

ARKLEY COMMERCIAL PROPERTY LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

ARKLEY COMMERCIAL PROPERTY LIMITED

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ARKLEY COMMERCIAL PROPERTY LIMITED

COMPANY INFORMATION

Directors	C M Holmes R D Holmes
Company secretary	C M Holmes
Registered number	09110897
Registered office	16 Great Queen Street Covent Garden London WC2B 5AH
Accountants	Blick Rothenberg Limited Chartered Accountants 16 Great Queen Street Covent Garden London WC2B 5AH

ARKLEY COMMERCIAL PROPERTY LIMITED**BALANCE SHEET
AS AT 31 JULY 2021**

	Note	2021 £	2020 £
Fixed assets			
Investment property	5	13,250,000	13,250,000
		<u>13,250,000</u>	<u>13,250,000</u>
Current assets			
Debtors: amounts falling due within one year	6	-	347,333
Cash at bank and in hand	7	433,894	345,063
		<u>433,894</u>	<u>692,396</u>
Creditors: amounts falling due within one year	8	(404,421)	(384,867)
Net current assets		<u>29,473</u>	<u>307,529</u>
Total assets less current liabilities		<u>13,279,473</u>	<u>13,557,529</u>
Provisions for liabilities			
Deferred tax	9	(1,008,734)	(766,638)
		<u>(1,008,734)</u>	<u>(766,638)</u>
Net assets		<u><u>12,270,739</u></u>	<u><u>12,790,891</u></u>
Capital and reserves			
Called up share capital		50,000	50,000
Revaluation reserve	10	12,179,318	12,421,414
Profit and loss account	10	41,421	319,477
		<u><u>12,270,739</u></u>	<u><u>12,790,891</u></u>

ARKLEY COMMERCIAL PROPERTY LIMITED**BALANCE SHEET (CONTINUED)**
AS AT 31 JULY 2021

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 profit and loss account 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:

C M Holmes

Director

Date: 25 April 2022

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

ARKLEY COMMERCIAL PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

1. General information

Arkley Commercial Property Limited is a private company limited by shares incorporated in England and Wales. Its registered office is 16 Great Queen Street, Covent Garden, London, WC2B 5AH.

The financial statements are presented in 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 United Kingdom and the Republic of Ireland ('FRS 102') and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.3 Revenue recognition

Rental income

Revenue comprises rental income, service charges and other recoveries from tenants of the company's investment properties. Rental income is recognised on an accruals basis in the period in which it is earned, in accordance with the terms of the lease.

2.4 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.

The cumulative fair value movement is transferred to a revaluation reserve, net of deferred tax. This reserve is not distributable.

2.5 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.

2.6 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.

ARKLEY COMMERCIAL PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

2. Accounting policies (continued)

2.7 Interest income

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

2.8 Financial instruments

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Financial liabilities

Basic financial liabilities, including trade and other creditors are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

ARKLEY COMMERCIAL PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

2. Accounting policies (continued)

Financial instruments (continued)

Impairment of financial assets

Financial assets 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 profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the 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.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

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.

ARKLEY COMMERCIAL PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

2. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, 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.

Current tax is the amount of income tax payable in respect of taxable profit for the year or prior years.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet 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 balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2020 - 2).

4. Dividends

	2021 £	2020 £
Ordinary Shares	830,000	480,000
	<u>830,000</u>	<u>480,000</u>

Subsequent to the year end, the directors have declared dividends of £435,000. At the time of the declaration, the company had sufficient distributable reserves.

ARKLEY COMMERCIAL PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

5. Investment property

	Freehold investment property £
Valuation	
At 1 August 2020	13,250,000
At 31 July 2021	13,250,000

The 2021 valuations were made by the directors, on an open market value for existing use basis.

6. Debtors

	2021 £	2020 £
Trade debtors	-	347,333
	-	347,333

7. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	433,894	345,063
	433,894	345,063

8. Creditors: amounts falling due within one year

	2021 £	2020 £
Corporation tax	129,469	157,536
Other taxation and social security	30,379	82,575
Other creditors	112,533	33
Accruals and deferred income	132,040	144,723
	404,421	384,867

ARKLEY COMMERCIAL PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

9. Deferred taxation

	2021 £
At beginning of year	(766,638)
Charged to profit or loss	(242,096)
At end of year	<u>(1,008,734)</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Valuation of investment properties	(1,008,734)	(766,638)
	<u>(1,008,734)</u>	<u>(766,638)</u>

10. Reserves

Revaluation reserve

The revaluation reserve relates to the fair value movement on the company's investment properties net of deferred tax. The reserve is not distributable.

Profit and loss account

The profit and loss account relates to the cumulative profits of the company and is distributable.

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.