

Brymore No 1 Ltd

Directors' Report and Financial Statements

Year Ended

31 December 2021

Company Number 11629964

FRIDAY



AB6DOK4J

A03

17/06/2022

#13

COMPANIES HOUSE

Brymore No 1 Ltd

Company Information

Directors	M R T Allen M Roberts
Registered number	11629964
Registered office	6 Heddon Street London W1B 4BT United Kingdom
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

Brymore No 1 Ltd

Contents

	Page
Directors' Report	1 - 2
Independent Auditor's Report	3 - 6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 - 16

Brymore No 1 Ltd

Directors' Report For the Year Ended 31 December 2021

The directors present their report together with the audited financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company during the year under review is the purchase, development and resale of residential properties.

Business review

During the year, the company generated revenues of £5,412,807 (2020 - £1,387,537) and a profit before taxation and dividends of £669,900 (2020 - £675,825). The directors have not authorised a dividend for the year.

Directors

The directors who served during the year were:

M R T Allen
M Roberts

Directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements 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 law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgement 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.

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Brymore No 1 Ltd

Directors' Report (continued) For the Year Ended 31 December 2021

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



M R T Allen
Director

Date: 14/06/22

Brymore No 1 Ltd

Independent Auditor's Report to the members of Brymore No 1 Ltd

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Brymore No 1 Ltd ("the company") for the year ended 31 December 2021 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion on the financial statements

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Conclusions relating to going concern

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

Other Matters

The corresponding figures are unaudited.

Brymore No 1 Ltd

Independent Auditor's Report to the members of Brymore No 1 Ltd (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' report other than the financial statements and our auditor's report thereon. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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.

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were 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 directors' report and from the requirement to prepare a Strategic report.

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.

Brymore No 1 Ltd

Independent Auditor's Report to the members of Brymore No 1 Ltd (continued)

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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 frameworks that are applicable to the Company and the industry in which it operates and considered the risk of acts by the Company that were contrary to applicable laws and regulations, including fraud.

- We considered the processes and controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud. We focused on laws and regulations that could give rise to material misstatement in the financial statements, including, but not limited to, the Companies Act 2006.
- Our tests included agreeing the financial statement disclosures to underlying supporting documentation where relevant, review of Board meeting minutes, enquiries with management as to the risks of non-compliance and any instances thereof. Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to cost forecasting and margin estimation. Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations including unusual or unexpected journal postings to the income statement.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Brymore No 1 Ltd

Independent Auditor's Report to the members of Brymore No 1 Ltd (continued)

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.

DocuSigned by:

Claire O'Kane

4EF43E50E8D0473...

Claire O'Kane (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
United Kingdom

14 June 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Brymore No 1 Ltd

Statement of Comprehensive Income For the Year Ended 31 December 2021

	Note	Audited 2021 £	Unaudited 2020 £
Turnover	5	5,412,807	1,387,537
Cost of sales		(5,034,294)	(1,216,649)
Gross profit		378,513	170,888
Administrative expenses		(279,752)	(253,003)
Other operating income	5	571,139	762,387
Operating profit		669,900	680,272
Tax on profit	8	-	(4,447)
Profit for the financial year		669,900	675,825

All amounts relate to continuing activities.

There was no other comprehensive income for 2021 (2020 - £Nil).

The notes on pages 10 to 16 form part of these financial statements.

Brymore No 1 Ltd
Registered number: 11629964

Statement of Financial Position
As at 31 December 2021

	Note	Audited 2021 £	Audited 2021 £	Unaudited 2020 £	Unaudited 2020 £
Current assets					
Stocks	9	12,801,358		17,504,058	
Debtors: amounts falling due within one year	10	6,944,707		1,503,746	
Cash at bank and in hand		50,878		79,524	
		<u>19,796,943</u>		<u>19,087,328</u>	
Creditors: amounts falling due within one year	11	(111,071)		(71,356)	
Net current assets			19,685,872		19,015,972
Net assets			<u>19,685,872</u>		<u>19,015,972</u>
Capital and reserves					
Called up share capital	12	1,000,000		1,000,000	
Share premium account		17,235,000		17,235,000	
Profit and loss account		1,450,872		780,972	
Total equity			<u>19,685,872</u>		<u>19,015,972</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.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



M R T Allen
Director

Date: 14/06/22

The notes on pages 10 to 16 form part of these financial statements.

