

**Registered number: 07378205**

**Golden Square Business Centre Limited**  
**Directors' report and financial statements**  
**for the year ended 29 February 2020**

MONDAY



\*A9HGWØVV\*

A11

09/11/2020

#120

COMPANIES HOUSE

**Golden Square Business Centre Limited**  
**Directors' report and financial statements**  
**for the year ended 29 February 2020**

**Contents**

	<b>Page</b>
<b>Directors and advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Independent auditors' report to the members of Golden Square Business Centre Limited</b>	<b>4</b>
<b>Profit and loss account</b>	<b>6</b>
<b>Balance sheet</b>	<b>7</b>
<b>Statement of changes in equity</b>	<b>8</b>
<b>Notes to the financial statements</b>	<b>9</b>

# **Golden Square Business Centre Limited**

## **Directors and advisers**

### **Directors**

D R Wheble  
D P Hall  
D A Harrop  
K L Nordier  
T A Vaughan

### **Company secretary and registered office**

D J Smith  
Central House  
47, St Paul's St  
Leeds  
United Kingdom  
LS1 2TE

### **Solicitors**

Walker Morris  
Kings Court  
12 King Street  
Leeds  
LS1 2HL

Clarion  
Britannia Chambers  
4 Oxford Place  
Leeds  
LS1 3AX

### **Registered number**

07378205

### **Independent auditors**

BDO LLP  
55 Baker Street  
London  
W1U 7EU

### **Bankers**

HSBC Bank plc  
33 Park Row  
Leeds  
LS1 1LD

# **Golden Square Business Centre Limited**

## **Directors' report**

### **for the year ended 29 February 2020**

The directors present their annual report and the audited financial statements of the company for the financial year ended 29 February 2020. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

#### **Principal activities**

The principal activity of the company is that of commercial property leasing and management.

#### **Review of business and future prospects**

The directors consider the results of the company for the financial year and the prospects for the coming year, to be satisfactory.

#### **Results and dividends**

The directors have not recommended the payment of a dividend of during the year (2019: £nil). The loss for the financial year of £34,442 (2019: £208,443 profit) will be deducted from reserves.

#### **Directors**

The directors of the company, who held office during the year, and up to the date of the signing of the financial statements, are listed on page 1.

#### **Charitable and political donations**

No charitable donations were made during the year.

#### **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Directors Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

#### **Directors' confirmations**

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Golden Square Business Centre Limited**  
**Directors' report**  
**for the year ended 29 February 2020 (continued)**

**Strategic report**

The company has availed of the exemption under s414B of the Companies Act 2006 (Strategic and Directors' Report) Regulations 2013 from implementing the strategic report requirements as the Company qualifies as a small company for Company Law purposes.

**Going concern**

The directors has reviewed the company's ability to continue as a going concern as stated in note 2. In making their assessment of the ability of the company to continue as a going concern management have considered the impact of COVID 19 on both the liquidity and compliance with bank loan covenants of the Group as a whole (being the Group headed by The Boutique Workplace Company Limited). In light of the uncertainty in respect of the adverse impacts of COVID 19, its duration and the ability of the Group and Company to obtain loan waivers as and when required, a material uncertainty exists which may cast significant doubt on the Group's and the company's, as an obligor, ability to continue as a going concern and therefore the company's ability to realise its assets and settle its liabilities within the ordinary course of business. Within the review directors have noted that the company has net current liabilities at the financial year end. The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of a parent companies Tradegro sarl and Moorgarth Group Limited. The directors have received confirmation that Tradegro sarl and Moorgarth Group Limited, parent companies of John Street Business Centre Limited, intends to support the company for at least one year after these financial statements are signed.

**Independent auditors**

PricewaterhouseCoopers LLP, resigned as auditors of the company during the year and BDO LLP were appointed as auditors of the company by the directors. BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

By order of the Board



D J Smith  
Company secretary  
3 November 2020

# **Golden Square Business Centre Limited**

## **Independent auditors' report to the members of Golden Square Business Centre Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

We have audited the financial statements of Golden Square Business Centre Limited ("the Company") for the year ended 29 February 2020 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 *Reduced Disclosure Framework* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 29 February 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material uncertainty related to going concern**

We draw attention to note 2 to the financial statements which indicates the Directors' considerations over going concern, including the potential impact of the Covid-19 pandemic. Based on the forecasts, there is a potential that the Group's loan covenants for which the Company is also an obligor will be breached resulting in the loan balance being repayable on demand. As stated in note 2, these events or conditions, along with other matters as set out in note 2, indicate that a material uncertainty exists, which may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Directors' Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements

