

North John Street Op Co Limited

Directors' Report and Unaudited Financial Statements

Period Ended

4 April 2022

Company Number 08293802



North John Street Op Co Limited

Company Information

Directors	D M Reid T G Brown
Company secretary	SJ Cruickshank
Registered number	08293802
Registered office	Parcels Building 14 Bird Street London W1U 1BU
Accountant	BDO LLP Citypoint 65 Haymarket Terrace Edinburgh EH12 5HD
Banker	HSBC Bank Plc Liverpool Commercial Centre Liverpool L2 4SW

North John Street Op Co Limited

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North John Street Op Co Limited

Chartered accountant's report to the board of directors on the preparation of the unaudited financial statements of North John Street Op Co Limited for the period ended 4 April 2022

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of North John Street Op Co Limited for the period ended 04 April 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/regulations/a-z/>.

It is your duty to ensure that North John Street Op Co Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of North John Street Op Co Limited. You consider that North John Street Op Co Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of North John Street Op Co Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

This report is made solely to the board of directors of North John Street Op Co Limited, as a body, in accordance with the terms of our engagement letter dated 27 June 2023. Our work has been undertaken solely to prepare for your approval the financial statements of North John Street Op Co Limited and state those matters that we have agreed to state to the board of directors of North John Street Op Co Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than North John Street Op Co Limited and its board of directors as a body for our work or for this report.

BDO WP

BDO LLP
Chartered Accountant
Edinburgh
United Kingdom
25 October 2023

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

North John Street Op Co Limited

Registered number: 08293802

Balance Sheet As at 4 April 2022

	Note	4 April 2022 £	4 April 2022 £	5 April 2021 £	5 April 2021 £
Current assets					
Stocks	5	-		3,723	
Debtors: amounts falling due within one year	6	85,330		117,452	
Cash at bank and in hand		28,437		19,902	
		<u>113,767</u>		<u>141,077</u>	
Creditors: amounts falling due within one year	7	(3,633,614)		(3,466,311)	
Net current liabilities			(3,519,847)		(3,325,234)
Total assets less current liabilities			(3,519,847)		(3,325,234)
Creditors: amounts falling due after more than one year			1		-
Net liabilities			(3,519,846)		(3,325,234)
Capital and reserves					
Called up share capital	9		100		100
Profit and loss account	10		(3,519,946)		(3,325,334)
			<u>(3,519,846)</u>		<u>(3,325,234)</u>

North John Street Op Co Limited

Registered number: 08293802

Balance Sheet (continued)

As at 4 April 2022

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 income and retained earnings 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 25 October 2023



T G Brown
Director

The notes on pages 4 to 9 form part of these financial statements.

North John Street Op Co Limited

Notes to the Financial Statements For the Period Ended 4 April 2022

1. General information

North John Street Op Co Limited is a private Company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the Company's operations and its principal activities are set out in the directors' report on page 1.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The functional and presentational currency of the Company is pound sterling. The financial statements are rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Going concern

The Hotel which is operated by North John Street Op Co Limited was sold on 3 December 2021 and the entity is no longer trading. Once all debts are settled, the directors will consider the future of the company.

2.3 Revenue

Turnover from the sale of goods is (primarily room and bar sales and other activities associated with the running of a hotel) recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the statement of income and retained earnings on a straight line basis over the lease term.

North John Street Op Co Limited

Notes to the Financial Statements For the Period Ended 4 April 2022

2. Accounting policies (continued)

2.5 Finance costs

Finance costs are charged to the statement of income and retained earnings 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.

2.6 Borrowing costs

All borrowing costs are recognised in the statement of income and retained earnings in the year in which they are incurred.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Stock

Stock are stated at the lower of cost and net realisable value. Cost includes the cost to purchase the raw materials and is on a first in, first out basis. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment.

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 loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

North John Street Op Co Limited

Notes to the Financial Statements For the Period Ended 4 April 2022

2. Accounting policies (continued)

2.12 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 accounts receivable and payable, loans from banks and other third parties.

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 payables or receivables, 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 the statement of income and retained earnings.

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.

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.

North John Street Op Co Limited

Notes to the Financial Statements For the Period Ended 4 April 2022

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, 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. Actual results may differ from these estimates.

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.

Critical accounting judgements in applying the accounting policies

The following are the critical judgements that the directors have made in the process of applying the accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Impairment of current assets

Assets, including stock and debtors, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the statement of income and retained earnings as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated residual value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

4. Employees

The average monthly number of employees, including directors, during the year was 2 (2021 - 39).

5. Stock

	2022 £	2021 £
Finished goods and goods for resale	-	3,723
	<u>-</u>	<u>3,723</u>

North John Street Op Co Limited

Notes to the Financial Statements For the Period Ended 4 April 2022

6. Debtors: amounts falling due within one year

	2022 £	2021 £
Trade debtors	34,838	19,095
Other debtors	50,492	44,055
Prepayments and accrued income	-	54,302
	<u>85,330</u>	<u>117,452</u>

The impairment gain recognised in profit or loss for the year in respect of bad and doubtful trade debtors was a gain of £247 (2021 gain £1,942).

7. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank overdrafts	-	190,000
Trade creditors	559,282	108,360
Amounts owed to group undertakings	2,003,937	2,137,734
Other taxation and social security	10,131	4,969
Other creditors	678,122	708,885
Accruals and deferred income	382,142	316,363
	<u>3,633,614</u>	<u>3,466,311</u>

8. Loans

Analysis of the maturity of loans is given below:

Other loans

Loans were made available to the Company by the developer, Ashall Projects (NJS) Limited, subject to the terms of a loan agreement dated 5 April 2013.

The loans were due for repayment on the earlier of (i) 8 April 2022 or (ii) sale of the hotel. As detailed in note 19, the hotel was sold in December 2021 however the other loans have not yet been repaid.

Interest on the loan is charged at 4% above LIBOR. Interest is accrued on the loan balance and is repayable on repayment of the loan.

North John Street Op Co Limited

Notes to the Financial Statements For the Period Ended 4 April 2022

9. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

Each ordinary share is prescribed equal voting and dividend rights.

10. Reserves

The Company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Profit and loss account

The profit and loss account represents the accumulated profits and losses on the activities of the Company.

11. Contingent liabilities

The bank loan recognised in North John Street LLP is secured by fixed and floating charges over the assets of North John Street LLP and the Company. The Company has granted a cross guarantee to secure these banking facilities and has a contingent liability at the balance sheet date amounting to £4,084,500 (2021 - £4,084,500).

12. Pension commitments

At the balance sheet date the Company had £2,062 (2021 - £2,190) contributions outstanding in relation to the defined contribution pension plans of the employees.

13. Related party transactions

The Company has taken the exemption available under FRS 102 not to disclose transactions entered into between the Company and members of the wholly owned group headed by North John Street LLP.

14. Controlling party

The Company is wholly owned by North John Street LLP ("the Partnership") which retains 100% of the voting rights. The Partnership is under the control of its members. The registered office of the Partnership is Parcels Building, 14 Bird Street, London, W1U 1BU.