

Group Strategic Report, Report of the Director and
Consolidated Financial Statements
for the Year Ended 31 August 2020
for
Leicester Lettings Limited

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for the Year Ended 31 August 2020

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Leicester Lettings Limited
Company Information
for the Year Ended 31 August 2020

DIRECTOR: J A Lewis

REGISTERED OFFICE: 42A Western Road
Leicester
Leicestershire
LE3 0GH

REGISTERED NUMBER: 09964393 (England and Wales)

AUDITORS: Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE1 2RJ

Group Strategic Report
for the Year Ended 31 August 2020

The director presents his strategic report of the company and the group for the year ended 31 August 2020.

REVIEW OF BUSINESS

The principal activity of the group in the year under review was that of the letting of private residential investment property and the development of a residential development sold in a prior year to a third party.

Turnover for the year to 31 August 2020 was £28,866,697 gross profit was £8,033,214 and net profit was £5,869,667. Shareholders funds have increased from £35,571,361 as at 31 August 2019 to £41,441,028 as at 31 August 2020.

The group has performed in line with the expectations of the Director's considering the impact that COVID may have had on the business

PRINCIPAL RISKS AND UNCERTAINTIES

The key risks that the group has faced is a falling demand for rental properties and any additional commitments that private landlords have to face. These are managed by active marketing of any vacant properties and ensuring that rents reflect the prevailing market conditions. The portfolio of properties is managed by a dedicated team including in house maintenance staff who can mitigate any potential additional legal commitments as well as providing a prompt service to tenants.

The management of the Bath Lane contract has involved the employment of specialist third parties including employers agent, project manager and legal advisors.

FINANCIAL KEY PERFORMANCE INDICATORS

Weekly and monthly reports are prepared for the Director by the in house manager. These include details of emergency call outs, viewings, sales and renewals, reasons for tenants leaving a property and maintenance jobs reported and completed,

Twice weekly rental arrears reports are produced and any arrears promptly investigated

FUTURE DEVELOPMENTS

Future developments are to complete the Bath Lane development and to maintain the current portfolio of properties.

ON BEHALF OF THE BOARD:

J A Lewis - Director

31 August 2021

Report of the Director
for the Year Ended 31 August 2020

The director presents his report with the financial statements of the company and the group for the year ended 31 August 2020.

DIVIDENDS

No dividends will be distributed for the year ended 31 August 2020.

DIRECTOR

J A Lewis held office during the whole of the period from 1 September 2019 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Group Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:

J A Lewis - Director

31 August 2021

Report of the Independent Auditors to the Members of
Leicester Lettings Limited

Opinion

We have audited the financial statements of Leicester Lettings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 August 2020 which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 August 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other matter

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

The accounts for the year ended 31 August 2019 were unaudited and we express no opinion on them and the corresponding figures.

Report of the Independent Auditors to the Members of
Leicester Lettings Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Director.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Wayne Thomas ACA (Senior Statutory Auditor)
for and on behalf of Bates Weston Audit Ltd
Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE1 2RJ

1 September 2021

Consolidated Profit and Loss Account
for the Year Ended 31 August 2020

	Notes	2020 £	2019 as restated £
TURNOVER		28,866,967	20,370,520
Cost of sales		<u>20,833,214</u>	<u>11,564,506</u>
GROSS PROFIT		8,033,753	8,806,014
Administrative expenses		<u>539,868</u>	<u>543,732</u>
		7,493,885	8,262,282
Other operating income		<u>5,617</u>	<u>-</u>
OPERATING PROFIT	4	7,499,502	8,262,282
Interest receivable and similar income		<u>84,301</u>	<u>91,854</u>
		7,583,803	8,354,136
Interest payable and similar expenses	5	<u>288,190</u>	<u>324,241</u>
PROFIT BEFORE TAXATION		7,295,613	8,029,895
Tax on profit	6	<u>1,425,946</u>	<u>(1,964,000)</u>
PROFIT FOR THE FINANCIAL YEAR		5,869,667	9,993,895
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>5,869,667</u>	<u>9,993,895</u>
Profit attributable to: Owners of the parent		<u>5,869,667</u>	<u>9,993,895</u>
Total comprehensive income attributable to: Owners of the parent		<u>5,869,667</u>	<u>9,993,895</u>

