

Aequus Land Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2020

Aequus Land Ltd

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Aequus Land Ltd

Company Information

Directors Mr S A M Corner
Mr L Turner

Company secretary Mr L M Turner

Registered office 8th Floor, Newater House
11 Newhall Street
Birmingham
West Midlands
B3 3NY

Accountants evirtualFD (Lee Turner) Ltd
8th Floor, Newater House
11 Newhall Street
Birmingham
West Midlands
B3 3NY

Aequus Land Ltd

(Registration number: 06613088)
Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>4</u>	36,736	20,763
Investment property	<u>5</u>	2,963,032	2,963,032
Investments	<u>6</u>	2,396,174	2,397,574
		<u>5,395,942</u>	<u>5,381,369</u>
Current assets			
Debtors	<u>7</u>	520,203	579,595
Cash at bank and in hand		1,136,152	1,383,282
		1,656,355	1,962,877
Creditors: Amounts falling due within one year	<u>8</u>	<u>(357,037)</u>	<u>(377,798)</u>
Net current assets		<u>1,299,318</u>	<u>1,585,079</u>
Total assets less current liabilities		6,695,260	6,966,448
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(6,044,149)</u>	<u>(6,446,153)</u>
Net assets		<u>651,111</u>	<u>520,295</u>
Capital and reserves			
Called up share capital	<u>9</u>	100	100
Profit and loss account		651,011	520,195
Shareholders' funds		<u>651,111</u>	<u>520,295</u>

For the financial year ending 31 March 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 23 February 2021 and signed on its behalf by:

Aequus Land Ltd

(Registration number: 06613088)
Balance Sheet as at 31 March 2020

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Mr S A M Corner
Director

Aequus Land Ltd

Statement of Changes in Equity for the Year Ended 31 March 2020

	Share capital £	Profit and loss account £	Total £
At 1 April 2019	100	520,195	520,295
Profit for the year	-	130,816	130,816
	-	130,816	130,816
Total comprehensive income	-	130,816	130,816
At 31 March 2020	100	651,011	651,111

	Share capital £	Profit and loss account £	Total £
At 1 April 2018	100	311,204	311,304
Profit for the year	-	208,991	208,991
	-	208,991	208,991
Total comprehensive income	-	208,991	208,991
At 31 March 2019	100	520,195	520,295

Aequus Land Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

8th Floor, Newater House
11 Newhall Street
Birmingham
West Midlands
B3 3NY

These financial statements were authorised for issue by the Board on 23 February 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 including Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis with the Directors having given due consideration to the potential impact of the Covid-19 pandemic. They are of the opinion that neither the Company's trading position nor the value of its assets will be significantly impaired.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Aequus Land Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Motor vehicles	25% reducing balance
Plant and machinery	15% reducing balance
Office equipment	15% reducing balance

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Aequus Land Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Aequus Land Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 1 (2019 - 1).

4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation				
At 1 April 2019	10,734	26,413	13,683	50,830
Additions	524	34,326	-	34,850
Disposals	-	(26,413)	-	(26,413)
At 31 March 2020	11,258	34,326	13,683	59,267
Depreciation				
At 1 April 2019	4,061	18,056	7,950	30,067
Charge for the year	1,079	8,582	859	10,520
Eliminated on disposal	-	(18,056)	-	(18,056)
At 31 March 2020	5,140	8,582	8,809	22,531
Carrying amount				
At 31 March 2020	6,118	25,744	4,874	36,736
At 31 March 2019	6,673	8,357	5,733	20,763

5 Investment properties

	2020 £
At 1 April	2,963,032
At 31 March	2,963,032

The Directors have reviewed the valuation of the investment property in regard to the current market conditions, having given due consideration to the potential impact of the Covid-19 pandemic. They are of the opinion that the current value is fair and that there has been no significant impairment.

There has been no valuation of investment property by an independent valuer.

