

Pit Properties Limited
(registered number: 10050312)

Annual report and financial statements
For the year ended 30 June 2021



Pit Properties Limited

Report of the directors for the year ended 30 June 2021

The directors present their Annual report and financial statements of the company for the year ended 30 June 2021.

This set of financial statements for the year ended 30 June 2021 has been prepared in accordance with The Reduced Disclosure Framework (FRS 101). The Company has transitioned from FRS 102 to FRS 101 during the current financial year but there has been no impact on the financial information. The transition is explained in note 11.

Principal activities and business review

The principal activity of the company is a holding company.

Results and dividend

The result for the year of £nil (2020: £nil) has been transferred to reserves. The directors are unable to recommend the payment of a dividend (2020: £nil).

Principal risks and uncertainties

The management of the business and execution of the company's strategy is subject to a number of risks, namely:

- The macro-economic impact of transitional Brexit arrangements.
- The continuing impact of the Covid pandemic.

Although these risks are ongoing, management believe that the risks and uncertainties associated with them will no longer have a material impact on the company.

Going concern

As referred to in the accounting policies, the directors have concluded that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis of accounting in preparing the financial statements

In determining whether the company's accounts can be prepared on a going concern basis, the directors considered the company's business activities together with factors likely to affect its future development, performance and its financial position including cash flows, liquidity position and borrowing facilities and the principal risks and uncertainties relating to its business activities.

On the basis that the company has the support of its group parent company, Trenport Property Holdings Limited, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least twelve months from the date of signing of these financial statements. Accordingly, they continue to adopt the going concern basis in the preparation of the Annual report and financial statements.

Pit Properties Limited

Report of the directors for the year ended 30 June 2021 (continued)

Directors

The directors of the company during the year ended 30 June 2020 and up to the date of signing the financial statements were:

R J Hall	
S Heycock	resigned 30 June 2021
D J Farrant	appointed 1 July 2021

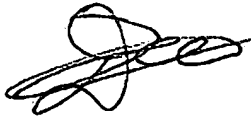
Directors Indemnities

The parent company, Shop Direct Holdings Limited, has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Elective resolutions

The company has passed elective resolutions to dispense with the holding of annual general meetings and for the laying of the Annual report and financial statements before the company in general meetings, until such time as the elections are revoked.

Approved by the board and signed on its behalf by:



D J Farrant
Director
21 January 2022

Pit Properties Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with FRS 101 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Under company law the directors must not approve the financial statements unless they are 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 directors are required to:

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

The directors are 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. They are 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.

Pit Properties Limited

Statement of comprehensive income for the year ended 30 June 2021

	NOTE	2021 £'000	2020 £'000
Administrative expenses		-	-
Result before taxation	3	-	-
Taxation	4	-	-
Result and total comprehensive income for the financial year		-	-

The result for the financial year arises from the company's continuing operations.

The notes on pages 7 to 12 form an integral part of these financial statements.

Pit Properties Limited

Statement of Financial Position as at 30 June 2021

	NOTE	2021 £'000	2020 £'000
Fixed assets			
Investments	5	<u>-</u>	<u>-</u>
Current assets			
Debtors: amounts falling due within one year	6	<u>819</u>	<u>859</u>
Creditors: amounts falling due within one year	7	<u>(820)</u>	<u>(860)</u>
Net current liabilities		<u>(1)</u>	<u>(1)</u>
Total net liabilities		<u>(1)</u>	<u>(1)</u>
Capital and reserves			
Called up share capital	8		-
Retained earnings		<u>(1)</u>	<u>(1)</u>
Total shareholders' deficit		<u>(1)</u>	<u>(1)</u>

The notes on pages 7 to 12 form an integral part of these financial statements.

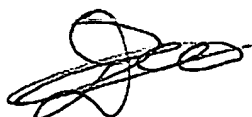
These accounts have been prepared in accordance with the provisions available to company's subject to the small company's regime within Part 15 of the Companies Act 2006 and FRS 101.

For the financial year ended 30 June 2021 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors confirm that no individual member or group of members have control of the company.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts so far as applicable to the company.