Leicester Lettings Limited (Registered number: 09964393)

Consolidated Balance Sheet
31 August 2020

		2020		2019 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	10		1,181		1,680
Investments	11		-		-
Investment property	12		<u>32,629,071</u>		<u>32,629,071</u>
			32,630,252		32,630,751
CURRENT ASSETS					
Debtors	13	17,680,831		5,939,285	
Cash at bank		<u>2,835,593</u>		<u>9,625,253</u>	
		20,516,424		15,564,538	
CREDITORS					
Amounts falling due within one year	14	<u>1,655,649</u>		<u>1,973,929</u>	
NET CURRENT ASSETS			<u>18,860,775</u>		<u>13,590,609</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			51,491,027		46,221,360
CREDITORS					
Amounts falling due after more than one year	15		<u>10,049,999</u>		<u>10,649,999</u>
NET ASSETS			<u>41,441,028</u>		<u>35,571,361</u>
CAPITAL AND RESERVES					
Called up share capital	19		41,216,909		41,216,909
Merger reserve	20		(18,174,830)		(18,174,830)
Retained earnings	20		<u>18,398,949</u>		<u>12,529,282</u>
SHAREHOLDERS' FUNDS			<u>41,441,028</u>		<u>35,571,361</u>

The financial statements were approved by the director and authorised for issue on 31 August 2021 and were signed by:

J A Lewis - Director

The notes form part of these financial statements

Leicester Lettings Limited (Registered number: 09964393)

Company Balance Sheet
31 August 2020

		2020		2019 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	10		-		-
Investments	11		21,032,449		21,032,449
Investment property	12		-		-
			<u>21,032,449</u>		<u>21,032,449</u>
CURRENT ASSETS					
Debtors	13	22,264,316		22,265,680	
Cash at bank		<u>274,445</u>		<u>373,255</u>	
		22,538,761		22,638,935	
CREDITORS					
Amounts falling due within one year	14	<u>15,374</u>		<u>105,971</u>	
NET CURRENT ASSETS			<u>22,523,387</u>		<u>22,532,964</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>43,555,836</u>		<u>43,565,413</u>
CAPITAL AND RESERVES					
Called up share capital	19		41,216,909		41,216,909
Retained earnings	20		<u>2,338,927</u>		<u>2,348,504</u>
SHAREHOLDERS' FUNDS			<u>43,555,836</u>		<u>43,565,413</u>
Company's loss for the financial year			<u>(9,577)</u>		<u>-</u>

The financial statements were approved by the director and authorised for issue on 31 August 2021 and were signed by:

J A Lewis - Director

The notes form part of these financial statements

Consolidated Statement of Changes in Equity
for the Year Ended 31 August 2020

	Called up share capital £	Retained earnings £	Merger reserve £	Total equity £
Balance at 1 September 2018	41,216,909	2,572,287	(18,174,830)	25,614,366
Changes in equity				
Dividends	-	(36,900)	-	(36,900)
Total comprehensive income	-	9,993,895	-	9,993,895
Balance at 31 August 2019	<u>41,216,909</u>	<u>12,529,282</u>	<u>(18,174,830)</u>	<u>35,571,361</u>
Changes in equity				
Total comprehensive income	-	5,869,667	-	5,869,667
Balance at 31 August 2020	<u>41,216,909</u>	<u>18,398,949</u>	<u>(18,174,830)</u>	<u>41,441,028</u>

Leicester Lettings Limited (Registered number: 09964393)

