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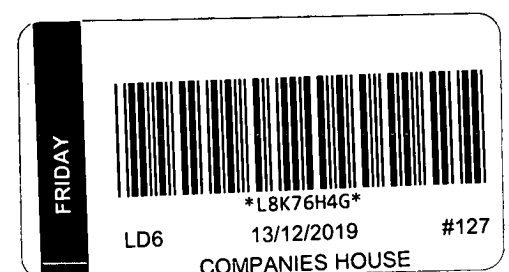
COMPANY REGISTRATION NUMBER: 11266719

Chancerygate No.5 Limited

Directors' Report and Financial Statements

For the year ended

31 March 2019



Chancerygate No.5 Limited

Financial Statements

Year ended 31 March 2019

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Chancerygate No.5 Limited

Officers and Professional Advisers

The board of directors

Mr James Deane
Mr Richard Bains

Company secretary

Chancerygate Corporate Services Ltd

Registered office

12a Upper Berkeley Street
London
W1H 7QE

Auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
30 Finsbury Square
London
EC2A 1AG

Chancerygate No.5 Limited

Directors' Report

Year ended 31 March 2019

The directors present their report and the financial statements of the company for the year ended 31 March 2019.

Directors

The directors who served the company during the year were as follows:

Mr Richard Bains
Mr James Deane (Appointed 21 August 2018)

Qualifying indemnity provision

The company has granted an indemnity to all of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' Report.

Directors' responsibilities statement

The directors are responsible for preparing the directors' 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws, including FRS 102 '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 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 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 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.

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.
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Chancerygate No.5 Limited

Directors' Report *(continued)*

Year ended 31 March 2019

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption provided by section 415A of the Companies Act 2006.

This report was approved by the board of directors on 28th November 2019 and signed on behalf of the board by:



Mr James Deane
Director

Registered office:
12a Upper Berkeley Street
London
W1H 7QE

Chancerygate No.5 Limited

Independent Auditor's Report to the Members of Chancerygate No.5 Limited

Year ended 31 March 2019

Opinion

We have audited the financial statements of Chancerygate No.5 Limited (the 'company') for the year ended 31 March 2019 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity 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 2019 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Chancerygate No.5 Limited

Independent Auditor's Report to the Members of Chancerygate No.5 Limited (continued)

Year ended 31 March 2019

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 directors are 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 directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 the returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; and
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' reports and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Chancerygate No.5 Limited

Independent Auditor's Report to the Members of Chancerygate No.5 Limited (continued)

Year ended 31 March 2019

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are 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 directors determine 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 directors are 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 directors either intend to liquidate the company or to cease operations, or have 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.

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. 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.

Grant Thornton UK LLP

Richard Hagley BSc FCA (Senior Statutory Auditor)

For and on behalf of
Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
30 Finsbury Square
London
EC2A 1AG

12 December 2019

Chancerygate No.5 Limited

Statement of Comprehensive Income

Year ended 31 March 2019

	Note	2019 £	2018 £
Turnover		75	—
Gross profit		<u>75</u>	<u>—</u>
Administrative expenses		(2,300)	—
Operating loss		<u>(2,225)</u>	<u>—</u>
Interest payable and similar expenses		(344,417)	—
Loss before taxation		<u>(346,642)</u>	<u>—</u>
Tax on loss		65,862	—
Loss for the financial year and total comprehensive income		<u><u>(280,780)</u></u>	<u><u>—</u></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 13 form part of these financial statements.

Chancerygate No.5 Limited

Statement of Financial Position

31 March 2019

	Note	2019 £	2018 £
Current assets			
Stocks		10,065,883	–
Debtors	6	<u>21,497</u>	<u>1</u>
		10,087,380	1
Creditors: amounts falling due within one year	7	<u>(10,368,159)</u>	<u>–</u>
Net current (liabilities)/assets		<u>(280,779)</u>	<u>1</u>
Total assets less current liabilities		<u>(280,779)</u>	<u>1</u>
Net (liabilities)/assets		<u>(280,779)</u>	<u>1</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		<u>(280,780)</u>	<u>–</u>
Shareholders (deficit)/funds		<u>(280,779)</u>	<u>1</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

These financial statements were approved by the board of directors and authorised for issue on 28th November 2019, and are signed on behalf of the board by:



Mr James Deane
Director

Company registration number: 11266719

The notes on pages 10 to 13 form part of these financial statements.

Chancerygate No.5 Limited

Statement of Changes in Equity

Year ended 31 March 2019

	Called up share capital £	Profit and loss account £	Total £
At 1 April 2017	—	—	—
Profit for the year		—	—
Issue of shares	1	—	1
Total investments by and distributions to owners	1	—	1
At 31 March 2018	1	—	1
Loss for the year		(280,780)	(280,780)
Total comprehensive income for the year	—	(280,780)	(280,780)
At 31 March 2019	1	(280,780)	(280,779)

The notes on pages 10 to 13 form part of these financial statements.

Chancerygate No.5 Limited

Notes to the Financial Statements

Year ended 31 March 2019

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 12a Upper Berkeley Street, London, W1H 7QE.

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 under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in Sterling (£), which is the functional currency of the entity.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Going concern

The company is in a net liabilities position at year end. In these circumstances, Chancerygate Limited has agreed to provide financial support for the company for a period of 12 months from the date of signing the accounts.

The financial statements have been prepared on a going concern basis. In considering going concern, management review the financial information of the company for a period of at least 12 months from the date of approval of the financial statements. Having reviewed this information, management believes that the company has sufficient resources to continue in operational existence for the foreseeable future with the support of its parent company. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Revenue recognition

Revenue represents income from the sale of development properties at invoiced amounts less value added tax and arises solely within the United Kingdom. Sales of properties are accounted for when exchanged contracts become unconditional. Profits on pre-sold development properties are only accounted for when all material development risks have passed.

Chancerygate No.5 Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

3. Accounting policies *(continued)*

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition. The stock balance at year end relates to a development in progress.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Chancerygate No.5 Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

4. Auditor's remuneration

	2019	2018
	£	£
Fees payable for the audit of the financial statements	<u>1,600</u>	<u>–</u>

5. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2018: nil). The directors are remunerated through Chancerygate Limited.

6. Debtors

	2019	2018
	£	£
Amounts owed by group undertakings	618	–
Called up share capital not paid	–	1
VAT refund due	<u>20,879</u>	<u>–</u>
	<u>21,497</u>	<u>1</u>

Amounts owed by group undertakings are repayable on demand and interest free.

7. Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans	4,425,000	–
Trade creditors	159,797	–
Amounts owed to group undertakings	5,698,042	–
Accruals and deferred income	<u>85,320</u>	<u>–</u>
	<u>10,368,159</u>	<u>–</u>

Amounts owed to group undertakings are repayable on demand and interest free.

Interest was payable on the bank loan at LIBOR + 3.75%. The loan was secured by a first legal charge over the freehold property forming part of stock and a first floating charge over the assets of the company. The loan facility is fully repayable upon expiry in January 2020.

The amount owed to group undertakings comprises an amount of £4,000,000 (2018: nil) in respect of an unsecured loan passed to the company via the parent and upon which interest at 8.5% is charged. The loan agreement is between the lender and Chancerygate Limited, the ultimate parent company. No interest is charged on the remainder of the amount owed to group undertakings.

Chancerygate No.5 Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

8. Controlling party

The immediate and ultimate parent of the company is Chancerygate Limited. It is incorporated in the United Kingdom. A W Johnson is the ultimate controlling party. Chancerygate Limited is a private limited company registered at 12a Upper Berkeley Street, London, England, W1H 7QE.