The financial statements for Pit Properties Limited, company number 10050312, are presented on pages 4 to 12 and were approved by the board of directors on 21 January 2022 and signed on its behalf by:



D J Farrant
Director

Pit Properties Limited

Statement of changes in equity for the year ended 30 June 2021

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
At 1 July 2019	-	(1)	(1)
Result for the financial period and total comprehensive result	-	-	-
At 30 June 2020	-	(1)	(1)
Result for the financial period and total comprehensive result	-	-	-
At 30 June 2021	-	(1)	(1)

Pit Properties Limited

Notes to the financial statements for the year ended 30 June 2021

1. Statement of accounting policies

General information

Pit Properties Limited is an intermediate holding company. The company is a private limited company, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales, United Kingdom. The company's registered office is 2nd Floor, 14 St George Street, London, United Kingdom, W1S 1FE.

Basis of accounting

The individual financial statements of Provenance Investments Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 101, "Reduced Disclosure Framework" ("FRS 101"), as issued by the Financial Reporting Council and the Companies Act 2006.

In the year ended 30 June 2021 the company has undergone transition from reporting under FRS 102, the Generally Accepted Accounting Practice in the UK (UK GAAP) to FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

In preparing its opening FRS 101 Statement of Financial Position, the company has not adjusted amounts reported previously in financial statements prepared in accordance with FRS 102. There has been no restatement of the financial position and financial performance as set out in note 11 to the financial statements.

The significant accounting policies have been applied in preparing these financial statements and comparative information and in the preparation of an opening FRS 101 Statement of Financial Position at 1 July 2019.

The functional and presentational currency of the company is pound sterling because that is the currency of the primary economic environment in which the company operates.

The financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and United Kingdom Applicable Accounting Standards, which have been applied on a consistent basis with the previous period. The principal accounting policies are set out below.

Going concern

In determining whether the company's accounts can be prepared on a going concern basis, the directors considered the company's business activities together with factors likely to affect its future development, performance and its financial position including cash flows, liquidity position and borrowing facilities and the principal risks and uncertainties relating to its business activities. These are set out within the Report of the directors', on page 1.

After making appropriate enquiries and on the basis that the company as support of its parent company, Trenport Property Holdings Limited, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in the preparation of the annual report and accounts.

Pit Properties Limited

Notes to the financial statements for the year ended 30 June 2021 (continued)

1. Statement of accounting policies (continued)

Exemptions for qualifying entities under FRS 101

The company meets the definition of a qualifying entity under FRS 101 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. These being a reconciliation of the number of shares outstanding at the beginning and end of the year, a statement of cash flows, key management personnel compensation and certain financial instrument disclosures on the basis that equivalent disclosures are included in the consolidated financial statements of the group in which the company is consolidated, being Trenport Property Holdings Limited.

Consolidated financial statements

As the company is a wholly owned subsidiary of Trenport Property Holdings Limited, the company is exempt under S400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

Investments

Investments in joint ventures and subsidiaries are included in the balance sheet at their cost on acquisition. Where appropriate, provision is made for any impairment in their value.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the year end date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the year end date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the year end date.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Pit Properties Limited

Notes to the financial statements for the year ended 30 June 2021 (continued)

1. Statement of accounting policies (continued)

Financial instruments

The company has adopted IFRS 9 under FRS 101 in respect of financial instruments.

(i) Financial assets

Basic financial assets 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 period 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. The impairment loss is recognised in profit or loss.

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 profit or loss.

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) despite having retained some significant risks and rewards of ownership, 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.

(ii) Financial liabilities

Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. 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 measured cost using the effective interest method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Critical accounting judgements and estimation uncertainty

In the application of the company's accounting policies, the directors are 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.

Critical judgements in applying the company's accounting policies

The directors do not consider there to be any critical accounting judgements that must be applied.

Pit Properties Limited

Notes to the financial statements for the year ended 30 June 2021 (continued)

2. Employees and directors

The company has no employees other than the directors.

None of directors received any emoluments during the year for their services to the company (2020: £Nil).

3. Result before taxation

The company accounts are unaudited in the current year, so there are no audit fees (2020: £nil).

4. Taxation on result

	2021 £'000	2020 £'000
Current tax:		
UK corporation tax	-	-
Deferred tax:		
Deferred tax charge for current year	-	-
	<hr/>	<hr/>
Total tax on result/(loss)	<hr/> -	<hr/> -

The tax assessed for the year is the same (2020: same) as the standard corporation tax in the UK 19.0% (2020: 19.0%). The differences are explained below:

Result before tax	<hr/> -	<hr/> -
	<hr/>	<hr/>
Result multiplied by the standard rate of corporation tax in the UK of 19.0% (2020: 19.0%)	<hr/> -	<hr/> -
	<hr/>	<hr/>

The company earns its profits primarily in the UK. Therefore, the tax rate used for tax on profit is the standard rate of UK corporation tax of 19.0% (2020: 19.0%).

