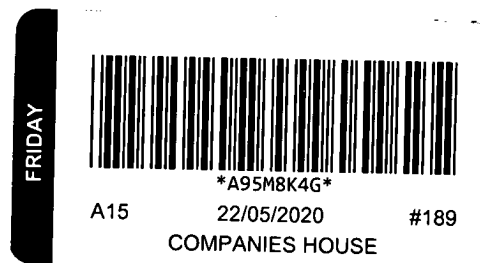


Company Registration No. 1761994 (England and Wales)

**SHALLOSQUARE LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 28 FEBRUARY 2020**  
**PAGES FOR FILING WITH REGISTRAR**

**DRAFT ACCOUNTS**  
**FOR APPROVAL**



**Cavendish**  
**Chartered Certified Accountants**  
**68 Grafton Way**  
**London**  
**W1T 5DS**

**Ref: 2449**

# SHALLOSQUARE LIMITED

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# SHALLOSQUARE LIMITED

## BALANCE SHEET

AS AT 28 FEBRUARY 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	4		39,714		48,539
Investment properties	5		8,647,154		10,644,263
			<u>8,686,868</u>		<u>10,692,802</u>
<b>Current assets</b>					
Stocks		15,377,115		17,192,031	
Debtors	6	1,171,151		1,349,479	
Cash at bank and in hand		114,278		353,873	
		<u>16,662,544</u>		<u>18,895,383</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(7,894,107)</u>		<u>(7,843,843)</u>	
<b>Net current assets</b>			<u>8,768,437</u>		<u>11,051,540</u>
<b>Total assets less current liabilities</b>			<u>17,455,305</u>		<u>21,744,342</u>
<b>Creditors: amounts falling due after more than one year</b>	8		<u>(3,923,000)</u>		<u>(8,098,000)</u>
<b>Net assets</b>			<u><u>13,532,305</u></u>		<u><u>13,646,342</u></u>
<b>Capital and reserves</b>					
Called up share capital	9		600,000		600,000
Profit and loss reserves			<u>12,932,305</u>		<u>13,046,342</u>
<b>Total equity</b>			<u><u>13,532,305</u></u>		<u><u>13,646,342</u></u>

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

For the financial period ended 28 February 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

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

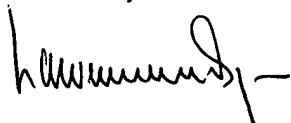
# **SHALLOSQUARE LIMITED**

## **BALANCE SHEET (CONTINUED)**

**AS AT 28 FEBRUARY 2020**

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The financial statements were approved by the board of directors and authorised for issue on 19 May 2020 and are signed on its behalf by:



L Drizen  
Director

**Company Registration No. 1761994**

# SHALLOSQUARE LIMITED

## STATEMENT OF CHANGES IN EQUITY

**FOR THE PERIOD ENDED 28 FEBRUARY 2020**

	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2018</b>	600,000	12,097,326	12,697,326
<b>Period ended 31 March 2019:</b>			
Profit and total comprehensive income for the period	-	954,516	954,516
Dividends	-	(5,500)	(5,500)
<b>Balance at 31 March 2019</b>	600,000	13,046,342	13,646,342
<b>Period ended 28 February 2020:</b>			
Loss and total comprehensive income for the period	-	(114,037)	(114,037)
<b>Balance at 28 February 2020</b>	600,000	12,932,305	13,532,305

Included in the profit and loss reserves are unrealised losses amounting to £2,399,316 relating to investment property fair value adjustments.

# SHALLOSQUARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 28 FEBRUARY 2020

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#### 1 Accounting policies

##### Company information

Shallosquare Limited is a private company limited by shares incorporated in England and Wales. The registered office is 68 Grafton Way, London, W1T 5DS.

##### 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 the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Reporting period

Current year accounting period is from 1 April 2019 to 28 February 2020. The comparative accounting period is from 1 April 2018 to 31 March 2019. Consequently, the comparative amounts presented in the financial statements including related party notes are not entirely comparable.

##### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for property sales, rent receivable and joint venture income.

Revenue from the sale of properties is recognised when the significant risks and rewards of ownership of the properties have passed to the buyer (usually on completion of contracts), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease.

Joint venture and other income is recognised when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 1.4 Tangible fixed assets

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

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

Fixture, plant and machinery	10% Straight Line
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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.

# SHALLOSQUARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2020

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### 1 Accounting policies

(Continued)

#### 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 profit or loss.

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.7 Stocks

Property stocks are stated at the lower of cost and estimated selling price less costs to sell. Cost comprises the purchase cost of properties and, where applicable, direct costs that have been incurred in bringing the stocks to their present location and condition.

Cost of stocks comprises purchase costs of properties which are allocated to the specific properties to which they relate.

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 at bank and in hand

Cash at bank and in hand 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.

# SHALLOSQUARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 28 FEBRUARY 2020

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### 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, loans from fellow group companies and preference shares that are classified as debt, 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 amount of tax currently payable.

##### **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.



# SHALLOSQUARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2020

### 1 Accounting policies

(Continued)

#### 1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Other gains and losses

	2020 £	2019 £
Changes in the fair value of investment properties	(960,795)	(1,438,521)
Intercompany balances written off	515,240	-
	<u>(445,555)</u>	<u>(1,438,521)</u>

### 3 Taxation

	2020 £	2019 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	-	258,449
Adjustments in respect of prior periods	805	-
	<u>805</u>	<u>258,449</u>
<b>Total current tax</b>	<u>805</u>	<u>258,449</u>

# SHALLOSQUARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2020

### 4 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 April 2019 and 28 February 2020	88,254
<b>Depreciation and impairment</b>	
At 1 April 2019	39,715
Depreciation charged in the period	8,825
At 28 February 2020	48,540
<b>Carrying amount</b>	
At 28 February 2020	39,714
At 31 March 2019	48,539

### 5 Investment property

	2020 £
<b>Fair value</b>	
At 1 April 2019	10,644,263
Disposals	(1,036,314)
Revaluations	(960,795)
At 28 February 2020	8,647,154

Investment property comprises freehold and long leasehold properties. The fair value of the investment property has been arrived at on the basis of a valuation carried out at the directors at 28 February 2020. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2020 £	2019 £
Cost	11,046,470	12,082,783
Accumulated depreciation	-	-
Carrying amount	11,046,470	12,082,783

# SHALLOSQUARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 28 FEBRUARY 2020

<b>6 Debtors</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Other debtors	1,171,151	1,349,479
	<u>          </u>	<u>          </u>
<b>7 Creditors: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	2,756,000	605,874
Amounts owed to group undertakings	6,500	6,500
Corporation tax	-	258,449
Other taxation and social security	5,739	24,562
Other creditors	5,125,868	6,948,458
	<u>          </u>	<u>          </u>
	<u>7,894,107</u>	<u>7,843,843</u>
<b>8 Creditors: amounts falling due after more than one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	3,923,000	8,098,000
	<u>          </u>	<u>          </u>
The bank loans are secured by fixed charges against the company's relevant properties.		
<b>9 Called up share capital</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
600,000 Ordinary shares of £1 each	600,000	600,000
	<u>          </u>	<u>          </u>
	<u>600,000</u>	<u>600,000</u>
<b>10 Related party transactions</b>		
<b>Transactions with related parties</b>		
The following amounts were outstanding at the reporting end date:		
<b>Amounts due to related parties</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Entities with control, joint control or significant influence over the company	6,500	6,500
	<u>          </u>	<u>          </u>