# **Golden Square Business Centre Limited**

## **Independent auditors' report to the members of Golden Square Business Centre Limited (continued)**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

### **Responsibilities of Directors**

As explained more fully in the Statement of Directors Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**BDO LLP**

Christopher Young (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
London, UK

3 November 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

**Golden Square Business Centre Limited**  
**Profit and loss account**  
**for the year ended 29 February 2020**

	Note	2020 £	2019 £
<b>Turnover</b>		<b>809,540</b>	824,089
Administrative expenses		(757,805)	(630,740)
<b>Operating profit</b>		<b>51,735</b>	193,349
Interest payable and similar income	5	(87,274)	-
<b>(Loss)/Profit before taxation</b>	8	<b>(35,539)</b>	193,349
Tax on (loss)/profit	9	1,097	15,094
<b>(Loss)/Profit for the financial year</b>		<b>(34,442)</b>	208,443

All of the above results relate to continuing operations.


There is no other comprehensive income, therefore a separate statement of comprehensive income has not been presented.



**Golden Square Business Centre Limited**  
**Balance sheet**  
**as at 29 February 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	6	85,763	135,266
Right of use asset	7	1,712,710	-
<b>Current assets</b>			
Debtors (including £210,000 (2019: £210,000) due after more than one year)	10	378,440	431,598
Cash at bank and in hand		-	-
<b>Total current assets</b>		<b>378,440</b>	<b>431,598</b>
<b>Creditors: amounts falling due within one year</b>	11	<b>(438,560)</b>	<b>(340,974)</b>
<b>Net current (liabilities)/assets</b>		<b>(60,120)</b>	<b>90,624</b>
<b>Creditors: amounts falling due after more than one year</b>	11	<b>(1,622,439)</b>	<b>-</b>
Provisions for liabilities	12	(103,680)	(81,248)
<b>Net assets</b>		<b>12,234</b>	<b>144,642</b>
<b>Capital and reserves</b>			
Called up share capital	13	1	1
Profit and loss account	14	12,233	144,641
<b>Total shareholders' funds</b>		<b>12,234</b>	<b>144,642</b>

The financial statements on pages 6 to 16 were approved by the Board of directors on 3 November 2020, and were signed on its behalf by:



D A Harrop  
**Director**

Registered number:  
07378205

**Golden Square Business Centre Limited**  
**Statement of changes in equity**  
**for the year ended 29 February 2020**

	Called up share capital £	Profit and loss account £	Total shareholders' (deficit)/funds £
Balance as at 1 March 2018	1	(63,802)	(63,801)
Profit for the financial year	-	208,443	208,443
<b>Total comprehensive income for the year</b>	-	208,443	208,443
<b>Balance as at 28 February 2019</b>	1	144,641	144,642
Impact of initial adoption of IFRS 16	-	(118,031)	(118,031)
Deferred tax effect of IFRS 16 adjustment	-	20,065	20,065
Restated balance as at 1 March 2019	1	46,675	46,676
Loss for the financial year	-	(34,442)	(34,442)
<b>Total comprehensive loss for the year</b>	-	(34,442)	(34,442)
<b>Balance as at 29 February 2020</b>	1	12,233	12,234

# Golden Square Business Centre Limited

## Notes to the financial statements

### for the year ended 29 February 2020

#### 1 General Information

Golden Square Business Centre Limited is a serviced business rental accommodation provider operating at 11 Golden Square, London, W1F 9LA.

The company is a private company limited by shares and is incorporated and domiciled in the UK. The address of its registered office is Central House, 47 St Pauls Street, Leeds, LS1 2TE.

#### 2 Summary of significant accounting policies

##### **Basis of preparation**

The financial statements of Golden Square Business Centre Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 as applicable to companies using FRS101. The accounting policies have been consistently applied to all years presented.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS101:

- a) The following paragraphs of IAS 1, "Presentation of financial statements":
  - i) 10 (d), (statement of cash Flows);
  - ii) 111 (cash flow statement information); and
  - iii) 134-136 (capital management disclosures).
- b) IAS 7, "Statement of Cash Flows"
- c) The following requirements of IAS 24, "Related Party Disclosures":
  - i) Paragraph 17 – key management compensation
  - ii) The requirements to disclose related party transactions entered into with two or more wholly owned members of a group.
- d) IFRS 7, "Financial Instrument Disclosures"

##### **Turnover**

Turnover represents rent and service charges receivable net of VAT and trade discounts.

