

Company registration number: 08708098

Lou Martin Investments Limited

Filleted financial statements

31 March 2021

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Lou Martin Investments Limited

**Statement of financial position
31 March 2021**

	Note	2021 £	£	2020 £	£
Fixed assets					
Investment property	5	6,308,000		5,761,400	
Investments	6	100		100	
			6,308,100		5,761,500
Current assets					
Debtors	7	39,251		37,639	
Cash at bank and in hand		75,240		43,438	
			114,491		81,077
Creditors: amounts falling due within one year	8	(42,064)		(3,412,524)	
Net current assets/(liabilities)			72,427		(3,331,447)
Total assets less current liabilities			6,380,527		2,430,053
Creditors: amounts falling due after more than one year	9	(3,172,662)			-
Provisions for liabilities	10	(924)			-
Net assets			3,206,941		2,430,053
Capital and reserves					
Called up share capital			200		200
Revaluation reserve			2,229,854		1,741,904
Profit and loss account			976,887		687,949
Shareholders funds			3,206,941		2,430,053

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

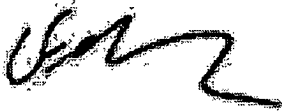
In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

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

Lou Martin Investments Limited

Statement of financial position (continued)
31 March 2021

These financial statements were approved by the board of directors for issue on 21 January 2022 and are signed on behalf of the board by:

A handwritten signature in black ink, appearing to be 'G Edwards', written over a light grey grid background.

Mr Graham Edwards
Director

Company registration number: 08708098

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

Lou Martin Investments Limited

**Statement of changes in equity
Year ended 31 March 2021**

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 April 2019	200	1,549,673	378,503	1,928,376
Profit for the year	-	-	501,677	501,677
Total comprehensive income for the period	-	-	501,677	501,677
Fair value adjustments to investment property	-	192,231	(192,231)	-
At 31 March 2020 and 1 April 2020	200	1,741,904	687,949	2,430,053
Profit for the year	-	-	776,888	776,888
Total comprehensive income for the year:	-	-	776,888	776,888
Fair value adjustments to investment property	-	487,950	(487,950)	-
At 31 March 2021	200	2,229,854	976,887	3,206,941

Lou Martin Investments Limited

Notes to the financial statements Year ended 31 March 2021

1. General information

The company is a private company limited by shares, registered in England & Wales. The address of the registered office is Clive House, 2 Old Brewery Mews, Hampstead, London, NW3 1PZ.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under FRS 102 Section 1A, advantage has been taken of the disclosure exemption available not to present a cash flow statement. The preparation of financial statements in compliance with FRS 102 Section 1A requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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

Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Turnover

Turnover represents rent receivable from investment properties let during the period under review.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

Lou Martin Investments Limited

Notes to the financial statements (continued)

Year ended 31 March 2021

3. Accounting policies (Continued)

Investment property

Investment property is shown at directors' valuation of market value expected to realise if the properties concerned were offered for sale individually in the open market at the Balance Sheet date.

Investment property is carried at fair value determined annually by the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in nature, location or condition of the specific asset. No depreciation is provided.

Changes in fair value are recognised in statement of comprehensive income for the year.

Investment properties are valued by the directors annually using a yield methodology. This uses market rental values capitalised at market capitalisation rates but there is an inevitable degree of judgement involved in that each property is unique and value can ultimately be reliably tested by the market itself.

Fixed asset investments

Fixed asset investments are initially recorded at cost and subsequently stated at cost less any accumulated impairment losses.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Lou Martin Investments Limited

Notes to the financial statements (continued) Year ended 31 March 2021

4. Judgements and key sources of estimation uncertainty

The preparation of financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP), requires the use of certain 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. Although these estimates are based on directors' best knowledge of the amount, event or actions, actual results may differ from those estimates. The following is intended to provide an understanding of the policies that the directors consider critical because of the level of complexity, judgement or estimation involved in their application and their impact on the financial statements.

Investment property valuation

Investment property is revalued annually to fair value using an income capitalisation technique. The valuation is prepared by the directors, based upon assumptions including future rental value, anticipated property costs, future development costs and the appropriate discount rate. Reference is also made to market evidence of transaction prices for similar properties.

