

Company number 12206506

SIGMA PRS INVESTMENTS (BEAM PARK V&W) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2021

COMPANIES HOUSE
13 JAN 2023
EDINBURGH MAILBOX



ANNUAL REPORT AND FINANCIAL STATEMENTS

CONTENTS	PAGE
COMPANY INFORMATION	2
DIRECTORS' REPORT	3
STATEMENT OF COMPREHENSIVE INCOME	5
STATEMENT OF FINANCIAL POSITION	6
STATEMENT OF CHANGES IN EQUITY	7
NOTES TO THE FINANCIAL STATEMENTS	8

COMPANY INFORMATION

Directors

Malcolm Briselden
Graham Barnet (resigned 23 December 2020)
Nisha Raghavan (appointed 17 September 2021)
Panayiotis Andrea Shacalis (appointed 17 September 2021)
Jason Berry (appointed 24 March 2021; resigned 17 September 2021)
Katy Ramsey (resigned 17 September 2021)
Graeme Reay (resigned 17 September 2021)
Michael Scott (resigned 17 September 2021)
Matthew Townson (resigned 17 September 2021)

Company Secretary Sigma Capital Property Ltd (appointed 17 September 2021)

Company Number 12206506

Registered Office Floor 3, 1 St. Ann Street
Manchester
M2 7LR

DIRECTORS' REPORT

The Company was incorporated on 13 September 2019.

The directors present their report with the audited financial statements for the 15 month period ended 31 December 2021. The prior reporting period was 9 months. Both reporting periods align the Company's year end with its ultimate parent company.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption and accordingly no strategic report has been provided.

Principal activity

The principal activity of the Company is the investment in property for the private rental sector. The Company owns and manages 80 residential homes which are let to tenants on shorthold assured tenancies.

Directors

The directors who served during the period are listed on page 2.

Directors' responsibilities for the financial statements

Company law requires the directors to prepare financial statements for each financial period, which 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable understandable information; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

Coronavirus

Coronavirus remains a real and existing risk which requires careful monitoring and management in order to mitigate the likely issues as much as possible during the restoration of a more normal working and living environment. As one would expect the Company will continue to objectively review and assess the impact of the coronavirus outbreak and government response on both its strategy and focus of activities. Importantly, however, the pandemic will ultimately pass and the Company is well placed to thrive thereafter.

Brexit

At the end of December 2020, the UK exited the European Union. Although the Company does not export to the EU, Brexit has a number of potential impacts on the business including the economic and market impact of leaving the EU. As at the balance sheet date there has been no material impact of Brexit on the Company but the Board and management continue to monitor the situation.

DIRECTORS' REPORT (CONT.)

Going concern

The directors have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

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.

By order of the board

A handwritten signature in black ink, appearing to read 'M. Briselden', written in a cursive style.

Malcolm Briselden
Director

6 January 2023

SIGMA PRS INVESTMENTS (BEAM PARK V&W) LIMITED
Period ended 31 December 2021

STATEMENT OF COMPREHENSIVE INCOME

	Period to 31 December 2021	Period to 30 September 2020
	£	£
Notes		
Revenue	335,950	-
Cost of sales	<u>(86,376)</u>	<u>-</u>
Gross profit	249,574	-
Administration expenses	<u>(174,110)</u>	<u>-</u>
Operating profit	75,464	-
Unrealised profit on revaluation of investment property	843,622	142,904
Profit on ordinary activities before tax	<u>919,086</u>	<u>142,904</u>
Taxation	3 (335,824)	(64,089)
Total comprehensive income for the period	<u><u>583,262</u></u>	<u><u>78,815</u></u>

All the company's activities are classed as continuing and there are no recognised gains and losses other than those included in the profit and loss account.

The accompanying notes form an integral part of these financial statements.