##### **New standards, amendments and IFRS IC interpretations**

##### ***New and amended standards***

The modified retrospective approach to initial adoption of IFRS 16 has been implemented for the first time in the annual reporting period commencing 1 March 2019. This has required the leases at 11 Golden Square to be recognised as right of use assets and corresponding lease liabilities. As a result, the rent free adjustment remaining on the lease has had to be released, leading to an adjustment to brought forward reserves of £97,996

##### ***New and amended standards not effective for current financial year***

The following new standards and amendments to standards have been issued but are not effective for the financial period beginning 1 March 2019 and have not been adopted early.

Amendment to IAS 1 Presentation of Financial Statements (effective 1 January 2020)

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors on the definition of material (effective 1 January 2020)

Amendment to IFRS 3 Business Combinations – definition of a business (effective 1 January 2020)

Amendments to IFRS 9 Financial Instrument (effective 1 January 2020)

IAS 39 Financial Instruments: Recognition and Measurement (effective 1 January 2020)

Amendments to IFRS 7 Financial Instruments (effective 1 January 2020)

# Golden Square Business Centre Limited

## Notes to the financial statements

### for the year ended 29 February 2020 (continued)

#### 2 Summary of significant accounting policies (continued)

##### Leasing

All leases are accounted for by recognising a right-of-use asset and a lease liability.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the group if it is reasonable certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

##### Prior year comparatives

As IFRS16 has been adopted during the year using the modified retrospective approach the prior year comparative balances have not been restated

##### Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings leasehold	Straight line over the life of the asset
Plant and machinery	20%

##### Taxation and deferred taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date. Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

# **Golden Square Business Centre Limited**

## **Notes to the financial statements**

### **for the year ended 29 February 2020 (continued)**

#### **2 Summary of significant accounting policies (continued)**

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the profit and loss account.

#### **Going concern**

In making their assessment of the ability of the company to continue as a going concern management have considered the impact of COVID 19 on both the liquidity and compliance with bank loan covenants of the Group as a whole (being the Group headed by The Boutique Workplace Company Limited). This approach is considered appropriate on the basis that all external funding is held by the parent company, The Boutique Workplace Company Limited. The group operates leasehold properties in central London. The portfolio is funded in part by an amortising £7m bank loan which currently expires in September 2024. The company is funded through intercompany borrowings and is an obligor to the bank loan.

In order to assess the potential impact of COVID 19 on the Group and company and their ability to continue as a going concern, management have analysed the Group's expected future trading performance and cashflow forecast to February 2022. These forecasts reflect management's best estimates of future performance based upon active license agreements and assumptions of moderate future growth. Cashflow assumptions are based upon payment schedules that have been put in place with suppliers and anticipated cost reductions through operational changes that have been put in place. Cashflow forecasts show that the group has a significant amount of headroom in terms of its ability to meet its obligations, including those to the bank, and continue to operate as a going concern over at least the next 12 months. As such the directors consider it appropriate to prepare these financial statements on the going concern basis.

The bank loan facility includes covenants over interest and debt service cover. As at the date of approval of these financial statements, the Group is in compliance with all of its covenants. However forecasts show that, were there to be prolonged reduction in income collected as a consequence of COVID 19, there is a potential that the bank loan covenants may be breached which would result in the loan being repayable on demand. The directors have discussed these covenants with the lender who has indicated a willingness to support the Group including to temporarily waive covenants as required, although there is no formal agreement in place with the lender at the date of signing these financial statements. Whilst these forecasts provide robust support, there is uncertainty in respect of the adverse impacts of COVID 19, its duration and the ability of the Group to obtain loan covenants waivers if required. As the company is an obligor to this loan, a material uncertainty exists which may cast significant doubt on the company's ability to continue as a going concern and therefore its ability to realise its assets and settle its liabilities within the ordinary course of business. These financial statements do not include the adjustments that would be required should the going concern basis of preparation no longer be appropriate.

