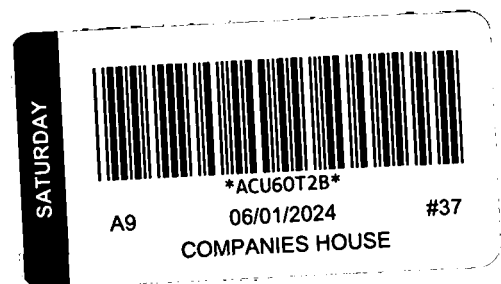


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1 CHESTER GATE LIMITED  
FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2021

AMENDED AND RESTATED



PRAXIS

**1 CHESTER GATE LIMITED**

**FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2021**

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## **1 CHESTER GATE LIMITED**

### **DIRECTORS' REPORT YEAR ENDED 31 MARCH 2021**

The directors present the annual report together with the financial statements for the year ended 31 March 2021.

#### **INCORPORATION AND PRINCIPAL ACTIVITIES**

The Company was incorporated in Guernsey on 3 September 2014 and its registered number is 58963. The principal activity of the Company is that of a property holding company.

#### **RESULTS AND DIVIDENDS**

The result for the year is shown on the Income Statement.

No dividends have been paid or declared during the year (2020: £nil).

#### **RESTATEMENT**

The financial statements have been amended and restated to reflect a change in balances brought forward from the prior year, the issue of 821,170.30 shares at a premium during the year and a subsequent redemption of 5,012,755 shares.

#### **DIRECTORS' RESPONSIBILITIES**

In preparing these financial statements, the directors have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent; and
- prepared the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

The financial statements have been prepared properly in accordance with generally accepted accounting principles and in accordance with any relevant enactments for the time being in force, are in agreement with the accounting records, which have been properly kept in accordance with section 238 of The Companies (Guernsey) Law, 2008. The Company accounts are exempt from the requirement to be audited and have therefore not been audited.

#### **GOING CONCERN**

The Russia Ukraine war is a continuing situation and as of the date of signing these financial statements, the assessment of this situation will need continued attention as it evolves over time. The Director does not underestimate the seriousness of the issue and the effect it will have on the global economy and many businesses around the world.

After making all reasonable enquires the Director believes that it is appropriate to continue to adopt the going concern basis in the preparation of the financial statements. In forming the assessment, the Director has considered the impact of the Russia Ukraine War on the Company and its counterparties and its ability to continue to pay its liabilities as they fall due.

#### **DIRECTORS**

The directors who served throughout the year and to date of signing were:

Praxis Directors One Limited	Appointed 19 May 2020
Praxis Directors Two Limited	Appointed 19 May 2020
Praxis Directors One (UK) Limited	Appointed 19 May 2020
CPCCD Limited	Resigned 19 May 2020
J G Wilson	Resigned 19 May 2020
B G A David	Resigned 19 May 2020
R P Share	Resigned 19 May 2020

1 CHESTER GATE LIMITED

DIRECTORS' REPORT (CONTINUED)  
YEAR ENDED 31 MARCH 2021

SECRETARY

The secretary who served during the year was:

Praxis Secretaries Limited  
Cosign Limited

Appointed 19 May 2020  
Resigned 19 May 2020

REGISTERED OFFICE

The registered office of the Company is at:

Sarnia House  
Le Truchot  
St Peter Port  
Guernsey  
GY1 1GR

BY ORDER OF THE BOARD

For and on behalf of  
PRAXIS DIRECTORS ONE LIMITED



Director:

For and on behalf of  
PRAXIS DIRECTORS TWO LIMITED



Director:

Date: 30/3/2023

1 CHESTER GATE LIMITED

INCOME STATEMENT  
YEAR ENDED 31 MARCH 2021

		2021	2020
	Notes	£	£
<b>INCOME</b>			
Loans waived	5	2,446,928	-
<b>EXPENDITURE</b>			
Property expenses		22,103	600,621
Administration fees		41,833	-
Annual filing fees		500	-
Insurance costs		-	87,876
Cost of sale		-	207,714
Legal and professional fees		34,531	-
Consultancy fees		-	41,316
Sundry expenses		-	97,280
Bank interest and charges		7,024	855
Loan interest		-	1,761,709
Salaries		7,311	-
Impairment of development properties		-	2,107,117
Increase in provision for doubtful loans receivable	4	994	-
Impairment of unlisted investments		6	-
ATED charge		54,844	-
		<hr/>	<hr/>
		169,146	4,904,488
<b>PROFIT / (LOSS) FOR THE YEAR BEFORE TAX</b>		<hr/>	<hr/>
		2,277,782	(4,904,488)
Taxation		464,914	-
<b>PROFIT / (LOSS) FOR THE YEAR AFTER TAX</b>		<hr/>	<hr/>
		1,812,868	(4,904,488)

The notes on pages 6 and 7 form part of these financial statements.

