

Company Registration No. 00029745 (England and Wales)

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

PAGES FOR FILING WITH REGISTRAR

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

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THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

		2020	2019
	Notes	£	£
Fixed assets			
Tangible assets	4	38,736	38,853
Investment properties	5	18,390,876	13,855,874
Investments	6	972,417	972,417
		<u>19,402,029</u>	<u>14,867,144</u>
Current assets			
Stocks		105,135	536,926
Debtors	7	3,371	3,371
Cash at bank and in hand		403,508	1,373,142
		<u>512,014</u>	<u>1,913,439</u>
Creditors: amounts falling due within one year	8	<u>(3,725,221)</u>	<u>(3,118,383)</u>
Net current liabilities		<u>(3,213,207)</u>	<u>(1,204,944)</u>
Total assets less current liabilities		<u>16,188,822</u>	<u>13,662,200</u>
Provisions for liabilities		<u>(1,432,460)</u>	<u>(993,189)</u>
Net assets		<u>14,756,362</u>	<u>12,669,011</u>
Capital and reserves			
Called up share capital	9	100,000	100,000
Revaluation reserve		6,623,251	6,762,234
Profit and loss reserves		8,033,111	5,806,777
Total equity		<u>14,756,362</u>	<u>12,669,011</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 16 November 2020 and are signed on its behalf by:

C W Watts
Director

Q G Hicks
Director

Company Registration No. 00029745

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2020

	Share capital	Revaluation reserve	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 April 2018	100,000	7,868,680	4,330,706	12,299,386
Year ended 31 March 2019:				
Profit and total comprehensive income for the year	-	-	497,377	497,377
Dividends	-	-	(127,752)	(127,752)
Transfer of unrealised fair value gains net of deferred tax	-	(1,106,446)	1,106,446	-
Balance at 31 March 2019	100,000	6,762,234	5,806,777	12,669,011
Year ended 31 March 2020:				
Profit and total comprehensive income for the year	-	-	2,224,197	2,224,197
Dividends	-	-	(136,846)	(136,846)
Transfer of unrealised fair value gains net of deferred tax	-	(138,983)	138,983	-
Balance at 31 March 2020	100,000	6,623,251	8,033,111	14,756,362

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

The Teachers and General Investment Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is 105 Mitcham Lane, Streatham, London, SW16 6LY.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

On 11 March 2020, the World Health Organisation declared the Coronavirus (COVID-19) outbreak to be a pandemic in recognition of its rapid spread across the globe. As part of the directors going concern assessment they have considered the operating restrictions placed on the company by the on-going pandemic and the potential cash flow requirements needed to continue in operation through this period. The majority of tenants still continue to pay rent post year end and cash flow is considered stable.

The directors will continue to monitor the impact of the Coronavirus on the activities of the company and its cash flow. Considering the cash flows and business forecasts, the directors have a reasonable expectation that the company will have access to adequate resources to continue to trade for the foreseeable future and they believe it is appropriate to continue to adopt the going concern basis in preparing the annual report and accounts.

1.3 Turnover

Turnover represents amounts received in the ordinary course of business from rents, fees and other property related income.

Revenue is recognised when either:

- a) the cash is received, or
- b) in the case of lease premiums, there is a right to receive the income as contracts have been signed.

The revenue recognition policy in respect of rents does not comply with UK GAAP which would recognise rents on an accruals basis in the period in which it falls due. However, the effect of the difference in policy on the company's accounts is not material.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	Over 50 years
Fixtures, fittings & equipment	15 - 20% per annum on net book value

Land and buildings for own use are not depreciated as the estimated residual value exceeds their cost.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

1.6 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

Unlisted investments are initially measured at cost and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in the profit and loss account.

1.7 Stocks

Stock of dealing properties is valued at the lower of cost and net realisable value. Cost is defined as purchase price of the property plus acquisition costs and the cost of bringing the property to its present condition. Net realisable value is assessed based on the expected selling price of the property in its present condition net of the costs of sale.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	3	3

3 Directors' remuneration and dividends

	2020 £	2019 £
Remuneration paid to directors	34,000	52,000
Dividends paid to directors	11,592	8,975

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2019 and 31 March 2020	38,071	20,496	58,567
Depreciation and impairment			
At 1 April 2019	-	19,714	19,714
Depreciation charged in the year	-	117	117
At 31 March 2020	-	19,831	19,831
Carrying amount			
At 31 March 2020	38,071	665	38,736
At 31 March 2019	38,071	782	38,853

5 Investment property

	2020 £
Fair value	
At 1 April 2019	13,855,875
Additions	1,998,983
Transfers	421,791
Disposals	(300,000)
Revaluation gains	2,414,227
At 31 March 2020	18,390,876

Investment properties were valued by independent professional valuers on an open market value basis as at 31 March 2020 and 31 March 2019.

6 Fixed asset investments

	2020 £	2019 £
Investments	972,417	972,417

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

6 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings	Unlisted investments	Total
	£	£	£
Cost or valuation			
At 1 April 2019 & 31 March 2020	39,600	932,817	972,417
Carrying amount			
At 31 March 2020	39,600	932,817	972,417
At 31 March 2019	39,600	932,817	972,417

7 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	3,371	3,371

8 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	-	17,720
Amounts owed to group undertakings	2,740,176	2,679,856
Corporation tax	490,706	333,244
Other creditors	494,339	87,563
	3,725,221	3,118,383

9 Called up share capital

	2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
100,000 Ordinary shares of £1 each	100,000	100,000

10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

10 Audit report information

(Continued)

The senior statutory auditor was Christopher Mantel.
The auditor was Alliot's LLP.

11 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

		Income		Payments	
		2020	2019	2020	2019
		£	£	£	£
Group subsidiary	Administrative fees	1,000	1,000	-	-
Group subsidiary	Interest expense	-	-	79,600	79,950
Immediate parent company	Dividends paid	-	-	92,316	85,722
Immediate parent company	Interest expense	-	-	88,345	85,732
Other related parties	Administrative fees	-	-	29,700	26,400
Other related parties	Interest expense	-	-	5,962	-
Other related parties	Rent income	-	10,000	-	-

Amounts owed to/by related parties

The following amounts were outstanding at the reporting end date:

		Amount owed to		Amounts owed by	
		2020	2019	2020	2019
		£	£	£	£
Group subsidiary		1,648,482	1,592,149	-	-
Immediate parent company		1,091,694	1,087,707	-	-
Other related parties		413,162	6,000	-	-

12 Parent company

The immediate and ultimate parent undertaking and controlling party of the company is West Streatham Building Company Limited, having its registered office at 105 Mitcham Lane, Streatham, London SW16 6LY.

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.