# Golden Square Business Centre Limited

## Notes to the financial statements

### for the year ended 29 February 2020 (continued)

#### 3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### 3.1 Critical accounting estimates and assumptions

The company makes estimates and of the recoverable value of trade and other debtors. When assessing impairment of trade and other receivables, management considers factors including the credit rating of receivable, the aging profile of receivable and historical experience. The company applies IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivable and contract assets. The company applies IFRS 16 when calculating the value of Right of use and lease liability assets

##### (a) Impairment of trade receivables

The directors have followed the guidance of IFRS 9 and reviewed the trade receivable balances, as at the reporting date, to determine whether there is objective evidence that they are impaired. As historic bad debt percentages are so low combined with balance of receivables being so small it has not been deemed material for any provisions to be made

##### (b) Incremental borrowing rate

The transition to IFRS 16 includes a calculation of an incremental borrowing rate to apply to each lease within the entity. This rate is subject to certain assumptions and estimates, which could have a material impact on the level of lease liability and right of use asset recognised in the financial statements

##### (c) Going Concern

The entity has considered future trading forecast along with the use of certain estimates to assess the entities ability to continue as a going concern for 12 months from the date of signing.

#### 4 Director and employee information

The directors are directors of Ventia Limited, the immediate parent company. They received no remuneration in respect of their services to Golden Square Business Centre Limited (2019: £nil). There are no employees other than the directors (2019: none).

#### 5 Interest payable and similar income

	2020 £	2019 £
Lease liability	87,274	-
	<u>87,274</u>	<u>-</u>

#### 6 Tangible assets

	Land and buildings leasehold	Plant and Machinery	Total
<b>Cost or valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 March 2019	68,293	247,739	316,032
Additions at cost	-	-	-
<b>At 29 February 2020</b>	<b>68,293</b>	<b>247,739</b>	<b>316,032</b>
<b>Accumulated depreciation</b>			
At 1 March 2019	34,744	146,022	180,766
Charge for the year	6,829	42,674	49,503
<b>At 29 February 2020</b>	<b>41,573</b>	<b>188,696</b>	<b>230,269</b>
<b>Net book value</b>			
<b>At 29 February 2020</b>	<b>26,720</b>	<b>59,043</b>	<b>85,763</b>
At 28 February 2019	33,549	101,717	135,266

**Golden Square Business Centre Limited**  
**Notes to the financial statements**  
**for the year ended 29 February 2020 (continued)**

**7 Right of use asset**

	<b>Building Leaseholds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Additions at 1 March 2019 (adoption of IFRS 16 leases)	1,959,744	1,959,744
Additions during the year	-	-
Depreciation charge for the year	(247,034)	(247,034)
Net carrying amount as at 29 February 2020	<b>1,712,710</b>	<b>1,712,710</b>

The modified retrospective approach to initial adoption of IFRS 16 has been implemented for the first time in the annual reporting period commencing 1 March 2019. This has required the leases in place at 11 Golden Square to be recognised as right of use assets and corresponding lease liabilities

**8 (Loss)/Profit before taxation**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Profit before taxation is stated after charging:		
Fees payable for the statutory audit	2,200	2,400
Depreciation on tangible assets	49,503	50,058
Depreciation on right of use asset	274,034	-

**9 Tax on (loss)/profit**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Current tax:</b>		
UK Corporation tax on profits of the year	-	-
UK Corporation tax - Adjustments in respect of previous year	-	(10,000)
Total current tax	-	(10,000)
Deferred taxation – Current year	(1,142)	(5,146)
Deferred taxation - Adjustments in respect of previous year	45	52
<b>Tax on profit</b>	<b>(1,097)</b>	<b>(15,094)</b>

**Factors affecting the tax (credit)/charge for the current year**

The tax (credit)/charge for the year differs (2019: differs) from the standard rate of corporation tax. The differences are explained below:

**Tax on (loss)/profit**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>(Loss)/Profit before taxation</b>	<b>(35,539)</b>	<b>193,349</b>
(Loss)/Profit before taxation multiplied by the standard rate of United Kingdom corporation tax of 19% (2019: 19%)	<b>(6,752)</b>	<b>36,736</b>
Explained by:		
Permanent differences - expenses not deductible for tax purposes	3,016	2,343
Adjustments in respect of previous years	45	(9,948)
Transfer pricing adjustments	-	(16,718)
Group relief not paid	2,594	(26,906)
Difference due to change in rate of tax	-	(601)
<b>Total tax credit for the financial year</b>	<b>(1,097)</b>	<b>(15,094)</b>

Finance Act 2016 reduced the corporation tax rate to 17% with effect from April 2020. Finance Act 2020 has reversed the cut in corporation tax. The corporation tax rate remains 19%. This charge was substantially enacted post 29 February 2020. Therefore the accounts have been prepared on the basis that a 17% tax rate would be in force in future periods. The tax rate will be updated in future financial statements.

If a rate of 19% had been incorporated in the accounts, the deferred tax asset would increase to £17,822.