1 CHESTER GATE LIMITED

STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2021

	Notes	2021	2020
		£	£
<b>FIXED ASSETS</b>			
Unlisted investment – Cambridge Terrace Limited	2	-	-
Unlisted investment – SUD Cambridge Terrace Limited	2	-	-
Development properties	3	-	-
		<hr/>	<hr/>
		-	-
<b>CURRENT ASSETS</b>			
Development properties	3	-	103,000,000
Debtors – Taxation		447	-
VAT receivable		-	21,046
Loan from Cambridge Terrace Limited	4	-	-
Loan from SUD Cambridge Terrace Limited	4	-	-
Cash at bank		83,898	-
		<hr/>	<hr/>
		84,345	103,021,046
<b>CURRENT LIABILITIES</b>			
Creditors		7,311	-
Accruals		-	15,132
Loan from Sud co Holdings 2 Out Limited	5	-	44,352,255
Loan from CPC Group Limited	5	-	1,915,648
Bank loan - Credit Suisse (UK) Limited	5	-	59,148,926
		<hr/>	<hr/>
		7,311	105,431,961
		<hr/>	<hr/>
<b>NET CURRENT ASSETS / (LIABILITIES)</b>		77,034	(2,410,915)
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		77,034	(2,410,915)
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Share capital	6	10,116	4,201,701
Retained earnings / (Accumulated losses)		66,918	(6,612,616)
		<hr/>	<hr/>
<b>TOTAL EQUITY</b>		77,034	(2,410,915)
		<hr/>	<hr/>

These financial statements have been prepared in accordance with FRS102 Section 1A (small entities), were approved by the Board of Directors on 30 March 2023 and were signed on their behalf by:

For and on behalf of  
PRAXIS DIRECTORS ONE LIMITED



Director:

For and on behalf of  
PRAXIS DIRECTORS TWO LIMITED



Director:

1 CHESTER GATE LIMITED

STATEMENT OF CHANGES IN EQUITY  
YEAR ENDED 31 MARCH 2021

	Share capital	Share premium	Retained earnings / (Accumulated losses)	Total
	£	£	£	£
Balance as at 1 April 2019	4,201,701	-	(1,708,128)	2,493,573
Loss for the year	-	-	(4,904,488)	(4,904,488)
Balance as at 31 March 2020	4,201,701	-	(6,612,616)	(2,410,915)
Issue of shares	821,170	102,853,911	-	103,675,081
Capital reduction	(5,012,755)	(102,853,911)	4,866,666	(103,000,000)
Profit for the year	-	-	1,812,868	1,812,868
Balance as at 31 March 2021	10,116	-	66,918	77,034

The notes on pages 6 and 7 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the provisions of FRS102 section 1A small entities.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have been consistently applied within the same financial statements.

a) **Accounting principle: going concern**

After making all reasonable enquiries the directors believe that it is appropriate to continue to adopt the going concern basis in the preparation of the financial statements. In forming their assessment, the directors have considered the impact of the Russia Ukraine War on the Company and its counterparties and its ability to continue to pay its liabilities as they fall due.

b) **Accounting convention**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of unlisted investments to fair value. The presentation currency is Sterling.

c) **Income and expenditure**

Income and expenditure are accounted for on an accruals basis.

d) **Investments**

Unlisted investments are measured at the net asset value of the underlying asset with changes in the carrying value taken to the Income Statement. Realised gains and losses on sale of investments are also recognised in the Income Statement. If the net asset value of the underlying asset cannot be measured reliably, these are stated at cost less impairment.

e) **Development properties**

Development properties consists of property that is in the process of being developed or is available for sale. Development properties are included at the lower of cost and the directors' estimate of its net realisable value. Net realisable value is determined as the estimating selling price less additional cost to completion and disposal.