SIGMA PRS INVESTMENTS (BEAM PARK V&W) LIMITED
Period ended 31 December 2021

STATEMENT OF FINANCIAL POSITION

	Notes	31 December 2021 £	30 September 2020 £
Fixed assets			
Investment property	4	23,400,000	7,868,766
Plant and equipment	5	189,918	-
		<u>23,589,918</u>	<u>17,868,766</u>
Current assets			
Debtors	6	153,435	100
Cash at bank		181,202	-
		<u>334,638</u>	<u>100</u>
Creditors: amounts falling due within one year	7	(7,605,223)	(15,878,964)
Net current liabilities		<u>(7,270,585)</u>	<u>(15,878,864)</u>
Non-current liabilities	8	(14,124,231)	(378,062)
Net assets		<u>2,195,102</u>	<u>1,611,840</u>
Capital and reserves			
Called up share capital	9	100	100
Retained earnings		2,195,002	1,611,740
Shareholders' funds		<u>2,195,102</u>	<u>1,611,840</u>

For the period ended 31 December 2021 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to subsidiary companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

The accompanying notes are an integral part of these financial statements.

The financial statements on pages 5 to 13 were approved and authorised for issue by the Board of Directors on 6 January 2023 and were signed on its behalf by:



Malcolm Briselden
Director

Registered number 12206506

SIGMA PRS INVESTMENTS (BEAM PARK V&W) LIMITED
Period ended 31 December 2021

STATEMENT OF CHANGES IN EQUITY

	Called up share capital £	Retained earnings £	Total equity £
Balance at 31 December 2019	100	1,532,925	1,533,025
2020			
Comprehensive Income			
Profit for the period	-	78,815	78,815
Balance at 30 September 2020	<u>100</u>	<u>1,611,740</u>	<u>1,611,840</u>
2021			
Comprehensive Income			
Profit for the period	-	583,286	583,286
Balance at 31 December 2021	<u><u>100</u></u>	<u><u>2,195,002</u></u>	<u><u>2,195,102</u></u>

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

Sigma PRS Investments (Beam Park V&W) Limited ("the Company") is a private company limited by shares incorporated and domiciled in the UK. The registered office address is Floor 3, 1 St Ann Street, Manchester, M2 7LR.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("IFRS"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

As at 31 December 2021, the company's ultimate parent undertaking was London BTR Investments Limited, and included the Company in its consolidated financial statements. The consolidated financial statements of London BTR Investments Limited, are prepared in accordance with IFRS and are readily available.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs; and
- related party transactions.

As the consolidated financial statements of London BTR Investments Limited included the equivalent disclosures, the Company has also taken the exemption under FRS101 available in respect of certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS Financial Instrument Disclosures.

Measurement convention

The accounts have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Going concern

The directors have reviewed the trading prospects and projected cash flows of the business and on that basis the directors have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Investment Property

Investment property, including that which is being constructed for future use as investment property, is measured initially at its cost including related transaction costs. After initial recognition, investment property is carried at fair value. The investment properties are valued by CBRE who are qualified valuation experts and hold a recognised and relevant professional qualification. The valuation basis of market value conforms to international valuation standards. The valuation is based on market evidence of investment yields, expected gross to net income rates and actual and expected rental values. Gains or losses arising from arising from changes in the fair value of the investment property are included in profit from operations in the income statement of the period in which they arise.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

Impairments

When there is an indication of impairment, the company reviews the carrying value of its assets to determine whether those assets have suffered an impairment loss. The recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to determine the recoverable amount of an individual asset the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

Where an impairment subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years.

Taxation

Tax on the profit or loss for the period comprises current tax and deferred tax.

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

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

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and judgements.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(i) Fair value of investment property

The matters taken into account when assessing the fair value of investment property are detailed in the accounting policy on investment property.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

3. Taxation

	Period from 1 Oct 2020 to 31 Dec 2021	Period from 1 Jan 2020 to 30 Sept 2020
	£	£
Corporation tax charge for the period	5,530	-
Deferred tax charge for the period	330,294	64,089
Tax on profit for the period	<u>335,824</u>	<u>64,089</u>

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The difference is explained below.

