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Companies House

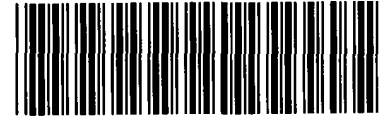
DON'T
STAPLE

OS AA01

Statement of details of parent law and other
information for an overseas company

✓ What this form is for
You may use this form to
accompany your accounts
disclosed under parent law.

✗ What this form is NOT for
You cannot use this form to
an alteration of manner of
with accounting requirements



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20/08/2021

#407

COMPANIES HOUSE

Part 1 Corporate company name

Corporate name of overseas company ① Blue Coast Real Estate Limited

FC037294

UK establishment number B R 0 2 2 3 8 4

→ Filling in this form

Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

① This is the name of the company in its home state.

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and audited.

Legislation ② Companies (Jersey) Law 1991

② This means the relevant rules or legislation which regulates the preparation of accounts.

A2 Accounting principles

Accounts Have the accounts been prepared in accordance with a set of generally accepted accounting principles?

Please tick the appropriate box.

☐ No. Go to Section A3.

☒ Yes. Please enter the name of the organisation or other body which issued those principles below, and then go to Section A3.

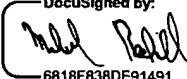
Name of organisation or body ③ UK GAAP - Financial Reporting Council (FRC)

③ Please insert the name of the appropriate accounting organisation or body.

OS AA01

Statement of details of parent law and other information for an overseas company

A3 Audited accounts		
Audited accounts	<div>Have the accounts been audited in accordance with a set of generally accepted auditing standards?</div> <div>Please tick the appropriate box.</div> <div><input type="checkbox"/> No. Go to Part 3 'Signature'.</div> <div><input checked="" type="checkbox"/> Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'.</div>	<div>Please insert the name of the appropriate accounting organisation or body.</div>
Name of organisation or body	International Auditing and Assurance Standards (IAASB)	

Part 3 Signature	
I am signing this form on behalf of the overseas company.	
Signature	<div><div>Signature</div><div><div>X</div><div><div>DocuSigned by:</div><div></div><div>6818F838DE91491...</div></div></div><div>X</div></div>
This form may be signed by: Director, Secretary, Permanent representative.	

OS AA01**Statement of details of parent law and other information for an overseas company****Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone

**Important information**

Please note that all this information will appear on the public record.

**Where to send**

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1

Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.

**Further information**

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Company number: 131455

BLUE COAST REAL ESTATE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED
31 December 2020

BLUE COAST REAL ESTATE LIMITED

Annual report and financial statements for the year ended 31 December 2020

Contents

	Page
Company information	2
Group strategic report	3-4
Group directors' report	5-6
Independent auditor's report to the members of Blue Coast Real Estate Limited	7-9
Consolidated income statement	10
Consolidated statement of comprehensive income	11
Consolidated and company statement of financial position	12
Consolidated and company statement of changes in equity	13
Consolidated statement of cash flows	14
Index of notes	15
Notes forming part of the financial statements	16-36

BLUE COAST REAL ESTATE LIMITED

Annual report and financial statements for the year ended 31 December 2020

Company information

Directors:

Clive Lewis
Joseph Lewis
Michael Rosehill
Jeremy Gogan (appointed 10 February 2021)

Secretary:

Jeremy Gogan
Simon Evans

Registered office:

Block 3, Unit 7B Spectrum
Gloucester Street
St Helier
Jersey, JE2 3DA

Auditor:

BDO LLP
55 Baker Street,
United Kingdom
London, W1U 7EU

Company number:

131455

UK establishment company number:

FC037294

Date of incorporation:

30 April 2020

BLUE COAST REAL ESTATE LIMITED

Group strategic report for the year ended 31 December 2020

The directors present their strategic report on the group for the year ended 31 December 2020.

Principal activities

The parent company co-ordinates and manages the activities of its subsidiaries and administers group investments.

The principal activities of the group comprise property development and investment.

Results for the year

The results for the group for the year are set out on page 10. The overall result after tax changed from a profit of £14.7 million to a loss of £25.1 million. The consolidated statement of financial position shows a net asset position of £179.3 million (2019: £204.4 million).

