

Financial Statements for the Year Ended 31 December 2022

for

Liverpool and Chester Property Company
Limited

Haines Watts
Statutory Auditor
3rd Floor Pacific Chambers
11-13 Victoria Street
Liverpool
Merseyside
L2 5QQ

Liverpool and Chester Property Company
Limited (Registered number: 00019009)

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for the Year Ended 31 December 2022

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Liverpool and Chester Property Company
Limited

Company Information
for the Year Ended 31 December 2022

DIRECTORS:

K Penny
A D Pclan
P Roberts
D C Watkins
A R Leece

SECRETARY:

A D Pclan

REGISTERED OFFICE:

7 Union Court
Cook Street
Liverpool
L2 4SJ

REGISTERED NUMBER:

00019009 (England and Wales)

**SENIOR STATUTORY
AUDITOR:**

Kate Taylor, FCCA

AUDITORS:

Haines Watts
Statutory Auditor
3rd Floor Pacific Chambers
11-13 Victoria Street
Liverpool
Merseyside
L2 5QQ

Liverpool and Chester Property Company
Limited (Registered number: 00019009)

Balance Sheet
31 December 2022

	Notes	£	31.12.22 £	£	31.12.21 £
FIXED ASSETS					
Investments	4		82,475		82,475
Investment property	5		<u>13,281,081</u>		<u>13,281,081</u>
			13,363,556		13,363,556
CURRENT ASSETS					
Debtors	6	144,103		189,540	
Cash at bank		<u>726,370</u>		<u>823,037</u>	
		870,473		1,012,577	
CREDITORS					
Amounts falling due within one year	7	<u>702,768</u>		<u>765,418</u>	
NET CURRENT ASSETS			167,705		247,159
TOTAL ASSETS LESS CURRENT LIABILITIES			13,531,261		13,610,715
CREDITORS					
Amounts falling due after more than one year	8		<u>1,518,750</u>		<u>1,770,578</u>
NET ASSETS			12,012,511		11,840,137
CAPITAL AND RESERVES					
Called up share capital			3,885,708		3,885,708
Other reserves	10	1,007,349		1,007,349	
Retained earnings	10	<u>7,119,454</u>		<u>6,947,080</u>	
SHAREHOLDERS' FUNDS			12,012,511		11,840,137

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

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 16 June 2023 and were signed on its behalf by:

K Penny - Director

1. **STATUTORY INFORMATION**

Liverpool and Chester Property Company 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.

Preparation of consolidated financial statements

The financial statements contain information about The Liverpool and Chester Property Company Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

Turnover

The company's turnover represents rents chargeable for the period, excluding Value Added Tax. Rents receivable are included on an accruals basis, with annual rentals credited to profit and loss on a straight line basis over the expected term of the lease.

Finance costs

Finance costs are charged to the income statement and retained earnings 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.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Investment property

Investment properties comprise freehold and leasehold properties either to earn rental income or for capital appreciation, or both.

Investment properties have been revalued annually but have been included at cost in the balance sheet. No depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run. The Companies Act 2006 requires tangible fixed assets to be depreciated systematically over their estimated useful economic lives. However, investment properties are held for investment rather than consumption. The directors therefore consider that depreciation on a systematic basis would not be appropriate in this case and that the accounting policy adopted is necessary for the accounts to give a true and fair view. Depreciation or amortisation 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.

2. **ACCOUNTING POLICIES - continued**

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.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty or notice of not more than 24 hours.

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and loans to related parties.

Debt instruments (other than those wholly repayable 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.

Financial assets that are measured at cost and amortised 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 income statement and retained earnings.

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.

Going concern

The financial statements have been prepared on a going concern basis. The Directors have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. In particular, in response to the COVID-19 pandemic, the Directors have considered the impact of high inflation and increased costs of borrowing and tested their cash flow analysis. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Directors have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts. The Directors' view on the impact of COVID-19 is included within the Report of the Directors.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 6 (2021 - 6) .

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

4. **FIXED ASSET INVESTMENTS**

**Shares in
group
undertakings
£**

COST

At 1 January 2022
and 31 December 2022

82,475

NET BOOK VALUE

At 31 December 2022
At 31 December 2021

82,475

82,475

5. **INVESTMENT PROPERTY**

**Total
£**

COST OR VALUATION

At 1 January 2022
and 31 December 2022

13,281,081

NET BOOK VALUE

At 31 December 2022
At 31 December 2021

13,281,081

13,281,081

The freehold and leasehold investment properties owned by the company were valued as at 31st December 2022 by Mason Owen, Chartered Surveyors.

The valuations referred to above are freehold investment properties of £20,598,925 (2021 - £20,238,925) and leasehold investment properties of £1,630,000 (2021 - £1,610,000).

If investment properties were stated in the financial statements at their fair value, this would result in an increase in the value of tangible fixed assets and reserves of £8,947,844 (2021 - £8,567,844). If the investments were stated at fair value a deferred tax provision of £1,145,170 (2021 - £775,968) would also have been recognised in the financial statements.

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

31.12.22	31.12.21
£	£
<u>144,103</u>	<u>189,540</u>

Other debtors

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

31.12.22	31.12.21
£	£
250,304	329,613
82,475	82,475
219,934	142,304
<u>150,055</u>	<u>211,026</u>
<u>702,768</u>	<u>765,418</u>

Bank loans and overdrafts
Amounts owed to group undertakings
Taxation and social security
Other creditors

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

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.22	31.12.21
	£	£
Bank loans	<u>1,518,750</u>	<u>1,770,578</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Bank loans more 5 yrs non-inst	<u>1,518,750</u>	<u>1,518,750</u>

9. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.22	31.12.21
	£	£
Bank loans	<u>1,769,054</u>	<u>2,100,191</u>

The bank loans of £1,769,054 (2021 - £2,100,191) are secured by first legal charges over certain of the company's investment property assets.

10. **RESERVES**

	Retained earnings £	Other reserves £	Totals £
At 1 January 2022	6,947,080	1,007,349	7,954,429
Profit for the year	716,373		716,373
Dividends	<u>(543,999)</u>		<u>(543,999)</u>
At 31 December 2022	<u>7,119,454</u>	<u>1,007,349</u>	<u>8,126,803</u>

Retained earnings - accumulated profits and losses achieved.

Other reserves - surpluses and losses on sales of assets and investments, net of associated corporation tax, which are required by the Articles of Association of the company to be separately set aside and are not available for distribution as dividends.

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

The Report of the Auditors was qualified on the following basis:

Basis for qualified opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The financial statements include investment properties at cost rather than fair value, as required by Financial Reporting Standard 102. The relevant fair value figures are, however, disclosed in Note 7, and would result in an increase in the value of tangible fixed assets and reserves of £8,947,845 (2021 - £8,567,845). If the investments were stated at fair value a deferred tax provision of £1,145,170 (2021 - £775,968) would also have been recognised in the financial statements.

Kate Taylor, FCCA (Senior Statutory Auditor)
for and on behalf of Haines Watts

12. RELATED PARTY DISCLOSURES

The directors of the company are considered to be the key management personnel for both the current and previous year. The total benefits paid to the directors in the year were £110,000 (2021 - £110,000).

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.