

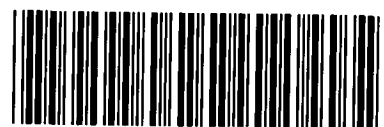
Registered number: 11489836

BRICKS SWANSEA PROPCO LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

TUESDAY



A9KG0IEI

A19

22/12/2020

#606

COMPANIES HOUSE

BRICKS SWANSEA PROPCO LIMITED

COMPANY INFORMATION

Director	P G Prickett M A Carter (resigned 1 July 2019)
Registered number	11489836
Registered office	8-9 Bulstrode Place London W1U 2HY
Independent auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

BRICKS SWANSEA PROPCO LIMITED

CONTENTS

	Page
Director's Report	1 - 2
Independent Auditor's Report	3 - 5
Balance Sheet	6
Notes to the Financial Statements	7 - 11

BRICKS SWANSEA PROPCO LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The director presents his report and the financial statements for the year ended 31 December 2019.

Director's responsibilities statement

The director is responsible for preparing the Director's Report 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 of the profit or loss of the Company for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments 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 transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

P G Prickett
M A Carter (resigned 1 July 2019)

Disclosure of information to auditor

The director at the time when this Director's Report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

BRICKS SWANSEA PROPCO LIMITED

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Post balance sheet events

In May 2020, the Group, of which the Company is one of the borrowers, extended the loan facility available from £75m to £100m.

On 26 October 2020 the Company, along with Bricks Swansea Land Limited and Bricks Swansea Opco Limited, completed on a cross-guaranteed financing arrangement with Harbour Lending Limited for £34.107m.

The worldwide outbreak of the COVID-19 virus represents a significant event since the end of the financial period. In light of the impact of the virus upon economic activity, the Director has reviewed its cash flow forecasts and considered the impact on going concern, concluding that the going concern basis remains an appropriate basis of preparation for these financial statements given the likely cash flow impact of operations 12 months from the date of signing this report.

COVID-19 is considered to be a non-adjusting post balance sheet event and therefore has not been taken into account in preparing the Statement of Financial Position as at 31 December 2019. The Company is unable to quantify any impact on the Statement of Financial Position at the date of signing the financial statements.

Auditor

The auditor, Haysmacintyre LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 16 December 2020 and signed on its behalf.



P G Prickett
Director

BRICKS SWANSEA PROPCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRICKS SWANSEA PROPCO LIMITED

Opinion

We have audited the financial statements of Bricks Swansea Propco Limited (the 'Company') for the year ended 31 December 2019, which comprise the Balance Sheet and the related notes, 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 Company's affairs as at 31 December 2019 and of its result 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Company'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.

BRICKS SWANSEA PROPCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRICKS SWANSEA PROPCO LIMITED (CONTINUED)

Other information

The director is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Director's Report and from the requirement to prepare a Strategic Report.

BRICKS SWANSEA PROPCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRICKS SWANSEA PROPCO LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Director's Responsibilities Statement on page 1, 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 is 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 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an Auditor's Report 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.

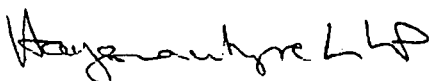
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Other matters

In the previous accounting period, the directors of the Company took advantage of audit exemption under s477, of the Companies Act 2006. Therefore, the prior period financial statements were not subject to audit.

Use of our report

This report is made solely to the Company's members 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 an Auditor's Report 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 for our audit work, for this report, or for the opinions we have formed.



Ian Daniels (Senior Statutory Auditor)

for and on behalf of
Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 16 December 2020

BRICKS SWANSEA PROPCO LIMITED
REGISTERED NUMBER: 11489836

BALANCE SHEET
AS AT 31 DECEMBER 2019

The Company has not traded during the period. During the period, the Company received no income and incurred no expenditure and therefore made neither profit or loss, accordingly it has not prepared a statement of comprehensive income.

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	20,114,212	1,444,151
Investments	6	100	100
		<u>20,114,312</u>	<u>1,444,251</u>
Current assets			
Debtors: amounts falling due within one year	7	778,267	264,467
Cash at bank and in hand		7,106	-
		<u>785,373</u>	<u>264,467</u>
Creditors: amounts falling due within one year	9	(20,899,585)	(1,708,618)
Net current liabilities		<u>(20,114,212)</u>	<u>(1,444,151)</u>
Total assets less current liabilities		<u>100</u>	<u>100</u>
Net assets		<u>100</u>	<u>100</u>
Capital and reserves			
Called up share capital		100	100
		<u>100</u>	<u>100</u>

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 were approved and authorised for issue by the board and were signed on its behalf on 16 December 2020.



P G Prickett
Director

The notes on pages 7 to 11 form part of these financial statements.

BRICKS SWANSEA PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Bricks Swansea Propco Limited is a private company limited by shares, company number 11489836, incorporated in England and Wales. The registered office is 8-9 Bulstrode Place, London, W1U 2HY. The principal activity is the development of property.

