

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
FOR
FAIRDEAL (PEPF) LIMITED

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For The Year Ended 30 JUNE 2020

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FAIRDEAL (PEPF) LIMITED
COMPANY INFORMATION
For The Year Ended 30 JUNE 2020

DIRECTOR: A A Kleanthous

SECRETARY: M Patel

REGISTERED OFFICE: 1 Kings Avenue
London
N21 3NA

REGISTERED NUMBER: 07849422 (England and Wales)

INDEPENDENT AUDITORS: AGK Partners
Chartered Accountants & Statutory Auditors
1 Kings Avenue
London
N21 3NA

STATEMENT OF FINANCIAL POSITION**30 JUNE 2020**

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Property, plant and equipment	4		-		1,911
Investment property	5		999,140		999,140
			999,140		1,001,051
CURRENT ASSETS					
Debtors	6	737,670		2,276	
Cash at bank		21,684		8,341	
		759,354		10,617	
CREDITORS					
Amounts falling due within one year	7	1,490,723		298,370	
NET CURRENT LIABILITIES			(731,369)		(287,753)
TOTAL ASSETS LESS CURRENT LIABILITIES			267,771		713,298
CREDITORS					
Amounts falling due after more than one year	8		-		466,702
NET ASSETS			267,771		246,596
CAPITAL AND RESERVES					
Called up share capital			100		100
Fair value reserve	10		208,321		208,321
Retained earnings			59,350		38,175
			267,771		246,596

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director and authorised for issue on 27 June 2021 and were signed by:

A A Kleanthous - Director

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 30 JUNE 2020

1. GENERAL INFORMATION

Fairdeal (PEPF) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The director regards the foreseeable future as no less than twelve months following the publication of these annual financial statements. The director has considered the company's balance sheet position as at the year end, its working capital forecasts, the current COVID19 crisis and projections, taking account of possible changes in trading performance and the current state of its operating market, and are satisfied that for the foreseeable future the company's financial position is improving and will enable the company to remain in operational existence. In addition, the director and shareholder has agreed to provide continuing financial support as and when required to enable the company to continue in operational existence. Consequently, the director considers it to be appropriate to prepare the financial statements on the going concern basis.

Significant judgements and estimates

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgement are inherent in formation of estimates, together with past experience and expectations of future events which are believed to be reasonable under the circumstances.

The following summarises the key judgements, estimates and assumptions that have the most significant effect on the amounts recognised in the financial statements:

a) Investment property valuations: the year end valuations have been determined by the director on an open market value for existing use basis. The director has deemed it necessary to take appropriate market advice in determining the valuation.

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 income from rental properties and is measured at the fair value of the consideration receivable in accordance with lease terms.

Profit/(losses) on disposal of investment property is recognised as other income/(loss).

Property, plant and equipment

Property, plant and equipment under the cost model, other than investment properties, 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 provided on the following basis:

Fixtures and fittings - 25% straight line

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 30 JUNE 2020

2. ACCOUNTING POLICIES - continued

Investment property

Investment property is carried at fair value determined annually by the director 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.

Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and loans to related parties.

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.

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

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.

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.

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 profit or loss.

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 reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 30 JUNE 2020

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 1 (2019 - 1) .

4. PROPERTY, PLANT AND EQUIPMENT

	Fixtures and fittings £
COST	
At 1 July 2019	9,646
Disposals	<u>(2,254)</u>
At 30 June 2020	<u>7,392</u>
DEPRECIATION	
At 1 July 2019	7,735
Eliminated on disposal	<u>(343)</u>
At 30 June 2020	<u>7,392</u>
NET BOOK VALUE	
At 30 June 2020	<u>-</u>
At 30 June 2019	<u>1,911</u>

5. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 July 2019 and 30 June 2020	<u>999,140</u>
NET BOOK VALUE	
At 30 June 2020	<u>999,140</u>
At 30 June 2019	<u>999,140</u>

Investment property is valued on an open market basis by the Director. The Director does not consider there to be any change in the fair value during the year.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	1,713	1,625
Amounts owed by group undertakings	735,957	-
Prepayments and accrued income	<u>-</u>	<u>651</u>
	<u>737,670</u>	<u>2,276</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Bank loans and overdrafts	-	20,383
Trade creditors	-	9,239
Amounts owed to group undertakings	1,482,278	261,218
Tax	4,700	-
Other creditors	3,745	2,435
Accruals and deferred income	<u>-</u>	<u>5,095</u>
	<u>1,490,723</u>	<u>298,370</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 30 JUNE 2020

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Bank loans - 1-2 years	-	20,383
Bank loans - 2-5 years	-	61,149
Bank loans more 5 yr by instal	-	385,170
	<u>-</u>	<u>466,702</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	<u>-</u>	<u>385,170</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	2020	2019
	£	£
Bank loans	<u>-</u>	<u>487,085</u>

The above loan is secured by way of a charge over the investment property. Interest is payable at a rate of 3.5% plus Bank of England base rate. The loan relates to interest and principal repayments on a monthly basis over a 20 year term.

10. RESERVES

	Fair value reserve £
At 1 July 2019 and 30 June 2020	<u>208,321</u>

Fair value reserve

The cumulative revaluation gains and losses are in respect of land and buildings, and transfers of revaluation gains and losses recognised in profit and loss from retained earnings.

Retained earnings

Cumulative profit and loss net of distributions to owners.

11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Michael Marcus (Senior Statutory Auditor)
for and on behalf of AGK Partners

12. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Amounts owed to group or related undertakings are non-interest bearing and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 30 JUNE 2020

13. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is A A Kleanthous.

The immediate parent company is Double A Group Property Limited. The ultimate parent company is Double A Group Ltd.

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.