Company Statement of Changes in Equity
for the Year Ended 31 August 2020

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 September 2018	41,216,909	2,385,404	43,602,313
Changes in equity			
Dividends	-	(36,900)	(36,900)
Balance at 31 August 2019	<u>41,216,909</u>	<u>2,348,504</u>	<u>43,565,413</u>
Changes in equity			
Total comprehensive income	-	(9,577)	(9,577)
Balance at 31 August 2020	<u>41,216,909</u>	<u>2,338,927</u>	<u>43,555,836</u>

The notes form part of these financial statements

Consolidated Cash Flow Statement
for the Year Ended 31 August 2020

		2020	2019
	Notes	£	as restated £
Cash flows from operating activities			
Cash generated from operations	23	(4,955,046)	9,301,130
Interest paid		(288,190)	(324,241)
Tax paid		(781,692)	(318,169)
Net cash from operating activities		<u>(6,024,928)</u>	<u>8,658,720</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(2,100)
Purchase of investment property		-	(422,880)
Interest received		84,301	91,854
Net cash from investing activities		<u>84,301</u>	<u>(333,126)</u>
Cash flows from financing activities			
Loan repayments in year		(600,000)	(600,000)
Amount withdrawn by directors		(249,033)	(97,429)
Equity dividends paid		-	(36,900)
Net cash from financing activities		<u>(849,033)</u>	<u>(734,329)</u>
(Decrease)/increase in cash and cash equivalents		<u>(6,789,660)</u>	<u>7,591,265</u>
Cash and cash equivalents at beginning of year	24	9,625,253	2,033,988
Cash and cash equivalents at end of year	24	<u>2,835,593</u>	<u>9,625,253</u>

The notes form part of these financial statements

Notes to the Consolidated Financial Statements
for the Year Ended 31 August 2020

1. STATUTORY INFORMATION

Leicester Lettings 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 General Information page.

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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Basis of consolidation

Merger accounting has been adopted to include the results of the trading subsidiaries including adjustments to effect the 12 month accounting periods.

Turnover

Turnover represents the invoiced value of completed stages of property development and rental income received, excluding value added tax. Turnover is recognised on the completion date of each stage of property development and date rent is invoiced.

Tangible fixed assets

Tangible fixed assets 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 as indicated below.

Motor vehicles	- 20% on reducing balance
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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.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit that arises from changes in fair value would be recognised in profit or loss and added to the fair value reserve.

Investment property comprises freehold and long leasehold buildings. They are measured initially at cost, including related transaction costs. These are held as investments to earn rental income and for capital appreciation and are stated at fair value at the balance sheet date.

The fair value of investment property reflects, amongst other things, rental income from current leases and assumptions about rental income from future leases in light of current market conditions.

Subsequent expenditure is added to the assets carrying amount only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the profit and loss account during the financial period in which they are incurred.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 August 2020

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Profit and Loss Account, 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 balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

	2020	2019 as restated
	£	£
Wages and salaries	127,404	111,309
Social security costs	10,853	9,654
Other pension costs	222	1,680
	<u>138,479</u>	<u>122,643</u>

The average number of employees during the year was as follows:

	2020	2019 as restated
Administration	<u>5</u>	<u>5</u>
	2020	2019 as restated
	£	£
Director's remuneration	<u>4,132</u>	<u>-</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 August 2020

4. OPERATING PROFIT

The operating profit is stated after charging:

	2020	2019 as restated
	£	£
Depreciation - owned assets	499	420
Loss on disposal of fixed assets	-	1,040
Auditors' remuneration	6,000	-
Auditors' remuneration for non audit work	<u>9,980</u>	<u>-</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019 as restated
	£	£
Bank interest	-	1,361
Bank loan interest	282,141	322,880
Interest on corporation tax	<u>6,049</u>	<u>-</u>
	<u>288,190</u>	<u>324,241</u>

6. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit for the year was as follows:

	2020	2019 as restated
	£	£
Current tax:		
UK corporation tax	217,586	-
Underprovided in prior year	<u>40,360</u>	<u>-</u>
Total current tax	<u>257,946</u>	<u>-</u>
Deferred tax	<u>1,168,000</u>	<u>(1,964,000)</u>
Tax on profit	<u>1,425,946</u>	<u>(1,964,000)</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 August 2020