Despite continued uncertainty around the long-term impact of the COVID-19 Pandemic on the global economy, there has been increased levels of transactional and comparable evidence throughout the reporting period. On this basis and aligned with guidance from the Royal Institute of Chartered Surveyors (RICS), the proviso relating to the material uncertainty around the 31 March 2020 property valuations is not applicable for the 31 March 2021 year end valuations. As the reopening of the global economies has progressed, the directors continue to monitor the economic recovery in the context of the risks presented to the company's business.

Recoverability of debtors

The recoverability of debtors is assessed based on factors specific to each individual debtor.

Lou Martin Investments Limited

Notes to the financial statements (continued)
Year ended 31 March 2021

5. Investment property

	Total
	£
Cost or valuation	
At 1 April 2020	5,761,400
Additions	58,650
Revaluation	487,950
At 31 March 2021	<u><u>6,308,000</u></u>
Depreciation	
At 1 April 2020 and 31 March 2021	<u><u>-</u></u>
Carrying amount	
At 31 March 2021	<u><u>6,308,000</u></u>
At 31 March 2020	<u><u>5,761,400</u></u>

Tangible assets comprise investment properties which are stated at Directors' valuation of the market value expected to be realised if the properties concerned were offered for sale individually in the open market at the balance sheet date. No deferred tax has been provided on the revaluation of investment property due to the availability of capital losses elsewhere in the group.

Investment properties have been pledged as security for borrowings in the wider group.

6. Investments

	Shares in group undertakings	Total
	£	£
Cost		
At 1 April 2020 and 31 March 2021	<u><u>100</u></u>	<u><u>100</u></u>
Impairment		
At 1 April 2020 and 31 March 2021	<u><u>-</u></u>	<u><u>-</u></u>
Carrying amount		
At 31 March 2021	<u><u>100</u></u>	<u><u>100</u></u>
At 31 March 2020	<u><u>100</u></u>	<u><u>100</u></u>

Lou Martin Investments Limited

Notes to the financial statements (continued)
Year ended 31 March 2021

6. Investments (Continued)

Investments in group undertakings

	Registered office	Class of share	Percentage of shares held
Subsidiary undertakings			
Lou Kendal Limited	England & Wales	Ordinary	100
Lou Kendal Hotels Ltd (Subsidiary of Lou Kendal Ltd)	England & Wales	Ordinary	100

The results and capital and reserves for the period of the trading companies are as follows:

	Capital and reserves		Profit/(loss) for the year	
	2021	2020	2021	2020
	£	£	£	£
Subsidiary undertakings				
Lou Kendal Limited	4,436,705	4,471,552	(34,847)	418,872
Lou Kendal Hotels Ltd	(9,258)	(610)	(8,648)	(710)

7. Debtors

	2021	2020
	£	£
Called up share capital not paid	100	100
Prepayments and accrued income	39,151	37,539
	<u>39,251</u>	<u>37,639</u>

8. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	16,849	20,870
Amounts owed to group undertakings	-	3,371,406
Accruals and deferred income	25,215	20,248
	<u>42,064</u>	<u>3,412,524</u>

Amounts owed to group companies are repayable on demand.

Lou Martin Investments Limited

Notes to the financial statements (continued)
Year ended 31 March 2021

9. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Amounts owed to group undertakings	3,172,662	-

Amounts owed to group undertakings comprise market rate loans with interest rates ranging from 2.75% to 5% repayable at varying dates up to 31 December 2030.

10. Provisions

	Deferred tax
	£
At 1 April 2020	-
Additions	924
At 31 March 2021	924

11. Operating leases

The company as lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	5,330	94,929

12. Summary audit opinion

The auditor's report for the year dated was unqualified.

The senior statutory auditor was Claire O'Kane, for and on behalf of BDO LLP.

13. Related party transactions

The company has taken advantage of the exemption conferred by FRS102 Section 1AC.35, not to disclose transactions with wholly owned group companies.

The smallest and largest group in which the results of the company are consolidated is Montoya Investments Limited whose registered address is 171 Main Street, Road, Town, Tortola, VG1110 British Virgin Islands.

Lou Martin Investments Limited

Notes to the financial statements (continued)
Year ended 31 March 2021

14. Controlling party

The company's ultimate parent company is Montoya Investments Limited which is registered in the British Virgin Islands. Graham Edwards is the ultimate controlling party by virtue of his shareholdings.