Brymore No 1 Ltd

Statement of Changes in Equity For the Year Ended 31 December 2021

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2021	1,000,000	17,235,000	780,972	19,015,972
Comprehensive income for the year				
Profit for the year	-	-	669,900	669,900
Total comprehensive income for the year	-	-	669,900	669,900
At 31 December 2021	1,000,000	17,235,000	1,450,872	19,685,872

Statement of Changes in Equity For the Year Ended 31 December 2020

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2020	1,000,000	17,235,000	105,147	18,340,147
Comprehensive income for the year				
Profit for the year	-	-	675,825	675,825
Total comprehensive income for the year	-	-	675,825	675,825
At 31 December 2020	1,000,000	17,235,000	780,972	19,015,972

The notes on pages 10 to 16 form part of these financial statements.

Brymore No 1 Ltd

Notes to the Financial Statements For the Year Ended 31 December 2021

1. General information

Brymore No 1 Ltd is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and principal activity are set out in the directors' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The directors have reviewed the current and projected financial performance and position of the company, making reasonable assumptions about future trading performance. The directors have prepared forecasts to reflect the impact and based on these, have concluded that the company has adequate resources to continue to operate as a going concern in the foreseeable future and that no material uncertainty exists in relation to this conclusion.

The directors continues to monitor the ongoing global coronavirus pandemic and the rapid escalation of the Russia/Ukraine conflict along with the impact of sanctions. Whilst the directors do not underestimate the seriousness of the issue and the inevitable effect it is having on the global economy, the directors do not consider it to cast any doubt in the ability of the company and the company to continue as a going concern. Accordingly, the directors have adopted the going concern basis in preparing these financial statements.

2.3 Turnover

Turnover from the sale of property is recognised on legal completion. Turnover is recognised to the extent that it is virtually certain that the economic benefits will flow to the group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.4 Other operating income

Other income is recognised from rent when the tenant has signed a tenancy agreement contract and when rent is contractually due. Rental income is recognised on a straight line basis over the term of the tenancy agreement.

Brymore No 1 Ltd

Notes to the Financial Statements (continued) For the Year Ended 31 December 2021

2. Accounting policies (continued)

2.5 Stock

Properties are included as stock as the business model of the company is to acquire and redevelop them for resale. Stock is held at the lower of cost or net realisable value (selling price less costs to sell). Any cost incurred which are directly attributable to improvement of the properties are capitalised to stock. Assets other than those measured at fair value are assessed for indicators of impairment at each period end. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss. A provision is made for stock impairments when the selling price is less than the cost.

2.6 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.

2.7 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and highly liquid interest-bearing securities with maturities of three months or less subject to insignificant risk of changes in value.

2.8 Creditors

Short-term 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.

2.9 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Brymore No 1 Ltd

Notes to the Financial Statements (continued) For the Year Ended 31 December 2021

2. Accounting policies (continued)

2.9 Financial instruments (continued)

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.10 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Other key sources of estimation uncertainty:

- Stock (see note 9)

Stock is carried in the statement of financial position at the lower of cost and net realisable value. The directors have used their knowledge and experience of the industry to determine if any provision is required.

Brymore No 1 Ltd

Notes to the Financial Statements For the Year Ended 31 December 2021

4. Turnover

The whole of the turnover is attributable to the principal activity of the company. All turnover arose within the United Kingdom.