6. TAXATION - continued

Reconciliation of total tax charge/(credit) included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2020	2019 as restated
	£	£
Profit before tax	<u>7,295,613</u>	<u>8,029,895</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	1,386,166	1,525,680
Effects of:		
Expenses not deductible for tax purposes	-	69,805
Income not taxable for tax purposes	-	(17,452)
Capital allowances in excess of depreciation	(993)	(11,083)
Utilisation of tax losses	-	(297,854)
Adjustments to tax charge in respect of previous periods	40,360	-
Other timing differences	413	-
Losses carried forward	-	(1,954,000)
Adjustment to value of trading stock	-	(1,279,096)
stock		
Total tax charge/(credit)	<u>1,425,946</u>	<u>(1,964,000)</u>

7. INDIVIDUAL PROFIT AND LOSS ACCOUNT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

8. DIVIDENDS

	2020	2019 as restated
	£	£
Interim	<u>-</u>	<u>36,900</u>

9. PRIOR YEAR ADJUSTMENT

Material accounting misstatements were found to exist in prior periods in respect of property misclassification and deferred tax thereon. These have been corrected by restating prior period balances as follows:

	Year ended 31 August 2019	Periods to 31 August 2018
	£	£
Area of misstatement - Increase / (Decrease)		
Freehold property	-	(553,191)
Investment property	-	553,191
Deferred tax income	1,964,000	-
Deferred tax asset	1,964,000	-
Retained earnings c/fwd	1,964,000	-

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 August 2020

10. TANGIBLE FIXED ASSETS

Group

Motor
vehicles
£

COST

At 1 September 2019
and 31 August 2020

2,100

DEPRECIATION

At 1 September 2019
Charge for year

420

499

At 31 August 2020

919

NET BOOK VALUE

At 31 August 2020

1,181

At 31 August 2019

1,680

11. FIXED ASSET INVESTMENTS

Company

Shares in
group
undertakings
£

COST

At 1 September 2019
and 31 August 2020

21,032,449

NET BOOK VALUE

At 31 August 2020

21,032,449

At 31 August 2019

21,032,449

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Leicester Lettings (2016) Limited

Registered office: 42A Western Road, Leicester, Leicestershire, LE3 0GH

Nature of business: Residential lettings and property development

Class of shares:	%
Ordinary	holding 100.00

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 August 2020

12. INVESTMENT PROPERTY

Group

Total
£

FAIR VALUE

At 1 September 2019
and 31 August 2020

32,629,071

NET BOOK VALUE

At 31 August 2020
At 31 August 2019

32,629,071

32,629,071

13. DEBTORS

	Group		Company	
	2020	2019	2020	2019
	£	as restated £	£	as restated £
Amounts falling due within one year:				
Trade debtors	1,393,314	429,593	-	-
Amounts owed by group undertakings	-	-	22,254,117	22,254,117
Other debtors	9,793	154,215	-	-
Amounts owed from related parties	12,454,625	691,471	10,199	11,563
Directors' loan accounts	2,254,348	2,005,315	-	-
Prepayments and accrued income	40,088	42,964	-	-
	<u>16,152,168</u>	<u>3,323,558</u>	<u>22,264,316</u>	<u>22,265,680</u>
Amounts falling due after more than one year:				
Tax	732,663	651,727	-	-
Deferred tax asset	796,000	1,964,000	-	-
	<u>1,528,663</u>	<u>2,615,727</u>	<u>-</u>	<u>-</u>
Aggregate amounts	<u>17,680,831</u>	<u>5,939,285</u>	<u>22,264,316</u>	<u>22,265,680</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 August 2020

