

BLUENOTCH LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2023

BLUENOTCH LIMITED

COMPANY INFORMATION

DIRECTORS

Mark Pears CBE
Sir Trevor Pears CMG
David Pears
WPG Registrars Limited

COMPANY SECRETARY

William Bennett

REGISTERED NUMBER

01124571

REGISTERED OFFICE

Ground Floor
30 City Road
London
EC1Y 2AB

BLUENOTCH LIMITED

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BLUENOTCH LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 APRIL 2023**

The directors present their report and the financial statements for the year ended 30 April 2023.

PRINCIPAL ACTIVITY

The principal activity of the company is property investment.

DIRECTORS

The directors who served during the year were:

Mark Pears CBE
Sir Trevor Pears CMG
David Pears
WPG Registrars Limited

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.

William Bennett
Secretary

Date: 9 October 2023

BLUENOTCH LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2023

	Note	2023 £	2022 £
Turnover		148,118	214,872
Cost of sales		(60,930)	(105,154)
GROSS PROFIT		87,188	109,718
Administrative expenses		(28,914)	(20,505)
Profit on sale of investment properties	3	99,694	305,797
Fair value movements	7	96,942	499,580
OPERATING PROFIT		254,910	894,590
Interest receivable and similar income		31,574	21,834
Interest payable and similar expenses	5	-	(1,570)
PROFIT BEFORE TAX		286,484	914,854
Tax on profit	6	(27,018)	(250,469)
PROFIT FOR THE FINANCIAL YEAR		<u>259,466</u>	<u>664,385</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>259,466</u>	<u>664,385</u>

The notes on pages 5 to 14 form part of these financial statements.

BLUENOTCH LIMITED
REGISTERED NUMBER: 01124571

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Investment property	7	3,752,217	4,674,101
		<u>3,752,217</u>	<u>4,674,101</u>
CURRENT ASSETS			
Debtors: amounts due within one year	8	1,224,734	2,398,613
Cash at bank and in hand		10,632	9,545
		<u>1,235,366</u>	<u>2,408,158</u>
Creditors: amounts falling due within one year	9	(211,504)	(188,579)
		<u>1,023,862</u>	<u>2,219,579</u>
NET CURRENT ASSETS			
		<u>4,776,079</u>	<u>6,893,680</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
PROVISIONS FOR LIABILITIES			
Deferred tax	10	(544,415)	(621,482)
		<u>(544,415)</u>	<u>(621,482)</u>
NET ASSETS			
		<u><u>4,231,664</u></u>	<u><u>6,272,198</u></u>
CAPITAL AND RESERVES			
Called up share capital	11	100	100
Investment property reserve	12	1,602,814	2,049,186
Profit and loss account	12	2,628,750	4,222,912
		<u>4,231,664</u>	<u>6,272,198</u>
TOTAL EQUITY			
		<u><u>4,231,664</u></u>	<u><u>6,272,198</u></u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 on 9 October 2023.

David Pears
Director

The notes on pages 5 to 14 form part of these financial statements.

BLUENOTCH LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2023

	Called up share capital £	Investment property revaluation reserve £	Profit and loss account £	Total equity £
At 1 May 2022	100	2,049,186	4,222,912	6,272,198
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	259,466	259,466
Transfer realised gains to retained earnings	-	(521,579)	521,579	-
Deferred tax movements	-	77,067	(77,067)	-
Transfer revaluation during the year	-	(1,860)	1,860	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	(446,372)	705,838	259,466
CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS				
Dividends: Equity capital	-	-	(2,300,000)	(2,300,000)
AT 30 APRIL 2023	<u>100</u>	<u>1,602,814</u>	<u>2,628,750</u>	<u>4,231,664</u>

The notes on pages 5 to 14 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2022

	Called up share capital £	Investment property revaluation reserve £	Profit and loss account £	Total equity £
At 1 May 2021	100	1,956,149	3,651,564	5,607,813
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	664,385	664,385
Transfer realised gains to retained earnings	-	(323,437)	323,437	-
Deferred tax movements	-	(152,438)	152,438	-
Transfer revaluation during the year	-	568,912	(568,912)	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	93,037	571,348	664,385
AT 30 APRIL 2022	<u>100</u>	<u>2,049,186</u>	<u>4,222,912</u>	<u>6,272,198</u>

The notes on pages 5 to 14 form part of these financial statements.

BLUENOTCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. GENERAL INFORMATION

Bluenotch Limited is a private company limited by shares incorporated in England and Wales. The registered office is Ground Floor, 30 City Road, London EC1Y 2AB. The principal place of business is Haskell House, 152 West End Lane, London, NW6 1SD.

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 other than when additional disclosure is required to show a true and fair view.

The company's functional and presentational currency is GBP and rounded to the nearest £1.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing these financial statements.

2.3 TURNOVER

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Turnover is measured as the fair value of the rents receivable.

2.4 PROPERTY TRANSACTIONS

Purchases and sales of properties are included on the basis of completions occurring during the year.

2.5 INVESTMENT PROPERTY

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the income statement.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

2. ACCOUNTING POLICIES (CONTINUED)

2.7 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 FINANCIAL INSTRUMENTS

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's Statement of Financial Position when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

2. ACCOUNTING POLICIES (CONTINUED)

2.8 FINANCIAL INSTRUMENTS (CONTINUED)

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

2. ACCOUNTING POLICIES (CONTINUED)

2.9 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.10 CREDITORS

Short term creditors are measured at the transaction price.

