

REGISTERED NUMBER: 11492387 (England and Wales)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
MALHOTRA PROPERTY DEVELOPMENTS LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3

MALHOTRA PROPERTY DEVELOPMENTS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2021**

DIRECTOR:	J Malhotra
REGISTERED OFFICE:	Malhotra House 50 Grey Street Newcastle upon Tyne NE1 6AE
REGISTERED NUMBER:	11492387 (England and Wales)
SENIOR STATUTORY AUDITOR:	Peter Charles BSc FCA
AUDITORS:	Robson Laidler Accountants Limited Statutory Auditor Fernwood House Fernwood Road Jesmond Newcastle upon Tyne Tyne and Wear NE2 1TJ
TAX ADVISERS:	PriceWaterhouseCoopers LLP Central Square South Orchard Street Newcastle upon Tyne NE1 3AZ

BALANCE SHEET
31 MARCH 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Tangible assets	5		2,750,819		-
CURRENT ASSETS					
Debtors	6	261,302		65,650	
Cash at bank		<u>1,151</u>		<u>-</u>	
		262,453		65,650	
CREDITORS					
Amounts falling due within one year	7	<u>1,719,033</u>		<u>67,399</u>	
NET CURRENT LIABILITIES			<u>(1,456,580)</u>		<u>(1,749)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,294,239		(1,749)
CREDITORS					
Amounts falling due after more than one year	8		(1,338,765)		-
PROVISIONS FOR LIABILITIES	11		<u>(56,517)</u>		<u>-</u>
NET LIABILITIES			<u>(101,043)</u>		<u>(1,749)</u>
CAPITAL AND RESERVES					
Called up share capital	12		1		1
Retained earnings			<u>(101,044)</u>		<u>(1,750)</u>
SHAREHOLDERS' FUNDS			<u>(101,043)</u>		<u>(1,749)</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director and authorised for issue on 30 September 2021 and were signed by:

J Malhotra - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. STATUTORY INFORMATION

Malhotra Property Developments 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 Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

The financial statements are rounded to the nearest £1.

2. STATEMENT OF COMPLIANCE

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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis which, in the opinion of the director, is the appropriate basis. The company's ability to continue trading is dependent upon the ongoing support of its ultimate shareholders and other group companies. In the event that the company is unable to continue trading, adjustments would have to be made to reduce the value of assets to their recoverable amount and to re-classify long term liabilities as current liabilities.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Assets in the course of construction are not depreciated until they are complete and have been brought into use.

In respect of bank loan finance obtained for a particular property development project, loan interest payments are capitalised as a cost of construction.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

3. ACCOUNTING POLICIES - continued

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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Impairment of assets

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Provisions

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was NIL (2020 - NIL).

5. TANGIBLE FIXED ASSETS

	Assets in the course of construction £
COST	
Additions	<u>2,750,819</u>
At 31 March 2021	<u>2,750,819</u>
NET BOOK VALUE	
At 31 March 2021	<u>2,750,819</u>

Assets in the course of construction with a value of £2,750,819 have been pledged as security for the company's bank liabilities. Included in this figure are capitalised borrowing costs of £23,968.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Amounts owed by group undertakings	18,197	50,000
Other debtors	131,162	10,000
Prepayments and accrued income	111,943	5,650
	<u>261,302</u>	<u>65,650</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	2,100	60,000
Amounts owed to group undertakings	1,251,815	5,649
Amounts owed to related parties	456,969	-
Accruals and deferred income	8,149	1,750
	<u>1,719,033</u>	<u>67,399</u>

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

	2021	2020
	£	£
Bank loans (see note 9)	<u>1,338,765</u>	-
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans due after 5 years	<u>1,338,765</u>	-

9. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans due after 5 years	<u>1,338,765</u>	-

10. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020
	£	£
Bank loans	<u>1,338,765</u>	-

The bank loans are secured by way of a legal charge over the company's development property.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

11. PROVISIONS FOR LIABILITIES

	2021 £	2020 £
Deferred tax		
Accelerated capital allowances	<u>56,517</u>	<u>-</u>
		Deferred tax
		£
Charge to Income Statement during year		<u>56,517</u>
Balance at 31 March 2021		<u>56,517</u>

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2021 £	2020 £
1	Ordinary	£1	<u>1</u>	<u>1</u>

13. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Peter Charles BSc FCA (Senior Statutory Auditor)
for and on behalf of Robson Laidler Accountants Limited

14. CAPITAL COMMITMENTS

	2021 £	2020 £
Contracted but not provided for in the financial statements	<u>8,400,000</u>	<u>9,800,000</u>

15. 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.

Other related parties (in the aggregate)

	2021	2020
£		
Property development costs	667,060	-
Amount due to related party	<u>456,969</u>	<u>-</u>

Amounts due from/to related parties are interest free.

16. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is J Malhotra.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

17. ULTIMATE PARENT COMPANY

Malhotra Group PLC (incorporated in England and Wales) is regarded by the director as being the company's ultimate parent company.

A copy of the consolidated financial statements can be obtained via the Companies House website.

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.