Cost of development includes professional fees and for qualifying assets borrowing costs capitalised in accordance with the company's accounting policy described below.

At the end of each reporting period development properties are assessed for impairment. If a development property is impaired, the identified development property is reduced to its estimated selling price less costs to complete and sell and an impairment charge is recognised in the income statement. Where a reversal of the impairment is required the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the income statement.

f) **Finance costs**

Finance costs that are directly attributable to the acquisition and development of property are capitalised as part of the cost of the asset until such time as the property is substantially ready for sale. Otherwise finance costs are charged to the Income Statement over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are recognised as a reduction in the proceeds of the associated capital instrument.

g) **Loans**

Loans are initially measured at cost. Subsequently, loans are measured at the undiscounted amount of cash or other consideration expected to be paid.

2. UNLISTED INVESTMENTS

The unlisted investments have been valued at the net asset value of the underlying asset as at 31 March 2021 (2020: 31 March 2020). Both of these unlisted investments have been dissolved after year-end.



# 1 CHESTER GATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2021

### 3. DEVELOPMENT PROPERTIES

	2021 £	2020 £
Development in progress	-	103,000,000

The development of the properties was completed in May 2020 and the leasehold properties were appropriated from stock to fixed assets on 19 May 2020 at a value of £103,000,000.

On 7 August 2020 the leasehold properties, (Viceroy House) 9-10 Cambridge Terrace, 1 Chester Gate, London NW1 4JL and (Garden to 9-10 Cambridge Terrace) Land at Chester Gate, London NW1, were transferred to the sole member of the Company, and this was represented by a reduction of capital (Note 6).

The development property was subject to a legal charge as security for the bank loan (Note 5). This was released upon the repayment of the loan from Credit Suisse in May 2020.

### 4. LOANS RECEIVABLE

These loans were unsecured, interest free and repayable on demand. On 16 July 2021, the directors have resolved to waive these loans receivable in view of the fact that the companies were going to be dissolved. A provision for doubtful loans receivable has been created for these loans as at year-end.

### 5. LOANS PAYABLE

The loan from Sud co Holdings 2 Out Limited was unsecured, interest free and repayable on demand. The amount of £41,905,327 was repaid on 20 May 2020 while the remaining £2,446,928 was waived on the same date.

The loan from CPC Group Limited was unsecured, interest free and repayable on demand. The loan was repaid on 20 May 2020.

The loan from Credit Suisse (UK) Limited bore interest at a margin of 2% above three-month LIBOR per annum and has been repaid on 20 May 2020. The company had provided the following security to the bank which was released upon the repayment of such loan:

- Fixed legal charge over the property owned by the company (Note 2)
- Floating charge over the remaining assets of the company
- Security interest agreement over the shares of the company
- A guarantee provided by the ultimate controlling party of the company.

### 6. SHARE CAPITAL

Allotted and fully paid share capital	Date	Number of shares	Share capital £	Share premium £
Opening balance	1 April 2020	4,201,701.00	4,201,701.00	-
Share subscription	19 May 2020	798,299.00	798,299.00	102,201,601.00
Share subscription	10 June 2020	100.00	100.00	205,081.00
Share subscription	5 August 2020	22,771.30	22,771.30	447,229.00
Capital reduction	7 August 2020	(5,012,755.00)	(5,012,755.00)	(102,853,911.00)
Closing balance	31 March 2021	10,116.30	10,116.30	-

The capital reduction on 7 August 2020 was represented by way of transfer to the sole member of the Company of the leasehold properties (Note 3).

**1 CHESTER GATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2021**

**7. EVENTS AFTER THE REPORTING PERIOD**

On 25 August 2021, a total of 1,116.30 shares were cancelled for a consideration of GBP28,296.

The unlisted investments in Cambridge Terrace Limited and SUD Cambridge Terrace Limited have been dissolved after year-end.

There are no other events after the reporting period that would have a material impact on the financial statements.

**8. COMMITMENTS**

The Company has no outstanding commitments.

**9. RESTATEMENT**

The financial statements have been amended and restated to reflect a change in balances brought forward from the prior year, the issue of 821,170.30 shares at a premium during the year and a subsequent redemption of 5,012,755 shares.