
LEOPARD UK KENSINGTON PROPCO LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2022

LEOPARD UK KENSINGTON PROPCO LIMITED
REGISTERED NUMBER: 10662780

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Current assets			
Trading stock	5	126,404,236	125,890,525
Debtors	6	307,568	335,727
Cash at bank		32,793	738,426
		<u>126,744,597</u>	<u>126,964,678</u>
Creditors: amounts falling due within one year	8	(182,725,295)	(139,547,203)
Net current liabilities		<u>(55,980,698)</u>	<u>(12,582,525)</u>
Total assets less current liabilities		<u>(55,980,698)</u>	<u>(12,582,525)</u>
Creditors: amounts falling due after more than one year	9	-	(28,981,621)
Net liabilities		<u><u>(55,980,698)</u></u>	<u><u>(41,564,146)</u></u>
Capital and reserves			
Called up share capital	10	1	1
Profit and loss account		(55,980,699)	(41,564,147)
		<u><u>(55,980,698)</u></u>	<u><u>(41,564,146)</u></u>

LEOPARD UK KENSINGTON PROPCO LIMITED
REGISTERED NUMBER: 10662780

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 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 comprehensive income 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 3 July 2023.

Derrick Beare
Director

The notes on pages 3 to 7 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Leopard UK Kensington Propco Limited is a private company limited by shares and is incorporated in England and Wales. The address of its registered office is 18 Culford Gardens, London, SW3 2ST.

The principal activity of the Company is the development and sale of land and buildings.

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

2.2 Going concern

The director has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has resources to continue in business for the foreseeable future. The Company meets its day to day working capital requirements through the utilisation of its own funds and support that it receives from its ultimate shareholders.

The ultimate shareholders have committed to a guaranteed capital and interest payment arrangement with the lender and are in a formal process to sell its trading stock. However no legally binding agreements have been entered as of the date of signing of these financial statements.

Accordingly, the director considers it is appropriate to prepare the financial statements on a going concern basis.

2.3 Revenue

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:

Rent receivable

The rental income receivable under operating leases from tenants is recognised through profit and loss on a straight line basis over the term of the lease. Any rent-free period is spread over the period of the lease.

2.4 Finance costs

Finance costs are charged to profit or loss 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.5 Stocks

Property purchased with the intention to develop and re-sale is stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

At each reporting date, stock is 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 the statement of comprehensive income.

2.6 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.

2.7 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.

2.8 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.

2.9 Financial instruments

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

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 comprehensive income.

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 reporting date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. It also requires management to exercise judgment in applying the company's accounting policies. As such, the nature of estimation means that actual outcomes could differ from those estimates. The following are the company's key sources of estimation uncertainty:

Property stock

In accordance with its accounting policy, the Company is required to carry its trading stock at the lower of cost and net realisable value. In assessing net realisable value the Company has considered the internal appraisals of the project and the results of external valuations.

4. Employees

The average monthly number of employees, including directors, during the year was 0 (2021 - 0).

5. Stocks

	2022 £	2021 £
Trading stock	126,404,236	125,890,525
	<u>126,404,236</u>	<u>125,890,525</u>

6. Debtors

	2022 £	2021 £
Trade debtors	83	1,176
Other debtors	14,820	34,724
Called up share capital not paid	1	1
Prepayments and accrued income	292,664	299,826
	<u>307,568</u>	<u>335,727</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	32,793	738,426
	<u>32,793</u>	<u>738,426</u>

8. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans	92,824,250	97,666,536
Other loans	12,031,405	-
Amounts owed to group undertakings	77,823,178	41,843,937
Accruals and deferred income	46,462	36,730
	<u>182,725,295</u>	<u>139,547,203</u>

The bank loan is interest bearing and is secured by a first charge over the property. The bank also has the benefit of a debenture creating security over all of the assets of the Company and the loan has been secured by Personal Guarantees from certain of the ultimate shareholders.

Other loans comprise interest free loans repayable no later than 31 December 2023 and are subordinate to the bank loan. In 2022, the bank loan's termination date was extended up to September 2023. To facilitate this extension, the personal guarantors entered a guaranteed capital and interest payment arrangement with the lender.

Amounts owed to group undertakings comprise interest bearing and interest free loans. The interest free loans are repayable on demand and the interest bearing loans accrue interest at varying rates and have different maturity dates. The amounts owed to group undertakings are subordinate to the bank loan.

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

	2022 £	2021 £
Amounts owed to group undertakings	-	28,981,621
	<u>-</u>	<u>28,981,621</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

10. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
1 (2021 - 1) Ordinary share of £1.00	<u>1</u>	<u>1</u>

11. Related party transactions

The Company has taken advantage of the exemptions provided by "Financial Reporting Standard 102" not to disclose transactions with the entities wholly owned within the group.

The Company has not entered into any material transactions with related parties that have not been conducted under normal market conditions.

12. Controlling party

The immediate parent company of the Company, which owns 100% of its issued share capital, is Leopard UK Kensington JV Limited, a company incorporated in the UK.

The director considers the ultimate controlling party to be Leopard Investment Holding LLP, a limited liability partnership registered in the UK.

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.