

Company registration number 02801158 (England and Wales)

**CONSOLIDATED PROPERTY CORPORATION INC. LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**  
**PAGES FOR FILING WITH REGISTRAR**

# CONSOLIDATED PROPERTY CORPORATION INC. LIMITED

## COMPANY INFORMATION

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<b>Director</b>	Mr L.G. Kirschel
<b>Company number</b>	02801158
<b>Registered office</b>	3rd Floor 114a Cromwell Road London SW7 4AG
<b>Auditor</b>	Bright Grahame Murray Emperor's Gate 114a Cromwell Road Kensington London SW7 4AG

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# CONSOLIDATED PROPERTY CORPORATION INC. LIMITED

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# CONSOLIDATED PROPERTY CORPORATION INC. LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	3		2,245		2,641
Investment properties	4		40,700,000		40,700,000
			<u>40,702,245</u>		<u>40,702,641</u>
<b>Current assets</b>					
Debtors falling due after more than one year	5	1,250,862		1,480,029	
Debtors falling due within one year	5	24,089,610		22,111,391	
Cash at bank and in hand		445,733		678,416	
		<u>25,786,205</u>		<u>24,269,836</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(22,750,290)</u>		<u>(512,700)</u>	
<b>Net current assets</b>			<u>3,035,915</u>		<u>23,757,136</u>
<b>Total assets less current liabilities</b>			<u>43,738,160</u>		<u>64,459,777</u>
<b>Creditors: amounts falling due after more than one year</b>	7		-		(21,525,033)
<b>Provisions for liabilities</b>			<u>(10,091,913)</u>		<u>(7,122,965)</u>
<b>Net assets</b>			<u><u>33,646,247</u></u>		<u><u>35,811,779</u></u>
<b>Capital and reserves</b>					
Called up share capital	9		100		100
Profit and loss reserves	12		33,646,147		35,811,679
<b>Total equity</b>			<u><u>33,646,247</u></u>		<u><u>35,811,779</u></u>

The director of the company has 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 and signed by the director and authorised for issue on 11 July 2022

Mr L.G. Kirschel  
Director

Company Registration No. 02801158

# CONSOLIDATED PROPERTY CORPORATION INC. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### Company information

Consolidated Property Corporation Inc. Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3rd Floor, 114a Cromwell Road, London, SW7 4AG.

#### 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.

#### 1.2 Going concern

The company is reliant on the support of its banker. The company's bank loan totalling £21,595,682 is due for repayment in July 2022. The company has agreed on an extension with its banker to extend this loan to October 2022. The company is in advanced negotiations with new lenders to refinance this loan on similar terms.

As a result the financial statements have been prepared on the going concern basis.

#### 1.3 Turnover

Turnover, which is stated net of value added tax, represents rent and service charges receivable.

The turnover was derived from the company's principal activity which was carried out wholly in United Kingdom.

#### 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:

Fixtures, fittings & equipment	15% p.a. on a reducing balance basis
Furniture & equipment	15% p.a. on a reducing balance basis

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 profit or loss.

# CONSOLIDATED PROPERTY CORPORATION INC. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### 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 Cash at bank and in hand

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.

#### 1.8 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.

# CONSOLIDATED PROPERTY CORPORATION INC. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### **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.

### 1.9 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.

### 1.10 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

### 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.

# CONSOLIDATED PROPERTY CORPORATION INC. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 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 goodwill or 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.

#### 1.12 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

### 2 Employees

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

	2021 Number	2020 Number
Total	-	-
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# CONSOLIDATED PROPERTY CORPORATION INC. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 3 Tangible fixed assets

	Fixtures, fittings & equipment	Furniture & equipment	Total
	£	£	£
<b>Cost</b>			
At 1 January 2021 and 31 December 2021	59,121	47,852	106,973
<b>Depreciation and impairment</b>			
At 1 January 2021	57,547	46,785	104,332
Depreciation charged in the year	236	160	396
At 31 December 2021	57,783	46,945	104,728
<b>Carrying amount</b>			
At 31 December 2021	1,338	907	2,245
At 31 December 2020	1,574	1,067	2,641

### 4 Investment property

	2021 £
<b>Fair value</b>	
At 1 January 2021 and 31 December 2021	40,700,000

Investment properties have been valued at 31 December 2021 by the director, using an open market value for existing use basis at £40,700,000. The historical cost of freehold land and buildings was £1,643,707

### 5 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	306,293	152,979
Amounts due from group undertakings	22,044,298	21,703,752
Other debtors	1,739,019	254,660
	24,089,610	22,111,391
<b>Amounts falling due after one year:</b>		
Other debtors	1,250,862	1,480,029
<b>Total debtors</b>	25,340,472	23,591,420

Included in other debtors is £789,709 in respect of accrued interest due from a related party, Consolidated Hotels Holdings Limited.

# CONSOLIDATED PROPERTY CORPORATION INC. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 6 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans	21,595,682	-
Trade creditors	959	648
Amounts owed to group undertakings	742	-
Taxation and social security	63,723	86,884
Other creditors	-	1,300
Accruals and deferred income	1,089,184	423,868
	<u>22,750,290</u>	<u>512,700</u>

The bank loan is secured by fixed charge over the company's freehold investment property and debenture over the assets of the company.

### 7 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	-	21,525,033
	<u>-</u>	<u>21,525,033</u>

### 8 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2021 £	Liabilities 2020 £
<b>Balances:</b>		
Fair value property gains	<u>9,372,323</u>	<u>7,122,965</u>
		<b>2021 £</b>
<b>Movements in the year:</b>		
Liability at 1 January 2021		7,122,965
Effect of change in tax rate - profit or loss		<u>2,249,358</u>
Liability at 31 December 2021		<u>9,372,323</u>

### 9 Called up share capital

	2021 £	2020 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

## **CONSOLIDATED PROPERTY CORPORATION INC. LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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#### **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 senior statutory auditor was Ahsan Miraj.

The auditor was Bright Grahame Murray.

# **CONSOLIDATED PROPERTY CORPORATION INC. LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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### **11 Parent company**

The company's immediate parent undertaking is CPC Inc Company Limited. The ultimate parent undertaking is Consolidated Holdings Limited. Both companies are registered in England and Wales.

### **12 Profit and loss reserves**

The profit and loss reserve of £33,646,147 includes all current and prior period profits and losses. £29,683,970 of the profit and loss reserve is non distributable. The non distributable element of the profit and loss reserve relates to investment property revaluation gains, net of related deferred taxation.

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.