents an amount due to Better Properties Limited. The loan bore interest at 3% per annum.

(iii) The Related Company referred to in Note 13 is Better Properties Limited which Mr E Englander, a Director of this Company, is also a Director.

#### **15. Parent company and controlling party**

The Company is controlled by its immediate parent undertaking, WUK Estates Limited, a company registered in England and Wales. The ultimate parent undertaking is Choldco Limited, a company registered in England and Wales.