2.11 REPAIRS AND MAINTENANCE

All repairs, maintenance costs and renewals are written off as incurred.

Certain refurbishment costs which are part of major property refurbishment programmes may, depending on the nature of the works being undertaken, be capitalised in the Statement of financial position as part of investment properties.

2.12 FINANCE COSTS

Finance costs are charged to the Income statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.13 INTEREST INCOME

Interest income is recognised in the Income statement using the effective interest method.

2.14 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

2. ACCOUNTING POLICIES (CONTINUED)

2.15 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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. PROFIT ON SALE OF INVESTMENT PROPERTIES

	2023 £	2022 £
Sale of investment properties	1,118,520	1,218,660
Historical cost	(497,247)	(589,426)
	<u>621,273</u>	<u>629,234</u>
Prior years fair value surplus realised	(521,579)	(323,437)
	<u>99,694</u>	<u>305,797</u>

4. EMPLOYEES

The average monthly number of employees, including the directors, during the year was as follows:

	2023 No.	2022 No.
Directors	<u>3</u>	<u>3</u>

BLUENOTCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2023 £	2022 £
Other interest payable	-	1,570
	<u>-</u>	<u>1,570</u>

6. TAXATION

	2023 £	2022 £
CORPORATION TAX		
Current tax on profits for the year	114,458	78,903
Adjustments in respect of previous periods	(10,373)	-
TOTAL CURRENT TAX	<u>104,085</u>	<u>78,903</u>
DEFERRED TAX		
Origination and reversal of timing differences	(77,067)	152,438
Tax on surplus realised	-	19,128
TOTAL DEFERRED TAX	<u>(77,067)</u>	<u>171,566</u>
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	<u>27,018</u>	<u>250,469</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

6. TAXATION (CONTINUED)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2022 - higher than) the standard rate of corporation tax in the UK of 19.5% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	<u>286,484</u>	<u>914,854</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.5% (2022 - 19%)	55,864	173,822
EFFECTS OF:		
Adjustments to tax charge in respect of prior periods	(10,373)	-
Timing differences leading to a (decrease)/increase in taxation	(77,067)	152,438
Book profit on chargeable assets	(19,440)	(58,101)
Capital gains	96,972	77,230
Other differences leading to a decrease in the tax charge	(34)	-
Valuation gain not taxable	(18,904)	(94,920)
TOTAL TAX CHARGE FOR THE YEAR	<u>27,018</u>	<u>250,469</u>

BLUENOTCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

7. INVESTMENT PROPERTY

	Freehold investment property £
VALUATION	
At 1 May 2022	4,674,101
Disposals	(1,018,826)
Fair value movements	96,942
	<hr/>
AT 30 APRIL 2023	<u><u>3,752,217</u></u>

The 2023 valuations were made by the directors, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2023 £	2022 £
Historic cost	1,604,988	2,003,433
	<hr/>	<hr/>
	<u><u>1,604,988</u></u>	<u><u>2,003,433</u></u>

8. DEBTORS

	2023 £	2022 £
Trade debtors	29,053	16,869
Amounts owed by group undertakings	1,133,387	-
Sundry loan	-	2,325,579
Other debtors	57,113	50,984
Prepayments and accrued income	5,181	5,181
	<hr/>	<hr/>
	<u><u>1,224,734</u></u>	<u><u>2,398,613</u></u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Corporation tax	114,458	108,404
Other creditors	30,304	23,384
Accruals and deferred income	66,742	56,791
	<hr/>	<hr/>
	<u><u>211,504</u></u>	<u><u>188,579</u></u>

BLUENOTCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

10. DEFERRED TAXATION

	2023 £	2022 £
At beginning of year	621,482	469,044
(Released)/charged to profit or loss	(77,067)	152,438
AT END OF YEAR	544,415	621,482

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Tax on revaluation on investment properties	544,415	621,482
	544,415	621,482

11. SHARE CAPITAL

	2023 £	2022 £
ALLOTTED, CALLED UP AND FULLY PAID		
100 (2022 - 100) ordinary shares of £1.00 each	100	100

12. RESERVES

Investment property revaluation reserve

The investment property revaluation reserve includes all current and prior year movements.

Profit and loss account

The profit and loss account includes all current and prior year retained profit and losses.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

13. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions from disclosure available to subsidiary undertakings under FRS102 Section 1A, paragraph 1 AC.35 in connection with intra group transactions.

The company received management services from CHP Management Limited, a company in which the directors Mark Pears CBE, Sir Trevor Pears CMG and David Pears have an interest, the cost of which amounted to £Nil (2022 - £1,200).

The company received management services from Hamways Limited, a company in which the directors Mark Pears CBE, Sir Trevor Pears CMG and David Pears have an interest, the cost of which amounted to £21,600 (2022 - £7,200).

The balance due from Hamways at the year end was £29,814 (2022 - £23,879).

The company received management services from The William Pears Group of Companies, a company in which the directors Mark Pears CBE, Sir Trevor Pears CMG and David Pears have an interest, the cost of which amounted to £7,200 (2022 - £12,000). The company also received interest from The William Pears Group of Companies Limited of £22,686 (2022 - £21,834).

The balance due from The William Pears Group of Companies at the year end was £Nil (2022 - £2,325,579).

14. CONTROLLING PARTY

The ultimate parent company is Pears Family Investments Limited a company incorporated in England. The registered office is Ground Floor, 30 City Road, London, EC1Y 2AB.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.