The Finance Bill 2021 enacted provisions to increase the main rate of UK corporation tax to 25% from 1 April 2023.

5. Fixed asset investments

Investments in joint ventures	£
At 1 July 2020 and 30 June 2021	<hr/> 1

At 30 June 2020 the company had the following investments:

Company Name	Country of Incorporation	Class of shares held	Nature of business
MP Holdings 2016 Limited	England and Wales	Ordinary	Property management
Margetts Pitt Limited	England and Wales	Ordinary	Property management

MP Holdings 2016 Limited is a joint venture which is 50% owned by Pit Properties Limited. Margetts Pitt Limited is a company 100% owned by MP Holdings 2016 Limited. The registered office of the above companies is 2nd Floor, 14 St George Street, London W1S 1FE.

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Notes to the financial statements for the year ended 30 June 2021 (continued)

6. Debtors: amounts falling due within one year

	2021 £'000	2020 £'000
Amount owed by group undertakings	774	814
Amounts owed by joint venture undertaking	45	45
	<u>819</u>	<u>859</u>

The amounts owed by group undertaking and by joint venture undertaking are unsecured, interest free, have no fixed terms for repayment and are repayable on demand.

7. Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Amounts owed to joint venture undertaking (note 12)	820	860
	<u>820</u>	<u>860</u>

The amounts owed to associated group undertakings and to joint venture undertaking are unsecured, interest free, have no fixed terms for repayment and are repayable on demand.

8. Called up share capital

	2021 £	2020 £
Allotted, issued and fully paid:		
1 (2020: 1) ordinary shares of £1 each	<u>1</u>	<u>1</u>

The company has one class of share which bear no right to fixed income.

9. Related party transactions

	2021 £'000	2020 £'000
Related party creditor: owing to Margetts Pit Limited		
Opening creditor	860	900
Movement during year	(40)	(40)
Closing creditor	<u>820</u>	<u>860</u>

The movement during the year relates additional funds required as working capital by Margetts Pit Limited, a wholly owned subsidiary of MP Holdings 2016 Limited, in which the company has a 50% shareholding.

Pit Properties Limited

Notes to the financial statements for the year ended 30 June 2021 (continued)

9. Related party transactions (continued)

	2021 £'000	2020 £'000
Related party debtor: owing by MP Holdings (2016) Limited		
Opening debtor	45	45
Closing debtor	45	45

At 30 June 2021 the company's voting rights were controlled by its immediate holding company Trenport Property Holdings Limited, and the company has taken advantage of the exemption contained in FRS 101 and has therefore not disclosed transactions or balances with entities which form part of the group or are disclosed in the Shop Direct Holdings Limited group financial statements.

10. Ultimate controlling party

The immediate holding company is Trenport Investments Limited, a company registered in England and Wales.

The smallest group into which the results of the company are consolidated is Trenport Investments Limited, a company registered in England and Wales.

The largest publicly available group into which the results of the company are consolidated is the financial statements of Shop Direct Holdings Limited, a company registered in England and Wales, which the directors regard as being ultimately controlled by the Sir David Barclay and Sir Fredrick Barclay Family Settlements. The financial statements of Shop Direct Holdings Limited and Trenport Property Holdings Limited can be obtained by writing to 2nd Floor, 14 St George Street, London W1S 1FE, which is also the registered address of these entities.

11. Impact of transition to FRS 101

As stated in "statement of accounting policies", the company has transitioned from United Kingdom Generally Accepted Accounting Practice (UK GAAP) FRS 102 to FRS 101 during the current financial year.

The accounting policies set out in "statement of accounting policies" have been applied in preparing these financial statements and comparative information and in the preparation of an opening FRS 101 Statement of Financial Position at 1 July 2019.

In preparing its opening FRS 101 Statement of Financial Position the company has not been required to make any adjustments to amounts reported previously in the financial statements prepared in accordance with UK GAAP FRS 102. The transition to FRS 101 has had no impact on the company's financial position, financial performance and cash flows.