

W H REAL ESTATE LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED OCTOBER 31, 2019



W H REAL ESTATE LIMITED

COMPANY INFORMATION

Directors	R E C Horton I R W Whitaker
Company secretary	R E C Horton
Registered number	03977391
Registered office	c/o Whitaker Horton Grampian House 144 Deansgate Manchester M3 3EE
Accountants	Buckley Accountancy Limited Chartered Certified Accountants

W H REAL ESTATE LIMITED

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W H REAL ESTATE LIMITED
REGISTERED NUMBER: 03977391

BALANCE SHEET
AS AT OCTOBER 31, 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	11,575,609	11,575,609
Investments	5	1	1
		<u>11,575,610</u>	<u>11,575,610</u>
Current assets			
Debtors: amounts falling due within one year	6	1,915,666	1,170,959
Cash at bank and in hand	7	115,546	654,317
		<u>2,031,212</u>	<u>1,825,276</u>
Creditors: amounts falling due within one year	8	(1,196,892)	(1,122,999)
Net current assets		<u>834,320</u>	<u>702,277</u>
Total assets less current liabilities		<u>12,409,930</u>	<u>12,277,887</u>
Creditors: amounts falling due after more than one year	9	(6,621,792)	(7,030,542)
Provisions for liabilities			
Deferred tax		(168,389)	(163,603)
		<u>(168,389)</u>	<u>(163,603)</u>
Net assets		<u><u>5,619,749</u></u>	<u><u>5,083,742</u></u>

W H REAL ESTATE LIMITED
REGISTERED NUMBER: 03977391

BALANCE SHEET (CONTINUED)
AS AT OCTOBER 31, 2019

	Note	2019 £	2018 £
Capital and reserves			
Called up share capital		2,000	2,000
Revaluation reserve	12	2,949,128	2,949,128
Profit and loss account	12	2,668,621	2,132,614
		<u>5,619,749</u>	<u>5,083,742</u>

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 comprehensive income 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 on July 14, 2020.


I R W Whitaker
Director

R E C Horton
Director

The notes on pages 3 to 12 form part of these financial statements.

W H REAL ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED OCTOBER 31, 2019

1. General information

WH Real Estate Limited is a private company limited by shares incorporated in England and Wales. The registered office is c/o Whitaker Horton, Grampian House, 144 Deansgate, Manchester, M3 3EE.

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.

The following principal accounting policies have been applied:

2.2 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:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.4 Finance costs

Finance costs are charged to profit or loss 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.

2.5 Borrowing costs

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2019

2. Accounting policies (continued)

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 balance sheet 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 Balance sheet 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 balance sheet 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.

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 machinery	- 20% straight line
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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.

W H REAL ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED OCTOBER 31, 2019

2. Accounting policies (continued)

2.8 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 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.

2.12 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2019

2. Accounting policies (continued)

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.14 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable 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. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost 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 Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2019

2. Accounting policies (continued)

2.14 Financial instruments (continued)

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2018 - 2).

4. Tangible fixed assets

	Freehold property £	Plant and machinery £	Total £
Cost or valuation			
At 1 November 2018	11,575,609	3,573	11,579,182
At October 31, 2019	11,575,609	3,573	11,579,182
Depreciation			
At 1 November 2018	-	3,573	3,573
At October 31, 2019	-	3,573	3,573
Net book value			
At October 31, 2019	11,575,609	-	11,575,609
At October 31, 2018	11,575,609	-	11,575,609

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Management have opted to take advantage of the transition exemption available in Section 35 of FRS102, whereby fair value at the transition date can be taken as deemed cost, removing the requirement to perform valuations going forwards.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2019 £	2018 £
Cost	8,626,481	8,626,481
Net book value	<u>8,626,481</u>	<u>8,626,481</u>

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 November 2018	1
At October 31, 2019	<u>1</u>

6. Debtors

	2019 £	2018 £
Trade debtors	98,958	61,787
Other debtors	1,803,306	1,104,776
Prepayments and accrued income	13,402	4,396
	<u>1,915,666</u>	<u>1,170,959</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2019**

7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	115,546	654,317
	<u>115,546</u>	<u>654,317</u>

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank loans	408,750	408,750
Trade creditors	23,589	36,069
Corporation tax	154,432	129,610
Other taxation and social security	56,921	44,304
Other creditors	240,713	208,877
Accruals and deferred income	312,487	295,389
	<u>1,196,892</u>	<u>1,122,999</u>

The following liabilities were secured:

	2019 £	2018 £
Bank loans	408,750	408,750
	<u>408,750</u>	<u>408,750</u>

Details of security provided:

Bank loans are secured against freehold property.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2019

9. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Bank loans	5,959,647	6,368,397
Other creditors	662,145	662,145
	<u>6,621,792</u>	<u>7,030,542</u>

The following liabilities were secured:

	2019 £	2018 £
Bank loans	5,959,647	6,368,397
	<u>5,959,647</u>	<u>6,368,397</u>

Details of security provided:

Bank loans are secured against freehold property

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2019**

10. Loans

Analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year		
Bank loans	408,750	408,750
	<u>408,750</u>	<u>408,750</u>
Amounts falling due 1-2 years		
Bank loans	408,750	408,750
	<u>408,750</u>	<u>408,750</u>
Amounts falling due 2-5 years		
Bank loans	1,226,250	1,226,250
	<u>1,226,250</u>	<u>1,226,250</u>
Amounts falling due after more than 5 years		
Bank loans	4,324,647	4,733,397
	<u>4,324,647</u>	<u>4,733,397</u>
	<u><u>6,368,397</u></u>	<u><u>6,777,147</u></u>

11. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through profit or loss	115,546	654,317
	<u><u>115,546</u></u>	<u><u>654,317</u></u>

Financial assets measured at fair value through profit or loss comprise cash at bank

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2019**

12. Reserves

Revaluation reserve

The cumulative revaluation gains and losses in respect of land and buildings, except revaluation gains and losses recognised in profit and loss.

Profit and loss account

The profit and loss reserve contains the balance of retained earnings to carry forward. It is fully distributable to the owners and is shown as part of the shareholders' reserves on the balance sheet.