

COMPANY REGISTRATION NUMBER: 03441990

Tropic Properties Limited
Filleted Unaudited Financial Statements
30 September 2020



Tropic Properties Limited
Statement of Financial Position
30 September 2020

	Note	2020 £	2019 £
Fixed assets			
Investment property	5	7,220,000	7,020,000
Current assets			
Debtors	6	377,487	454,574
Cash at bank and in hand		<u>193,964</u>	<u>333,393</u>
		571,451	787,967
Creditors: amounts falling due within one year	7	<u>(1,648,479)</u>	<u>(1,639,269)</u>
Net current liabilities		<u>(1,077,028)</u>	<u>(851,302)</u>
Total assets less current liabilities		6,142,972	6,168,698
Creditors: amounts falling due after more than one year	8	(1,409,755)	(1,677,826)
Provisions			
Deferred tax		<u>(355,863)</u>	<u>(354,439)</u>
Net assets		<u>4,377,354</u>	<u>4,136,433</u>
Capital and reserves			
Called up share capital		120	120
Profit and loss account		<u>4,377,234</u>	<u>4,136,313</u>
Shareholders funds		<u>4,377,354</u>	<u>4,136,433</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 30 September 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements 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 financial statements.

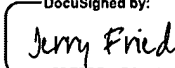
The statement of financial position
continues on the following page.

The notes on pages 3 to 6 form part of these financial statements.

Tropic Properties Limited
Statement of Financial Position *(continued)*

30 September 2020

These financial statements were approved by the board of directors and authorised for issue on 25 May 2021, and are signed on behalf of the board by:

DocuSigned by:

45BEFD711D214A4...
Mr J Fried
Director

Company registration number: 03441990

The notes on pages 3 to 6 form part of these financial statements.

Tropic Properties Limited
Notes to the Financial Statements
Year ended 30 September 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 2 Richmond Terrace, Gateshead, Tyne & Wear, NE8 1RN.

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 on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue recognition

Turnover represents amounts of rental income and service charges invoiced during the period.

Property outgoings

Property outgoings are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

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.

Tropic Properties Limited
Notes to the Financial Statements *(continued)*
Year ended 30 September 2020

3. Accounting policies *(continued)*

Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition

- Investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in the profit and loss account in the period that they arise; and
- No depreciation is provided in respect of investment properties applying the fair value model.

This treatment, as regards the company's investment properties, may be a departure from the requirements of the Companies Act concerning depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Investment property fair value is determined by the Directors based on their understanding of property market conditions and the specific property concerned, using a sales valuation approach, derived from recent comparable transactions on the market, adjusted by applying discounts to reflect status of occupation and condition.

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.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 2 (2019: 1).

Tropic Properties Limited
Notes to the Financial Statements *(continued)*
Year ended 30 September 2020

5. Investment property

	Land and buildings £
Fair Value	
At 1 October 2019	7,020,000
Additions	324,610
Disposals	(130,885)
Revaluations	6,275
At 30 September 2020	<u>7,220,000</u>
Carrying amount	
At 30 September 2020	<u>7,220,000</u>
At 30 September 2019	<u>7,020,000</u>

The historical cost of the properties is £4,286,191 (2019 - £4,095,335).

6. Debtors

	2020 £	2019 £
Trade debtors	75,265	146,771
Other debtors	302,222	307,803
	<u>377,487</u>	<u>454,574</u>

7. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	94,464	91,500
Trade creditors	68,996	156,579
Corporation tax	51,344	46,339
Social security and other taxes	4,264	4,515
Other creditors	1,429,411	1,340,336
	<u>1,648,479</u>	<u>1,639,269</u>

8. Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans and overdrafts	1,314,755	1,582,826
Other creditors	95,000	95,000
	<u>1,409,755</u>	<u>1,677,826</u>

Tropic Properties Limited
Notes to the Financial Statements *(continued)*
Year ended 30 September 2020

9. Related party transactions

Included in other debtors is an amount of £297,922 (2019: £297,922) due from Epiclease Limited, a company incorporated in England and Wales, of which Mr J Fried is a director. The amount is interest free and repayable on demand.

Other creditors falling due within one year include an amount of £874,554 (2019: £874,554) due to Jerry Fried & Co Ltd, the directors of which include Mr J Fried. The amount due to Jerry Fried & Co Ltd is repayable on demand.

Other creditors falling due after more than one year consists of amounts totalling £95,000 (2019 - £95,000) of loans from persons connected to Mr J Fried.