Aequus Land Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

6 Investments

	2020 £	2019 £
Investments in subsidiaries	2,377,594	2,378,994
Investments in associates	18,580	18,580
	<u>2,396,174</u>	<u>2,397,574</u>

Subsidiaries

Cost or valuation

At 1 April 2019	3,136,469
Additions	49,031
Disposals	<u>(50,431)</u>
At 31 March 2020	3,135,069

Provision

At 1 April 2019	<u>757,475</u>
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Carrying amount

At 31 March 2020	<u>2,377,594</u>
At 31 March 2019	<u>2,378,994</u>

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2020	2019
Subsidiary undertakings				
Maximus Strategic Land Limited	Estate Office, Thorngrove Sinton Green Worcester WR2 6NP England	Ordinary	60%	60%
Avenbury Estates Limited	8th Floor Newater House 11 Newhall Street Birmingham B3 3NY England	Ordinary	50%	50%

Aequus Land Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
Aequus Land (Dorrington) Limited	44 Sandford Avenue, Church Stretton, Shropshire, SY6 6BH England and Wales	Ordinary £1 Shares	100%	100%
Swanglen Limited	11 Newhall Street, Birmingham, B3 3NY England & Wales	Ordinary £1 shares	100%	100%
Templechain Limited	Newater House, 11 Newhall Street, Birmingham, B3 3NY England & Wales	Ordinary £1 shares	100%	100%
Aequus Land (Ludlow) Ltd	Netley Old Hall Farm Dorrington Shrewsbury Shropshire SY5 7JY England	Ordinary £1	50%	0%
Maximus Aequus Ltd	The Estate Office Thorngrove Sinton Green Worcester WR2 6N England	Ordinary £1	50%	0%
Associates				
Mortr Limited	110 Majestic Way Telford Shropshire TF4 3SA England	Ordinary £1 shares	20%	20%

Subsidiary undertakings

Maximus Strategic Land Limited

The principal activity of Maximus Strategic Land Limited is buying and selling of own real estate.

Avenbury Estates Limited

The principal activity of Avenbury Estates Limited is buying and selling of own real estate.

Aequus Land (Dorrington) Limited

The principal activity of Aequus Land (Dorrington) Limited is buying and selling of own real estate.

Swanglen Limited

The principal activity of Swanglen Limited is a dormant company which was dissolved after the year end.

Aequus Land Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Templechain Limited

The principal activity of Templechain Limited is buying and selling of own real estate.

Aequus Land (Ludlow) Ltd

The principal activity of Aequus Land (Ludlow) Ltd is property development.

Maximus Aequus Ltd

The principal activity of Maximus Aequus Ltd is property development.

Associates

Mortr Limited

The principal activity of Mortr Limited is software development.

7 Debtors

	Note	2020 £	2019 £
Trade debtors		80,195	82,078
Amounts owed by group undertakings and undertakings in which the company has a participating interest		440,008	497,517
		<u>520,203</u>	<u>579,595</u>

Aequus Land Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

8 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	<u>10</u>	306,040	280,000
Trade creditors		2,136	8,692
Taxation and social security		20,563	60,459
Accruals and deferred income		28,298	28,647
		<u>357,037</u>	<u>377,798</u>

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	<u>10</u>	<u>6,044,149</u>	<u>6,446,153</u>

	2020 £	2019 £
Due after more than five years		
After more than five years not by instalments	750,000	750,000
	<u>750,000</u>	<u>750,000</u>

9 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Aequus Land Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

10 Loans and borrowings

	2020 £	2019 £
Non-current loans and borrowings		
Bank borrowings	1,591,981	1,643,756
Other borrowings	4,452,168	4,802,397
	<u>6,044,149</u>	<u>6,446,153</u>
	2020 £	2019 £
Current loans and borrowings		
Bank borrowings	51,000	40,000
Hire purchase contracts	14,940	-
Other borrowings	240,100	240,000
	<u>306,040</u>	<u>280,000</u>

Bank borrowings

A first bank loan is denominated in sterling with a nominal interest rate of 2.39% fixed.%, and the final instalment is due on 22 June 2022. The carrying amount at year end is £602,981 (2019 - £643,756).

The loan is secured on the investment property owned by the Company.

A second bank loan is denominated in sterling with a nominal interest rate of 2.25% above LIBOR.%, and the final instalment is due on 5 May 2021. The carrying amount at year end is £1,040,000 (2019 - £1,040,000).

The loan is secured by a first priority legal charge over the Company's investment property.

Other borrowings

Director's loan with a carrying amount of £3,942,268 (2019 - £4,292,397) is denominated in sterling with a nominal interest rate of 0%. There is no fixed repayment date but this will not be repaid within the next year and is therefore shown as being due after one year on the accounts.

Included in the loans and borrowings are the following amounts due after more than five years:

Borrowings due after five years

An amount of £750,000 relates to loan notes with a maturity date of 14 August 2028. The loan notes are unsecured and do not attract interest.

Birmingham

West Midlands

Register

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.