**Golden Square Business Centre Limited**  
**Notes to the financial statements**  
**for the year ended 29 February 2020 (continued)**

**10 Debtors**

	2020	2019
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	1	89
Amounts owed by group undertakings	136,862	72,501
Prepayments	15,631	149,008
Deferred tax asset	15,946	-
<b>Amounts falling due after more than one year:</b>		
Other debtors	210,000	210,000
	<b>378,440</b>	<b>431,598</b>

Amounts owed by group undertakings are interest free and have no fixed repayment terms. In line with IFRS 9 consideration has been given to the potential for impairment of intercompany receivables, as this balance in its entirety represents cash held within group bank account belonging to the entity we do not feel there is any risk of impairment thus no adjustment made.

The amount due after more than one year represents rental deposits paid on leased properties. In line with terms of lease agreements these amounts are recoverable upon the cessation of the lease.

**11 Creditors: amounts falling due within one year**

	2020	2019
	£	£
<b>Amounts falling due within one year:</b>		
Trade creditors	-	109,227
Taxation and social security	32,924	19,814
Accruals and deferred income	131,278	211,933
Lease liability	274,358	-
Corporation tax payable	-	-
	<b>438,560</b>	<b>340,974</b>
<b>Amounts falling due after more one year:</b>		
Lease liability	1,622,439	-
	<b>1,622,439</b>	<b>-</b>

IFRS 16 has been adopted for the first time in the annual reporting period commencing 1 March 2019, requiring the leases in place 11 Golden Square to be recognised as right of use assets and corresponding lease liabilities.



**Golden Square Business Centre Limited**  
**Notes to the financial statements**  
**for the year ended 29 February 2020 (continued)**

**12 Provisions for liabilities**

	2020	2019
	£	£
Deferred tax liability	-	5,216
Property dilapidations	103,680	76,032
	<b>103,680</b>	<b>81,248</b>

**Movement in deferred tax (asset)/liability**

	2020	2019
	£	£
Balance brought forward	5,216	10,310
Charge to profit and loss account	(1,097)	(5,094)
Charge to statement of changes in equity on adoption of IFRS 16	(20,065)	-
	<b>(15,946)</b>	<b>5,216</b>

**Deferred tax (asset)/liability is made up as follows:**

	2020	2019
	£	£
Accelerated capital allowances	1,346	5,216
Tax relief for IFRS 16 spread over life of lease	(17,292)	-
	<b>(15,946)</b>	<b>5,216</b>

**13 Called up share capital**

	Ordinary shares of £1 each Number	£
<b>Authorised:</b>		
	1	1
As at 29 February 2020 and 28 February 2019		
<b>Allotted and fully paid:</b>		
	1	1
As at 29 February 2020 and 28 February 2019		

**14 Profit and loss account**

Profit and loss account – This reserve records retained earnings and accumulated losses.

**15 Ultimate parent undertaking**

The immediate parent undertaking is Ventia Limited, a company registered in the United Kingdom.

The ultimate parent undertaking and controlling party is Tradehold Limited, a company incorporated in the Republic of South Africa and listed on the Johannesburg Stock Exchange.

The largest group in which the results of the company are consolidated is that of which the ultimate parent company is Tradehold Limited. The consolidated financial statements of Tradehold Limited are available to the public at its registered address at 36 Stellenberg Road, Parow Industria, 7490, South Africa.

The smallest group in which the results of the company are consolidated is that of The Boutique Workplace Company Limited. The consolidated financial statements of The Boutique Workplace Company Limited are available to the public at its registered address at Central House, 47, St Paul's St, Leeds, United Kingdom, LS1 2TE.

**Golden Square Business Centre Limited**  
**Notes to the financial statements**  
**for the year ended 29 February 2020 (continued)**

**16 Contingencies and commitments**

As stated in note 2, Golden Square Business Centre Limited is an obligator to the £7m loan facility between the parent company, The Boutique Workplace Company Limited, and the bank. The loan is due to expire on 23<sup>rd</sup> September 2024.

**17 Post Balance sheet Event**

On 23 March 2020 England went into 'Lockdown' in response to the COVID-19 pandemic. Whilst the full impact of this is, as yet, unknown careful cashflow forecasting and management has taken place allowing the company to feel confident of its continued operations.

The directors feel the business is well placed to manage in the post COVID-19 'lockdown' world, due to the way the company has adapted quickly to make its workspace compliant with latest regulations. As well as appealing to the anticipated increase in demand for smaller more flexible workspace rather than traditional lease commitments.