

HIGHBRIDGE COMMERCIAL II LIMITED
Filleled Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2022

Highbridge Commercial II Limited

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Highbridge Commercial II Limited

Company Information

Directors Sukhvir Singh Dhillon
Sukhvinder Singh Dhillon

Registered office Old Post House
Hexham Road
Throckley
Newcastle upon Tyne
NE15 9EB

Accountants Azets
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Highbridge Commercial II Limited

(Registration number: 05415775)

Statement of Financial Position as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	4	21,000	26,250
Tangible assets	5	143,655	153,375
Investment property	6	4,698,384	4,582,590
		<u>4,863,039</u>	<u>4,762,215</u>
Current assets			
Stocks	7	4,000	3,500
Debtors	8	62,077	63,938
Cash at bank and in hand		230,397	106,185
		<u>296,474</u>	<u>173,623</u>
Creditors: Amounts falling due within one year	9	<u>(2,868,751)</u>	<u>(2,678,421)</u>
Net current liabilities		<u>(2,572,277)</u>	<u>(2,504,798)</u>
Total assets less current liabilities		2,290,762	2,257,417
Creditors: Amounts falling due after more than one year	9	(622,194)	(786,816)
Provisions for liabilities		<u>(219,820)</u>	<u>(163,900)</u>
Net assets		<u>1,448,748</u>	<u>1,306,701</u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		<u>1,447,748</u>	<u>1,305,701</u>
Total equity		<u>1,448,748</u>	<u>1,306,701</u>

For the financial year ending 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The notes on pages 4 to 10 form an integral part of these financial statements.

Highbridge Commercial II Limited

(Registration number: 05415775)

Statement of Financial Position as at 31 March 2022 (continued)

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Income Statement.

Approved and authorised for issue by the Board on 28 March 2023 and signed on its behalf by:

.....
Sukhvinder Singh Dhillon
Director

The notes on pages 4 to 10 form an integral part of these financial statements.

Highbridge Commercial II Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is Old Post House, Hexham Road, Throckley, Newcastle upon Tyne, NE15 9EB.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention.

These financial statements are prepared in sterling which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis.

The company meets its day to day working capital requirements through cash generated from operations and external/shareholder borrowings.

The company's forecasts and projections for the next twelve months show that the company should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance.

Based on the factors set out above the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Highbridge Commercial II Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

2 Accounting policies (continued)

Government grants

Government grants in relation to tangible fixed assets are credited to the profit and loss account over the useful lives of the related assets, whereas those relating to the costs incurred by the company are recognised in the income statement over the period necessary to match them with costs that they are intended to compensate. Government grants are presented separately and disclosed in other operating income in the income statement. Other operating income in the year comprises the UK Government assistance provided through coronavirus job retention scheme during the covid-19 pandemic.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	10% reducing balance
Office equipment	33% straight line

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Highbridge Commercial II Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

2 Accounting policies (continued)

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	5% straight line

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment. Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Highbridge Commercial II Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

2 Accounting policies (continued)

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 9 (2021 - 12).

Highbridge Commercial II Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 April 2021	105,000	105,000
At 31 March 2022	105,000	105,000
Amortisation		
At 1 April 2021	78,750	78,750
Amortisation charge	5,250	5,250
At 31 March 2022	84,000	84,000
Carrying amount		
At 31 March 2022	21,000	21,000
At 31 March 2021	26,250	26,250

5 Tangible assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2021	228,420	3,198	231,618
Additions	6,211	624	6,835
At 31 March 2022	234,631	3,822	238,453
Depreciation			
At 1 April 2021	76,787	1,456	78,243
Charge for the year	15,585	970	16,555
At 31 March 2022	92,372	2,426	94,798
Carrying amount			
At 31 March 2022	142,259	1,396	143,655
At 31 March 2021	151,633	1,742	153,375

Highbridge Commercial II Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

6 Investment properties

	2022
	£
At 1 April	4,582,590
Additions	<u>115,794</u>
At 31 March	<u><u>4,698,384</u></u>

The freehold investment properties have not been revalued since the date in which they were purchased. In the directors' opinion there has been no significant change in their market value since this date.

7 Stocks

	2022	2021
	£	£
Other inventories	<u>4,000</u>	<u>3,500</u>

8 Debtors

	2022	2021
	£	£
Trade debtors	62,077	47,994
Prepayments	-	14,994
Other debtors	<u>-</u>	<u>950</u>
	<u><u>62,077</u></u>	<u><u>63,938</u></u>

Highbridge Commercial II Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

9 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Due within one year			
Bank loans and overdrafts	<u>10</u>	122,324	107,698
Trade creditors		40,619	33,390
Taxation and social security		19,049	34,905
Accruals and deferred income		84,543	75,369
Other creditors		975,314	982,078
Corporation tax liability		118,504	56,144
Directors loan accounts		1,484,398	1,372,837
CT61 tax liability		24,000	16,000
		<u>2,868,751</u>	<u>2,678,421</u>

Creditors: amounts falling due after more than one year

	Note	2022 £	2021 £
Due after one year			
Loans and borrowings	<u>10</u>	<u>622,194</u>	<u>786,816</u>

10 Loans and borrowings

	2022 £	2021 £
Current loans and borrowings		
Bank borrowings	<u>122,324</u>	<u>107,698</u>

Bank loans are secured against the assets of the company.

	2022 £	2021 £
Non-current loans and borrowings		
Bank borrowings	<u>622,194</u>	<u>786,816</u>

Bank loans are secured against the assets of the company.

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.