

Financial Statements
for the Year Ended 31 August 2022
for
HMG Properties Limited

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for the Year Ended 31 August 2022

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HMG Properties Limited
Company Information
for the Year Ended 31 August 2022

DIRECTORS:

N P Casson
W J H Murray
C H H Murray
Mrs C A Hall

SECRETARY:

Mrs C A Hall

REGISTERED OFFICE:

St Johns House
Barrington Road
Altrincham
Cheshire
WA14 1TJ

REGISTERED NUMBER:

00012255 (England and Wales)

AUDITORS:

Hardy & Company (Hyde) Ltd
Chartered Certified Accountants
& Statutory Auditors
Onward Chambers
34 Market Street
Hyde
Cheshire
SK14 1AH

HMG Properties Limited (Registered number: 00012255)

Abridged Balance Sheet
31 August 2022

	Notes	31.8.22 £	£	31.8.21 £	£
FIXED ASSETS					
Investment property	4		3,250,000		3,269,500
CURRENT ASSETS					
Debtors		3,036,184		2,780,915	
CREDITORS					
Amounts falling due within one year		<u>23,988</u>		<u>17,274</u>	
NET CURRENT ASSETS			<u>3,012,196</u>		<u>2,763,641</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			6,262,196		6,033,141
PROVISIONS FOR LIABILITIES			<u>379,358</u>		<u>420,382</u>
NET ASSETS			<u><u>5,882,838</u></u>		<u><u>5,612,759</u></u>
CAPITAL AND RESERVES					
Called up share capital			73,050		73,050
Retained earnings			<u>5,809,788</u>		<u>5,539,709</u>
			<u><u>5,882,838</u></u>		<u><u>5,612,759</u></u>

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

All the members have consented to the preparation of an abridged Balance Sheet for the year ended 31 August 2022 in accordance with Section 444(2A) of the Companies Act 2006.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 23 January 2023 and were signed on its behalf by:

N P Casson - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 August 2022

1. STATUTORY INFORMATION

HMG Properties Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Significant judgements and estimates

The preparation of the financial statements requires management to make estimates, judgements and assumptions that affect the amounts reported. These judgements and estimates are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The significant judgements and estimates relate to Investment Property.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for services rendered, net of discounts and Value Added Tax.

Turnover represents rental income for the year excluding VAT together with disposal proceeds on the sale of trading properties and premiums received from tenants. Amounts invoiced in advance relating to the next accounting period are included in accruals as deferred income.

Investment property

Investment properties are revalued at the accounting date and the aggregate surplus or temporary deficit is recognised in the profit and loss account. A reserve transfer to the non distributable reserve account is then made.

Deferred taxation is provided on these gains at the rate expected to apply when the property is sold.

No depreciation or amortisation is provided. Any permanent diminutions in value below cost are charged in the profit and loss account.

This treatment is a departure from the requirements of the Companies Act concerning the depreciation of fixed assets.

The Directors consider that as these properties are not held for consumption but for investment, to depreciate them would not give a true and fair view, and that it is necessary to adopt FRS 102 for the accounts to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Each property has been valued individually and not as part of a portfolio. No account has been taken of any inter-company leases or arrangements, nor any mortgages, debentures or other charges, and no allowance has been made for any expenses of realisation nor for any taxation which might arise in the event of a disposal. The figures also do not reflect any element of special purchaser value following a merger of interests or sale to an owner or occupier of an adjoining property.

Where properties have not been included in the valuation review, they are included at cost or at the Directors' assessment of open market value.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

2. ACCOUNTING POLICIES - continued

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.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

2. ACCOUNTING POLICIES - continued

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the Balance sheet and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was NIL (2021 - NIL).

4. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 September 2021	3,269,500
Disposals	(269,500)
Revaluations	250,000
At 31 August 2022	<u>3,250,000</u>
NET BOOK VALUE	
At 31 August 2022	<u>3,250,000</u>
At 31 August 2021	<u>3,269,500</u>

Fair value at 31 August 2022 is represented by:

	£
Valuation in 2022	2,549,866
Cost	<u>700,134</u>
	<u>3,250,000</u>

If Investment property had not been revalued it would have been included at the following historical cost:

	31.8.22 £	31.8.21 £
Cost	<u>700,134</u>	<u>981,194</u>

Investment property was valued on an open market basis on 4 March 2022 by Jones Lang LaSalle Limited .

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

5. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Paul Robert Campbell (Senior Statutory Auditor)
for and on behalf of Hardy & Company (Hyde) Ltd

6. CONTINGENT LIABILITIES

The company has given a guarantee in respect of its fellow subsidiary company HMG Investments Limited for Bank loans of £37,716,257 (2021 £38,431,065).

7. ULTIMATE CONTROLLING PARTY

The company is a subsidiary of HMG Investment Holdings Limited and the ultimate holding company is The Hollins Murray Group Limited. Both companies are incorporated in England and Wales.

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.