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.

2.2 Going Concern

The financial statements have been prepared on a going concern basis as the Director is satisfied that the Company has the resources to continue in business for the foreseeable future which has been taken as being at least twelve months from the date of approval of the financial statements. In forming this assessment, the Director has considered cashflow projections covering a period of at least twelve months from the date of approval of the financial statements.

In forming the assessment, the Director has considered the repayment of a group loan facility which is available for a maximum liability of £34.107m, which is repayable in May 2022. The loan was taken out post year end jointly with Bricks Swansea Land Limited and Bricks Swansea Opco Limited. The Director is confident that the repayment event will be dealt with either through agreeing an extension to the loan or introducing alternative sources of finance, as the wider Group has done in the past. Given the repayment of the loan is due in greater than 12 months from the date of signing the financial statements, combined with the Director's belief based on previous experience, that further financing will be able to be secured in a strengthened lending market in May 2022, the financial statements have been prepared on a going concern basis.

The assessment has been prepared on the basis that the site will become operational in September 2021, and in producing these projections, the Director has made assessments of the possible impact that the continuing global outbreak of COVID-19 may have on the Company. The Director acknowledges that it is challenging to predict the full impact COVID-19 may have on the Company and on the timing of projected cash inflows and outflows, however expect to have sufficient resources and liquidity to meet their liabilities as they fall due. The Director has concluded that the going concern basis remains an appropriate basis of preparation for these financial statements given the likely cash flow impact of operations 12 months from the date of signing this report.

2.3 Assets under the course of construction

Assets under the course of construction are held as tangible fixed assets at historical cost less 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 not provided until such a time that the asset is capable of operating in the manner intended by management. Upon completion of the asset, the asset will be carried at fair value determined annually by the directors.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

BRICKS SWANSEA PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.5 Interest payable

Interest payable is charged on the Company's borrowings and is treated as a capital cost in the Balance Sheet.

2.6 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.

2.7 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.

2.8 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

3. Auditor's remuneration

Fees payable to the company's auditor are payable by Bricks Capital Holdings Limited.

4. Employees

The average monthly number of employees, including directors, during the year was 1 (2018 - 2).

BRICKS SWANSEA PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

5. Tangible fixed assets

	Assets in the course of construction £
Cost	
At 1 January 2019	1,444,151
Additions	18,670,061
At 31 December 2019	<u>20,114,212</u>
Net book value	
At 31 December 2019	<u>20,114,212</u>
At 31 December 2018	<u>1,444,151</u>

Interest capitalised as assets in the course of construction totals £1.079m (2018: £nil).

6. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 January 2019	100
At 31 December 2019	<u>100</u>

BRICKS SWANSEA PROPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

7. Debtors

	2019 £	2018 £
Amounts owed by group undertakings	778,267	9,278
Other debtors	-	255,189
	<u>778,267</u>	<u>264,467</u>

8. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	7,106	-
	<u>7,106</u>	<u>-</u>

9. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	4,197,551	1,046,155
Amounts owed to group undertakings	16,212,945	662,463
Accruals and deferred income	489,089	-
	<u>20,899,585</u>	<u>1,708,618</u>

10. Related party transactions

As permitted by FRS102, the company has taken advantage of the exemptions from disclosing the transactions entered into between wholly owned group companies and those group company transactions that have been done on an arm's length basis.

11. Other financial commitments

The Company has cross-guaranteed group borrowings, meeting the definition of a contingent liability as set out in FRS 102, totalling £90.626m (2018: £42.809m).

BRICKS SWANSEA PROPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

12. Post balance sheet events

In May 2020, the Group, of which the Company is one of the borrowers, extended the loan facility available from £75m to £100m.

On 26 October 2020 the Company, along with Bricks Swansea Land Limited and Bricks Swansea Opco Limited, completed on a cross-guaranteed financing arrangement with Harbour Lending Limited for £34.107m.

The worldwide outbreak of the COVID-19 virus represents a significant event since the end of the financial period. In light of the impact of the virus upon economic activity, the Director has reviewed its cash flow forecasts and considered the impact on going concern, concluding that the going concern basis remains an appropriate basis of preparation for these financial statements given the likely cash flow impact of operations 12 months from the date of signing this report.

COVID-19 is considered to be a non-adjusting post balance sheet event and therefore has not been taken into account in preparing the Statement of Financial Position as at 31 December 2019. The Company is unable to quantify any impact on the Statement of Financial Position at the date of signing the financial statements.

13. Controlling party

The immediate parent undertaking is Bricks Swansea Capital Limited, a company registered in the United Kingdom. The largest and smallest group in which the results of the Company are consolidated is that of Bricks Capital Holdings Limited. The consolidated financial statements may be obtained from 8-9 Bulstrode Place, London, W1U 2HY. The ultimate controlling party is Peter Prickett.

14. Comparative information

The financial information for the period ended 31 December 2018 has not been subject to audit.