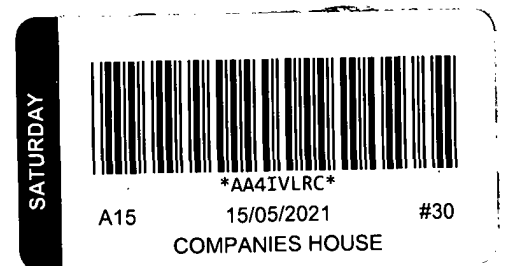


Company Registration Number 07075698

BRADFORD PROPCO LIMITED

UNAUDITED
FINANCIAL STATEMENTS

30 SEPTEMBER 2020



ArmstrongWatson®
Accountants, Business & Financial Advisers

BRADFORD PROPCO LIMITED
REGISTERED NUMBER: 07075698

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Investment property	5	7,650,000	6,600,000
		<u>7,650,000</u>	<u>6,600,000</u>
Current assets			
Debtors: amounts falling due within one year	6	5,136	11,299
Cash at bank and in hand		282,824	209,714
		<u>287,960</u>	<u>221,013</u>
Creditors: amounts falling due within one year	7	(3,122,168)	(487,737)
Net current liabilities		<u>(2,834,208)</u>	<u>(266,724)</u>
Total assets less current liabilities		<u>4,815,792</u>	<u>6,333,276</u>
Creditors: amounts falling due after more than one year	8	(90,780)	(2,930,780)
Provisions for liabilities			
Deferred tax	10	(382,914)	(243,882)
		<u>(382,914)</u>	<u>(243,882)</u>
Net assets		<u><u>4,342,098</u></u>	<u><u>3,158,614</u></u>

BRADFORD PROPCO LIMITED
REGISTERED NUMBER: 07075698

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2020

	Note	2020 £	2019 £
Capital and reserves			
Called up share capital		75,001	75,001
Revaluation reserve		1,477,233	530,452
Profit and loss account		2,789,864	2,553,161
		<u>4,342,098</u>	<u>3,158,614</u>

The director considers 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 director acknowledges his 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 by:



G K Sizer
Director

30 April 2021

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

BRADFORD PROPCO LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 October 2019	75,001	530,452	2,553,162	3,158,615
Comprehensive income for the year				
Profit for the year	-	-	1,346,702	1,346,702
Transfer to/from revaluation reserve	-	-	(1,050,000)	(1,050,000)
Deferred tax on revaluation	-	(103,219)	-	(103,219)
Transfer to/from profit and loss account	-	1,050,000	-	1,050,000
Dividends: Equity capital	-	-	(60,000)	(60,000)
At 30 September 2020	75,001	1,477,233	2,789,864	4,342,098

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

BRADFORD PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. General information

Bradford Propco Limited is a company incorporated in the United Kingdom under the Companies Act.

The company is a private company limited by shares and is registered in England and Wales. The address of the registered office is given on page 1. The company's principal activity is letting of investment properties.

The presentation and functional currency of the company is sterling.

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 Going concern

As highlighted in notes 7 and 8 to the financial statements, the company meets its day to day working capital requirements through a bank loan and other loan facilities. The bank loan facility expires in August 2021.

The director has also received written assurances from the providers of the other loan facility that, other than normal monthly payments of £10,000, the loan will not be recalled within the next 12 months.

The company's forecasts and projections, taking account of reasonable possible changes in trading performance, show that the company should be able to operate within the level of its current facility, subject to its renewal. Although the company is in a net current liabilities position, this is due solely to intercompany balances which the director has obtained confirmation will not be called up in the next 12 months.

Thus, the director has a reasonable expectation at the time of approving the financial statements that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the going concern basis in preparing the financial statements continues to be adopted.

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 represents amounts receivable in respect of rental income on investment properties, and is derived from the company's principle activity. All turnover originates in the United Kingdom.

Rental income from operating leases is recognised in line with the terms of the relevant lease.

2.4 Interest income

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

2.5 Borrowing costs

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

BRADFORD PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

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 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 Statement of financial position 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 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 Statement of financial position 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.

2.8 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, 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 profit or loss.

2.9 Debtors

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

BRADFORD PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.10 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.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at transaction value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 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 ordinary shares.

2.13 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. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described above, the director is required to make judgement, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Impairment and valuation

The company tests annually whether its assets have suffered any impairment. Where required, recoverable amounts are calculated using the higher of fair value less cost of sell, and value in use. Additionally, investment properties are held at fair value per note 5, revalued on a sufficiently regular basis to avoid material differences between carrying value and fair value.

The director does not consider there to be any key sources of estimation uncertainty.

4. Employees

The director received no emoluments during the current financial year or the preceding financial year for his services to the company.

The average monthly number of employees, including directors, during the year was 1 (2019 - 1).

BRADFORD PROPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

5. Investment property

	Investment property £
Valuation	
At 1 October 2019	6,600,000
Surplus on revaluation	1,050,000
At 30 September 2020	<u>7,650,000</u>

The investment property was valued in April 2020 at a value of £7,650,000 by JLL, an experienced independent valuer with recognised qualifications. The valuation was made with reference to price achieved per bed, discounted for future cash flows and with reference to current market data as at 30 April 2020.

The directors consider this valuation to remain applicable as at 30 September 2020.

If the property had not been revalued, it would be held at historic cost of £5,950,000.

6. Debtors

	2020 £	2019 £
Other debtors	5,136	11,299
	<u>5,136</u>	<u>11,299</u>

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	2,720,000	160,000
Other loans	120,000	120,000
Corporation tax	131,699	62,493
Accruals and deferred income	150,469	145,244
	<u>3,122,168</u>	<u>487,737</u>

At the year end fixed and floating charges were owed to Santander Plc. Floating charges covers all property or undertaking of the company.

BRADFORD PROPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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

	2020	2019
	£	£
Bank loans	-	2,720,000
Other loans	90,780	210,780
	<u>90,780</u>	<u>2,930,780</u>

At the year end fixed and floating charges were owed to Santander Plc. Floating charges covers all property or undertaking of the company.

BRADFORD PROPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

9. Loans

Analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year		
Bank loans	2,720,000	160,000
Other loans	120,000	120,000
	<u>2,840,000</u>	<u>280,000</u>
Amounts falling due 1-2 years		
Bank loans	-	180,000
Other loans	90,780	120,000
	<u>90,780</u>	<u>300,000</u>
Amounts falling due 2-5 years		
Bank loans	-	2,540,000
Other loans	-	90,780
	<u>-</u>	<u>2,630,780</u>
Total loans	<u><u>2,930,780</u></u>	<u><u>3,210,780</u></u>

The bank loan is a £3,400,000 term loan facility expiring in August 2021 secured against the investment property. Interest is payable at 2.5% per annum above 3 months LIBOR. 3 month LIBOR has been fixed throughout the term at 2.43% on £1,700,000 of the facility. The other loan is an unsecured facility of £210,780 (2019: £330,780). Interest is not currently payable.

BRADFORD PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

10. Deferred taxation

	2020 £
At beginning of year	(243,882)
Charged to profit or loss	(35,813)
Charged to other comprehensive income	(103,219)
At end of year	(382,914)

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	382,914	243,882
	<u>382,914</u>	<u>243,882</u>

11. Related party transactions

The director and his wife have provided a loan facility of £2,351,000 (2019: £2,351,000) to the company. The balance outstanding at the year end was £210,780 (2019: £330,780).

12. Controlling party

Following the re-designation and transfer of shares on 29 March 2019, the director considers himself to be the ultimate controlling party.