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019 as restated	2020	2019 as restated
	£	£	£	£
Bank loans and overdrafts (see note 16)	600,000	600,000	-	-
Trade creditors	403,034	248,306	-	-
Tax	298,522	741,332	-	89,605
Social security and other taxes	2,661	2,495	-	-
Other creditors	192,595	231,795	15,374	16,366
Accruals and deferred income	158,837	150,001	-	-
	<u>1,655,649</u>	<u>1,973,929</u>	<u>15,374</u>	<u>105,971</u>

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

	Group	
	2020	2019 as restated
	£	£
Bank loans (see note 16)	<u>10,049,999</u>	<u>10,649,999</u>

16. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2020	2019 as restated
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>600,000</u>	<u>600,000</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>600,000</u>	<u>600,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>9,449,999</u>	<u>10,049,999</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 August 2020

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

The following operating lease income is committed to be received:

	2020 £	2019 £
Within one year	222,441	210,432
Between one and five years	-	-
More than five years	-	-
	<u>222,441</u>	<u>210,432</u>

Relates to investment property leases, income is received quarterly and monthly.

18. SECURED DEBTS

The bank loan is secured by a fixed and floating charge in favour of Svenka Handelsbanken AB (Publ) over all the property owned by the subsidiary, a debenture over the subsidiary's whole assets and undertaking, a guarantee by the Director up to a limit of £12 million, and an unlimited inter company composite guarantee by the parent company Leicester Lettings Limited.

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020 £	2019 as restated £
41,216,909	Ordinary	£1	<u>41,216,909</u>	<u>41,216,909</u>

20. RESERVES

Group

	Retained earnings £	Merger reserve £	Totals £
At 1 September 2019	12,529,282	(18,174,830)	(5,645,548)
Profit for the year	5,869,667		5,869,667
At 31 August 2020	<u>18,398,949</u>	<u>(18,174,830)</u>	<u>224,119</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 August 2020

20. **RESERVES - continued**

Company

	Retained earnings £
At 1 September 2019	2,348,504
Deficit for the year	(9,577)
At 31 August 2020	<u>2,338,927</u>

21. **DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to a director subsisted during the years ended 31 August 2020 and 31 August 2019:

	2020 £	2019 as restated £
J A Lewis		
Balance outstanding at start of year	2,005,315	1,907,886
Amounts advanced	249,032	97,429
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>2,254,347</u>	<u>2,005,315</u>

22. **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.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

The director is considered to be the only member of key management personnel.

The company has no ultimate parent.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 August 2020

23. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2020	2019 as restated
	£	£
Profit before taxation	7,295,613	8,029,895
Depreciation charges	499	420
Loss on disposal of fixed assets	-	1,040
Finance costs	288,190	324,241
Finance income	(84,301)	(91,854)
	<u>7,500,001</u>	<u>8,263,742</u>
Decrease in stocks	-	2,375,369
Increase in trade and other debtors	(12,579,577)	(1,341,785)
Increase in trade and other creditors	124,530	3,804
Cash generated from operations	<u>(4,955,046)</u>	<u>9,301,130</u>

24. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 August 2020

	31.8.20	1.9.19
	£	£
Cash and cash equivalents	<u>2,835,593</u>	<u>9,625,253</u>

Year ended 31 August 2019

	31.8.19	1.9.18
	£	£
Cash and cash equivalents	<u>9,625,253</u>	<u>2,033,988</u>

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.19	Cash flow	At 31.8.20
	£	£	£
Net cash			
Cash at bank	<u>9,625,253</u>	<u>(6,789,660)</u>	<u>2,835,593</u>
	<u>9,625,253</u>	<u>(6,789,660)</u>	<u>2,835,593</u>
Debt			
Debts falling due within 1 year	(600,000)	-	(600,000)
Debts falling due after 1 year	<u>(10,649,999)</u>	<u>600,000</u>	<u>(10,049,999)</u>
	<u>(11,249,999)</u>	<u>600,000</u>	<u>(10,649,999)</u>
Total	<u>(1,624,746)</u>	<u>(6,189,660)</u>	<u>(7,814,406)</u>

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.