

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2020

BEST COMMERCIAL HOLDINGS
LTD

MENZIES

BEST COMMERCIAL HOLDINGS LTD

COMPANY INFORMATION

Directors	A. Best W. Hanif
Company secretary	I. Farr
Registered number	09163806
Registered office	Lynton House 7-12,Tavistock Square London WC1H 9LT
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor Ashcombe House 5 The Crescent Leatherhead KT22 8DY

BEST COMMERCIAL HOLDINGS LTD

REGISTERED NUMBER:09163806

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Note	2020 £	2019 - Unaudited & Restated £
Fixed assets			
Tangible fixed assets	4	26,856,906	2,100,000
Investments	5	10,797	-
Investment property	6	1,000,000	1,000,000
		<u>27,867,703</u>	<u>3,100,000</u>
Current assets			
Stocks		70,020	-
Debtors: amounts falling due within one year	7	167,441	-
Cash at bank and in hand		23,650	1
		<u>261,111</u>	<u>1</u>
Creditors: amounts falling due within one year	8	(15,054,521)	(1,241,647)
Net current liabilities		<u>(14,793,410)</u>	<u>(1,241,646)</u>
Total assets less current liabilities		<u>13,074,293</u>	<u>1,858,354</u>
Creditors: amounts falling due after more than one year	9	(4,250,000)	-
Provisions for liabilities			
Deferred tax	10	(1,680,566)	(351,227)
		<u>(1,680,566)</u>	<u>(351,227)</u>
Net assets		<u><u>7,143,727</u></u>	<u><u>1,507,127</u></u>
Capital and reserves			
Called up share capital	11	1	1
Revaluation reserve	12	6,683,913	1,026,587
Profit and loss account	12	459,813	480,539
		<u><u>7,143,727</u></u>	<u><u>1,507,127</u></u>

BEST COMMERCIAL HOLDINGS LTD

REGISTERED NUMBER:09163806

STATEMENT OF FINANCIAL POSITION (CONTINUED) AS AT 31 DECEMBER 2020

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 income statement 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:

.....
A. Best

Director

Date: 30 September 2021

.....
W. Hanif

Director

Date: 30 September 2021

The notes on pages 4 to 11 form part of these financial statements.

BEST COMMERCIAL HOLDINGS LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 30 April 2019	1	1,674,652	477,011	2,151,664
Prior year adjustment	-	(1,012,500)	-	(1,012,500)
At 30 April 2019 (as restated)	1	662,152	477,011	1,139,164
Comprehensive income for the period				
Profit for the period	-	-	3,528	3,528
Surplus on revaluation of freehold property	-	364,435	-	364,435
Total comprehensive income for the period	-	364,435	3,528	367,963
At 1 January 2020	1	1,026,587	480,539	1,507,127
Comprehensive income for the year				
Loss for the year	-	-	(20,726)	(20,726)
Surplus on revaluation of freehold property	-	5,657,326	-	5,657,326
Total comprehensive income for the year	-	5,657,326	(20,726)	5,636,600
At 31 December 2020	1	6,683,913	459,813	7,143,727

The notes on pages 4 to 11 form part of these financial statements.

BEST COMMERCIAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Best Commercial Holdings Ltd is a private company limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of its registered office is disclosed on the company information page.

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 UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Reporting period

The prior period financial results are presented for an 8 month period (30 April 2019 to 31 December 2019), whereas the current financial results is for the 12 month period ended 31 December 2020 due to a group reorganisation in the prior period. The comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

2.3 Exemption from preparing consolidated financial statements

The Company, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible for the exemption to prepare consolidated accounts.

2.4 Revenue

Revenue represents amounts receivable from pitch fees, licence fees, interest on loans, rent received from properties, sales of mobile homes, commissions and utilities recharged net of VAT.

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 is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Finance costs

Finance costs are charged to income statement 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.

2.6 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

BEST COMMERCIAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.7 Current and deferred taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position 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. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model 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 charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold land	-
	Nil

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.

2.9 Revaluation of tangible fixed assets

Individual freehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of Financial Position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

BEST COMMERCIAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.10 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.13 Debtors

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.