5. Other operating income

	Audited 2021 £	Unaudited 2020 £
Revenue	5,412,807	1,387,537
Rental income	571,139	762,387
	<u>5,983,946</u>	<u>2,149,924</u>

6. Employees

The company has no employees other than the directors, who did not receive any remuneration (2020 - £Nil).

7. Auditor's remuneration

	Audited 2021 £	Unaudited 2020 £
Fees payable to the company's auditor for the audit of the company's annual financial statements totalled	2,000	-
Fees payable to the company's auditor and its associated for the preparation of the companies financial statements	600	-
	<u>2,600</u>	<u>-</u>

8. Taxation

	Audited 2021 £	Unaudited 2020 £
Corporation tax		
Current tax on profits for the year	-	4,447
Total current tax	<u>-</u>	<u>4,447</u>
Taxation on profit on ordinary activities	<u>-</u>	<u>4,447</u>

Brymore No 1 Ltd

Notes to the Financial Statements For the Year Ended 31 December 2021

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19 %). The differences are explained below:

	Audited 2021 £	Unaudited 2020 £
Profit on ordinary activities before tax	669,900	680,272
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19 %)	127,281	129,252
Effects of:		
Group relief claimed	(127,281)	(124,805)
Total tax charge for the year	-	4,447

Factors that may affect future tax charges

Increases in the UK Corporation tax rate from 19% to 25% (19% effective from 1 April 2017, and 25% effective from 1 April 2023) have been substantively enacted. This will impact the company's future tax charge accordingly. The value of the deferred tax asset/liability at the statement of financial position/balance sheet date has been calculated using the applicable rate when the asset/liability is expected to be realised.

9. Stocks

	Audited 2021 £	Unaudited 2020 £
Finished goods and goods for resale	12,801,358	17,504,058

Brymore No 1 Ltd

Notes to the Financial Statements For the Year Ended 31 December 2021

10. Debtors

	Audited 2021 £	Unaudited 2020 £
Trade debtors	-	1,517
Amounts owed by immediate parent	6,923,304	1,494,990
Other debtors	14,163	-
Prepayments and accrued income	7,239	7,239
Tax recoverable	1	-
	<u>6,944,707</u>	<u>1,503,746</u>

Amounts owed by immediate parent represent amounts owed by the companies immediate parent (Baumore Holdings Limited). These amounts are repayable on demand, there is no interest charged and there are no other terms on these amounts.

11. Creditors: Amounts falling due within one year

	Audited 2021 £	Unaudited 2020 £
Trade creditors	29,089	3,738
Amounts owed to related party	37,531	-
Corporation tax	-	4,447
Accruals and deferred income	44,451	63,171
	<u>111,071</u>	<u>71,356</u>

12. Share capital

	Audited 2021 £	Unaudited 2020 £
Allotted, called up and fully paid		
1,000,000 (2020 -1,000,000) ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

On the date of incorporation, the company issued 1 Ordinary shares at par value.

On 9 September 2019 the company issued 100,000,000 Ordinary shares for a premium of £1.00 per share.

Brymore No 1 Ltd

Notes to the Financial Statements For the Year Ended 31 December 2021

13. Commitments under operating leases

At 31 December 2021 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Audited 2021 £	Unaudited 2020 £
Not later than 1 year	162,663	503,147
Later than 1 year and not later than 5 years	12,600	3,600
Later than 5 years	612,584	175,287
	<u>787,847</u>	<u>682,034</u>

14. Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 102 Section 33 'Related Party Disclosures' paragraph 33.1A not to disclose transactions with certain group companies on the grounds that the related party to the transaction are wholly owned members of the same group.

15. Controlling party

The company's immediate parent company is Baumore Holdings Limited, a company incorporated in United Kingdom, by virtue of its 100% shareholding.

The ultimate controlling party of the group is BauMont Real Estate One S.C.Sp, a Limited Partnership established in Luxembourg and whose general partner is BauMont General Partner S.à r.l., a company incorporated in Luxembourg.