
AQUILA 1516 LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JULY 2019

AQUILA 1516 LIMITED
REGISTERED NUMBER: 06917646

BALANCE SHEET
AS AT 30 JULY 2019

	Note	2019 £	2018 £
Fixed assets			
Investment property	4	-	10,800,000
		<u>-</u>	<u>10,800,000</u>
Current assets			
Debtors: amounts falling due within one year	5	100	742,278
Cash at bank and in hand	6	-	186,965
		<u>100</u>	<u>929,243</u>
Creditors: amounts falling due within one year	7	-	(5,493,100)
Net current assets/(liabilities)		<u>100</u>	<u>(4,563,857)</u>
Total assets less current liabilities		<u>100</u>	<u>6,236,143</u>
Creditors: amounts falling due after more than one year	8	-	(2,074,481)
Provisions for liabilities			
Deferred tax	10	-	(501,002)
		<u>-</u>	<u>(501,002)</u>
Net assets		<u><u>100</u></u>	<u><u>3,660,660</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		-	3,660,560
		<u>100</u>	<u>3,660,660</u>

AQUILA 1516 LIMITED
REGISTERED NUMBER: 06917646

BALANCE SHEET (CONTINUED)
AS AT 30 JULY 2019

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 March 2020.

A D Chambers

Director

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JULY 2019**

1. General information

Aquila 1516 Limited is a company incorporated in England and Wales. The registered office is 6a High Street, Chelmsford, England, CM1 1BE.

The principal activity of the company during the year was that of property development and investing. On 29 July 2019, the company sold its investment property, assets and liabilities to a group company. From 30 July 2019 the company has been dormant.

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 following principal accounting policies have been applied:

2.2 Revenue

Revenue 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. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Net rental income

Rental income receivable is recognised on a straight-line basis over the term of the lease. Directly attributable lease incentives are recognised within rental income on the same basis.

Contingent rents, being those lease payments that are not fixed at inception of a lease, for example, increases arising on rent reviews or rents linked to tenant revenues, are recorded as income in the periods in which they are earned. Rent reviews are recognised as income from the date of the rent review, based on management's estimates. Estimates are derived from knowledge of market rents for comparable properties determined on an individual property basis and updated for progress of negotiations.

2.3 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.4 Finance costs

Finance costs are charged to the Statement of Comprehensive Income 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JULY 2019**

2. Accounting policies (continued)

2.5 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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 balance sheet 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 Balance Sheet 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 balance sheet date.

2.6 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 Statement of Comprehensive Income.

2.7 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.

2.8 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.

2.9 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JULY 2019**

2. Accounting policies (continued)

2.10 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 Balance Sheet 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 Balance Sheet.

2.11 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 non-puttable 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 financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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.

2.12 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.

3. Employees

The average monthly number of employees, including directors, during the year was 4 (2018 - 3).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JULY 2019

4. Investment property

	Freehold investment property £
At 31 July 2018	10,800,000
Additions at cost	15,000
Disposals	(10,800,000)
Surplus on revaluation	(15,000)
At 30 July 2019	-
Comprising	
Cost	7,009,905
Annual revaluation surplus/(deficit):	Annual revaluation surplus/(deficit):
pre-2018	5,030,095
2018	(1,225,000)
2019	(15,000)
2019 - Disposal	(10,800,000)

On 29 July 2019, the Company sold its investment property to fellow group company, ABSL 1 Limited. Further details are provided in note 12.

5. Debtors

	2019 £	2018 £
Trade debtors	-	16,643
Other debtors	100	11,252
Prepayments and accrued income	-	714,383
	100	742,278

6. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	-	186,966

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JULY 2019

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	-	260
Amounts owed to group undertakings	-	3,927,434
Other taxation and social security	-	23,928
Other creditors	-	1,492,236
Accruals and deferred income	-	49,242
	<u>-</u>	<u>5,493,100</u>

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

	2019 £	2018 £
Amounts owed to group undertakings	-	2,074,481
	<u>-</u>	<u>2,074,481</u>

9. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>-</u>	<u>186,966</u>

Financial assets measured at fair value through profit or loss comprise of cash held at bank and in hand.

AQUILA 1516 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JULY 2019**

10. Deferred taxation

	2019
	£
At beginning of year	(501,002)
Charged to profit or loss	501,002
	<hr/>
At end of year	-
	<hr/> <hr/>

The deferred taxation balance is made up as follows:

	2019	2018
	£	£
Fair value movements	-	(501,002)
	<hr/>	<hr/>
	<hr/>	<hr/>
	<hr/> <hr/>	<hr/> <hr/>

11. Contingent liabilities

Aquila Finance Limited ("the borrower") is a borrower under a facility agreement. Under the agreement, ABSL1 Limited, Aquila Open Space Limited, Eagle 456 Limited, Aquila EHS Limited, Aquila Chelmsford Limited, Aquila BTE1 Limited, Aquila BTE 2 Limited, Aquila 1516 Limited, Aquila Real Estate Limited, Aquila House Property Limited, Aquila Developments Limited, Aquila Estates Limited, ABSL Holdings Limited and Aquila MB2 Limited, ("the guarantors") are jointly and severally liable for the loan. The loan is secured on the shares and assets owned by the borrower and guarantors. A D Chambers, D Freedman and D Chambers are directors of the borrower and guarantors.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JULY 2019**

12. Related party transactions

On 29 July 2019, the Company sold its investment property, assets, liabilities and business to fellow group company, ABSL 1 Limited. The consideration receivable of £4,400,791 was satisfied by a loan note payable by ABSL1 Limited. On the same date, Aquila 1516 Limited declared a distribution in specie of this loan note to its parent company Aquila Real Estate Limited.

At the balance sheet date, the following amounts were owed to the company's shareholders:

- Aquila Real Estate Limited - £nil (2018: £3,046,035)

Included within the above balances are interest payable during the year at 3% per annum and outstanding at the balance sheet date as follows:

- Aquila Real Estate Limited - £79,809 (2018: £79,809)

- Pemberley Development Limited - £nil (2018: £6,759)

- DSE Management LLP - £nil (2018: £6,759)

At the balance sheet date £nil (2018: £1,492,238) was due to Blenheim Consultancy Services Limited. Interest of £40,657 (2018: £40,558) was charged during the year by Blenheim Consultancy Services at 3% per annum. A D Chambers, Director, is also a director of Blenheim Consultancy Services Limited.

13. Controlling party

As at the balance sheet date, the company was a subsidiary of Aquila Real Estate Limited. The ultimate parent company is Aquila House Holdings Limited, which wholly owns Aquila Real Estate Limited and is controlled by A D Chambers, a director.

14. Auditors' information

The auditors' report on the financial statements for the year ended 30 July 2019 was unqualified.

The audit report was signed on 25 March 2020 by Christopher Taylor (Senior Statutory Auditor) on behalf of Adler Shine LLP.

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.