

Registered number: 00897640

NICON DEVELOPMENTS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2021



NICON DEVELOPMENTS LIMITED
REGISTERED NUMBER: 00897640

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	3	10,060	6,469
Investment property	4	3,404,255	3,658,735
		<u>3,414,315</u>	<u>3,665,204</u>
Current assets			
Stocks	5	3,091,323	1,706,919
Debtors: amounts falling due within one year	6	72,400	235,983
Cash at bank and in hand	7	95,651	527,465
		<u>3,259,374</u>	<u>2,470,367</u>
Creditors: amounts falling due within one year	8	(3,097,787)	(2,458,692)
Net current assets		<u>161,587</u>	<u>11,675</u>
Total assets less current liabilities		<u>3,575,902</u>	<u>3,676,879</u>
Creditors: amounts falling due after more than one year	9	(900,133)	(365,279)
Provisions for liabilities			
Deferred tax	10	(100,000)	(250,000)
Net assets		<u><u>2,575,769</u></u>	<u><u>3,061,600</u></u>
Capital and reserves			
Called up share capital	11	100	100
Profit and loss account		2,575,669	3,061,500
		<u><u>2,575,769</u></u>	<u><u>3,061,600</u></u>

NICON DEVELOPMENTS LIMITED
REGISTERED NUMBER: 00897640

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2021

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 income and retained earnings 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 by:



A C Nicholas
Director

Date: 2 September 2022

The notes on pages 3 to 10 form part of these financial statements.

NICON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

The company is a private company (limited by shares), domiciled in England and Wales. The company's registered office is 45 Silver Street, Enfield, EN1 3EF. The company's principal activity continues to be that of property development and investment. During the year the company had, including directors, an average of 4 employees (2020: 4).

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.

2.2 Going concern

The directors consider the going concern basis to be appropriate having paid due regard to the company's projected results for the twelve months from the date the financial statements are approved and the anticipated cash flows, availability of bank facilities and mitigating actions that can be taken during that period.

2.3 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:

Rental income

Revenue from a lease or licence to occupy is recognised in the period in which the rent falls due in accordance with the terms of the lease or licence as adjusted by deferred or accrued income where the rental periods under the lease or licence are not co-terminous with the financial year when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably; and
- it is probable that the company will receive the consideration due under the lease or licence.

Sale of property

Revenue from the sale of property is recognised when all of the following conditions are satisfied:

- . there has been exchange of contracts and completion on the sale;
- . the amount of revenue can be measured reliably;
- . it is probable that the company will receive the consideration due under the transaction; and
- . the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

NICON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 Pensions

The company is one of two employers who can contribute to the Nicholas Holdings Executive Pension Scheme which is an approved scheme. The pension charge represents any amounts paid by the company to the fund in the year.

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting 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 reporting 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 reporting date.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NICON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and equipment	-	15% straight line
Fixtures and fittings	-	10% straight line
Office equipment	-	10% straight line
Motor vehicles	-	25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 Investment property

Investment property is carried at fair value determined annually by the directors and derived from the current market rents and investment property yields for comparable properties, 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 income and retained earnings.

2.9 Valuation of investments

Investments in other unlisted undertakings where market value cannot be reliably determined are stated at historic cost less impairment.

2.10 Stocks

Stocks include land acquisition and development costs and are stated at the lower of cost and net realisable value. Development costs include the purchase of raw materials and labour.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its estimated selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.11 Debtors

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

2.12 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.

NICON DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.13 Creditors

Short term creditors are measured at transaction price.

3. TANGIBLE FIXED ASSETS

	Other fixed assets £
Cost	
At 1 January 2021	45,169
Additions	7,166
At 31 December 2021	52,335
Depreciation	
At 1 January 2021	38,700
Charge for the year on owned assets	3,575
At 31 December 2021	42,275
Net book value	
At 31 December 2021	10,060
At 31 December 2020	6,469

NICON DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. Investment property

	Freehold investment property £
Valuation	
At 1 January 2021	3,658,735
Additions at cost	390,000
Disposals	(300,000)
Surplus on revaluation	(344,480)
At 31 December 2021	<u>3,404,255</u>

The fair value investment property reserve at 31 December 2021 (included within the profit and loss account reserve) was £1,723,301 (2020: £2,012,727). The fair value decrease in the year comprised a decrease of £344,480 (2020: increase £10,220) relating to the revaluation of investment properties, an increase of £150,000 in respect of the decrease in the associated deferred tax provision, and a decrease of £94,946 (2020: £26,200) relating to the amount realised on the disposal of one of the properties.

The 2021 valuations were made by A C Nicholas B Sc (Estate Management), a director of the company, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2021 £	2020 £
Historic cost	<u>1,580,954</u>	<u>1,396,308</u>

NICON DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Stocks

	2021	2020
	£	£
Land and development costs	3,091,323	1,706,919

6. Debtors

	2021	2020
	£	£
Trade debtors	1,769	9,286
Other debtors	52,538	65,472
Prepayments and accrued income	18,093	161,225
	72,400	235,983

7. Cash and cash equivalents

	2021	2020
	£	£
Cash at bank and in hand	95,651	527,465

8. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Bank loans	104,822	14,418
Trade creditors	13,582	2,751
Other taxation and social security	6,612	7,521
Other creditors	2,902,055	2,361,409
Accruals and deferred income	70,716	72,593
	3,097,787	2,458,692

The bank loans above are secured, see the following note for further details.

NICON DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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9. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans repayable within one to two years	350,133	365,279
Other loans repayable within two to five years	550,000	-
	<u>900,133</u>	<u>365,279</u>

Bank loans totalling £454,955, including £104,822 falling due within one year, are partly secured on a freehold property of the company and partly on a development site and an unlimited debenture. The other loan is due for repayment on 26 November 2026.

10. Deferred taxation

	2021 £	2020 £
At beginning of year	250,000	300,000
Credited to profit or loss	(150,000)	(50,000)
At end of year	<u>100,000</u>	<u>250,000</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Investment property at fair value	<u>100,000</u>	<u>250,000</u>

11. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
100 (2020 - 100) Ordinary shares of £1 each	<u>100</u>	<u>100</u>

NICON DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. Related party transactions

Nicholas Holdings Limited ("NHL") is a company controlled by members of the Nicholas family. Included within the income statement for the year are net charges payable to NHL of £73,913 (2020: £74,746) and at 31 December 2021 the company owed NHL £2,737,182 (2020: £2,195,271). The remainder of the movement in the amount owed to NHL during the year was a combination of fund transfers and cost recharges. The amount owed to NHL is included within other creditors. There are no fixed terms in respect of this liability and it is therefore repayable on demand.

Genotin Developments Limited ("Genotin") is a company also owned and controlled by the Nicholas family. During the year the company repaid £7,866 to Genotin in the form of costs incurred on its behalf. At 31 December 2021 £149,390 was owed to Genotin by the company (2020: £157,256). Liquidators of Genotin have been appointed in 2022.

13. Controlling parties

The company was controlled by members of the Nicholas family during the year and subsequently.