	Period from 30 September 2020 to 31 December 2021 £	Period from 1 January 2020 to 30 September 2020 £
Profit before tax	<u>919,086</u>	<u>142,904</u>
Profit before tax at the effective rate of corporation tax in the UK of 19%	174,626	27,151
Effect of difference between standard and deferred tax rate of 17%	-	36,938
Non taxable income	(160,288)	
Group relief	(12,455)	-
Depreciation in excess of capital allowances	3,011	
Overprovision for current period	636	
Deferred tax charge	330,294	-
Tax charge for the period	<u>335,824</u>	<u>64,089</u>

4. Investment property

	31 December 2021 £
Cost	
At 30 September 2020	15,878,964
Additions	4,687,612
At 31 December 2021	<u>20,566,576</u>
Fair value adjustment	
Revaluation at 30 September 2020	1,989,802
Revaluation during the year	843,622
At 31 December 2021	<u>2,833,424</u>
Net book value	
At 31 December 2021	23,400,000
At 30 September 2020	<u>17,868,766</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

Investment property, including that which is being constructed for future use as investment property, is measured initially at cost including related transactions costs. After initial recognition, investment property is carried at fair value. The investment properties are valued by CBRE who are qualified valuation experts and hold a recognised and relevant professional qualification. The valuation basis of market value conforms to international valuation standards. The valuation is based on market evidence of investment yields, expected gross to net income rates and actual and expected rental values.

5. Tangible fixed assets

	Plant & Equipment £
Cost	
At 1 October 2020	-
Additions	205,766
At 31 December 2021	<u>205,766</u>
Depreciation	
At 1 October 2020	-
Charge for the period	(15,848)
At 31 December 2021	<u>(15,848)</u>
Net book value	
At 31 December 2021	<u><u>189,918</u></u>
At 30 September 2020	<u><u>-</u></u>

6. Debtors

	31 December 2021 £	30 September 2020 £
Other debtors	100	100
Trade debtors	74,760	-
Prepayments and accrued income	78,575	-
	<u>153,435</u>	<u>100</u>

7. Creditors

	31 December 2021 £	30 September 2020 £
Trade payables	27,767	-
Amounts owed to group entities	7,220,400	7,202,384
Amounts owed to parent company	-	8,676,580
Accruals	109,242	-
Other creditors	242,284	-
Corporation tax	5,530	-
	<u>7,605,223</u>	<u>15,878,964</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

8. Non-current liabilities

	31 December 2021	30 September 2020
	£	£
Deferred tax	708,356	378,062
Bank loan	13,415,875	-
	<u>14,124,231</u>	<u>378,062</u>

The deferred tax liability relates to unrealised property revaluations.

The bank loan is utilised to fund the Company's investment in private rented sector property. The total facility is £13.6 million and interest is charged at commercial rates. The loan facility is secured on the company's investment property.

9. Called up share capital

	31 December 2021	30 September 2020
	£	£
Authorised: 100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
Allotted and not paid: 100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>

All ordinary shares carry the same voting rights.

10. Ultimate controlling party

On the 17 September 2021, the entire share capital of the Company was acquired by London BTR Investments (NW) Holdings 2 Limited. On the 4 February 2022, the entire share capital of the Company was acquired by London BTR Investments (NW II) Holdings 2 Limited. The ultimate parent company and the ultimate controlling party of London BTR Investments (NW) Holdings 2 Limited and London BTR Investments (NW II) Holdings 2 Limited is London BTR Investments Limited, a company incorporated in England.

11. Related party relationships and transactions

The Company has taken advantage of the exemption in FRS 101 "Reduced Disclosure Framework" from disclosing transactions with fellow group undertakings and related parties.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

12. Post balance sheet events

Coronavirus

Coronavirus remains a real and existing risk which requires careful monitoring and management in order to mitigate the likely issues as much as possible during the restoration of a more normal working and living environment. As one would expect the Company will continue to objectively review and assess the impact of the coronavirus outbreak and government response on both its strategy and focus of activities. Importantly, however, the pandemic will ultimately pass and the Company is well placed to thrive thereafter.

Brexit

At the end of December 2020, the UK exited the European Union. Although the Company does not export to the EU, Brexit has a number of potential impacts on the business including the economic and market impact of leaving the EU. As at the balance sheet date there has been no material impact of Brexit on the Company but the Board and management continue to monitor the situation.

Change of control

Subsequent to the period end, the entire share capital of the Company was acquired by London BTR Investments (NW II) Holdings 2 Limited. Further details are provided in note 10 above.