2.14 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.

2.15 Creditors

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.

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.17 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial

BEST COMMERCIAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.17 Financial instruments (continued)

assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Employees

The average monthly number of employees during the year was 3 (2019 -3).

4. Tangible fixed assets

	Land and buildings £
Cost or valuation	
At 1 January 2020 (as previously stated)	3,350,000
Prior Year Adjustment	(1,250,000)
At 1 January 2020 (as restated)	2,100,000
Additions	17,955,081
Disposals	(1,000,000)
Revaluations	7,801,825
At 31 December 2020	26,856,906
Net book value	
At 31 December 2020	26,856,906
At 31 December 2019 (as restated)	2,100,000

During the year, some of the land and buildings with a carrying amount of £26,856,906 were revalued by an independent chartered surveyor, Avison Young. The valuation was made on open market value basis by reference to market evidence of transaction prices for similar properties.

In the opinion of the directors, the value of the remaining land and buildings is not materially different to the carrying value in the accounts as at the balance sheet date.

BEST COMMERCIAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

4. Tangible fixed assets (continued)

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2020 £	2019 £
Cost	18,605,161	832,610
Net book value	18,605,161	832,610

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
Additions	10,797
At 31 December 2020	10,797

6. Investment property

	Freehold investment property £
Valuation	
At 1 January 2020	1,000,000
At 31 December 2020	1,000,000

The 2020 valuations were made by the directors, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2020 £	2019 £
Historic cost	418,829	418,829
	418,829	418,829

BEST COMMERCIAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

7. Debtors

	2020 £	2019 - Unaudited £
Trade debtors	32,994	-
Other debtors	10,556	-
Prepayments and accrued income	123,891	-
	<u>167,441</u>	<u>-</u>

8. Creditors: Amounts falling due within one year

	2020 £	2019 - Unaudited £
Bank loans	500,000	-
Trade creditors	173,935	-
Corporation tax	195,759	1,344
Other creditors	14,137,650	1,240,303
Accruals and deferred income	47,177	-
	<u>15,054,521</u>	<u>1,241,647</u>

Included in other creditors are amounts owed to a director who has provided finance from a personal loan upon which security is provided. The assets upon which security has been given are not owned by the Company.

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

	2020 £	2019 - Unaudited £
Bank loans	4,250,000	-
	<u>4,250,000</u>	<u>-</u>

Secured loans

A fixed charge is held over the freehold property owned by the Company in respect of loans.

BEST COMMERCIAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

10. Deferred taxation

	2020 £	2019 £
At beginning of year	(351,227)	(265,742)
Charged to other comprehensive income	(1,329,339)	(85,485)
At end of year	(1,680,566)	(351,227)

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Valuation of freehold assets	(1,680,566)	(351,227)
	<u>(1,680,566)</u>	<u>(351,227)</u>

11. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
1 (2019 -1) Ordinary shares share of £1	<u>1</u>	<u>1</u>

12. Reserves

Revaluation reserve

This reserve records unrealised gains net of any subsequent losses on the revaluation of fixed assets.

Profit and loss account

This reserve records retained earnings and accumulated losses.

BEST COMMERCIAL HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13. Prior period adjustment

The comparative figures have been restated for the following financial statement headings as a result of a correction to a prior period error on the fair value of tangible fixed assets:

Tangible fixed assets - the prior period asset carrying value was reduced by £1,250,000.

Deferred tax liability - the prior period liability was reduced by £237,500.

Revaluation reserve - the closing balance as at 31 December 2019 and opening position at 30 April 2019 on this reserve were reduced by £1,012,500.

The gains/losses adjusted only impact the revaluation reserve, and there is no effect on the profit and loss account in respect of the above adjustments.

14. Related party transactions

Included in other creditors at the balance sheet date is an amount of £6,432,316 (2019: £1,240,302) owed to companies under common control.

15. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2020 was unqualified.

The audit report was signed on 30 September 2021 by Andrew Hookway FCA (Senior statutory auditor) on behalf of Menzies LLP.

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.