Future developments

The group will endeavour to seek opportunities to expand all its major divisions. The group sees organic growth in its major markets as its core strategy.

The directors are optimistic about the future development of the group, as set out in the financial review below.

Dividends

No dividends were paid in either 2020 or 2019.

Financial review

Property investment and development

The UK managed property division owns, manages and develops property assets in the UK.

The main external risks affecting this division are; changing property values, changing investor and occupier demand and tenant default. Risk is mitigated by a diverse portfolio across sectors and geographies together with maintaining a strong credit worthy tenant mix. Divisional management also maintains tight controls over operating costs.

Financial instruments and principal risks and uncertainties of the group

The objectives, policies and strategies applied by the group with respect to management of commercial and financial risks are determined at both group and divisional levels. The principal financial instruments used by the group to finance its operations are cash generated from retained earnings and loans.

▪ **Interest rate risk**

The group's exposure to interest rate fluctuations is constantly monitored; there is no formal policy on bank loans, but a variety of methods are used to control interest costs, including obtaining a balance between fixed and floating rates, and between secured and unsecured loans.

▪ **Liquidity risk**

The group's divisions monitor cash flow as part of their day to day control procedures. The group prepares cash flow projections on a monthly basis, allowing an assessment of the cash requirements of the group to manage liquidity risk.

▪ **Credit risk**

The majority of the group's trade debtors are represented by amounts due from commercial property tenants, whose credit ratings are checked before entering into transactions with them. No significant credit risk is perceived. Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. All amounts owed by the group are considered recoverable.

BLUE COAST REAL ESTATE LIMITED**Group strategic report for the year ended 31 December 2020 (continued)****Group's net debt position**

	Cash and cash equivalents £million	Borrowings £million	Total £million
At 1 January 2020	15.4	(246.2)	(230.8)
Cash flow	(9.9)	(6.5)	(16.4)
Exchange movements	-	-	-
At 31 December 2020	5.5	(252.7)	(247.2)

Comprising:

	2020 £million	2019 £million
Cash at bank and in hand	5.5	15.4
Cash on deposit	-	-
Restricted cash at bank	-	-
Cash and cash equivalents	5.5	15.4
Other current liabilities	(83.3)	(86.0)
Non current liabilities	(169.4)	(160.2)
Total	(247.2)	(230.8)

Key performance indicators

The directors monitor group performance on both weekly and periodic (four-weekly) cycles using a wide range of financial and non-financial indicators.

The main key performance indicators that are reviewed according to the market sector are as follows:

Property – yields and market value year on year, together with growth in market sectors.

Various productivity ratios are monitored to ensure that the group is maximising the use of its assets.

Anti-bribery and anti-corruption


Bribery is the acceptance or giving of a payment or other advantage as an inducement which is illegal, a breach of trust, unethical or amounts to some other improper performance. Bribery is a criminal offence in many countries of the world.

Bribery can occur at any stage of a transaction – in advance, during or after the achievement of it.

The group's policy is to conduct business with integrity, honourably and without the use of bribery or other corrupt practices for unfair advantage. The Board operates a "zero-tolerance" approach to any act of bribery or corruption undertaken by any Director, official, team member, franchisee or third-party acting on the group's behalf. Any breach is likely to result in disciplinary or contractual consequences.

Approval

This strategic report was approved by Order of the Board on 23 July 2021.

DocuSigned by:

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Jeremy Gogan
Secretary

BLUE COAST REAL ESTATE LIMITED

Group directors' report for the year ended 31 December 2020

The directors present their report and the audited financial statements for the year ended 31 December 2020.

Directors

The directors of the company are set out below:

Clive Lewis
Joseph Lewis
Michael Rosehill
Jeremy Gogan (appointed 10 February 2021)

Future development and financial instruments

The future development and risks associated with financial instruments are discussed in the strategic report.

Dividends

The directors do not recommend the payment of a dividend.

Subsequent events

Subsequent events are detailed in note 25 of the financial statements.

Directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

The Companies (Jersey) Law 1991 requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under the Act the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare 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 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 enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the company and hence or taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' and officers' liability insurance and indemnity

Qualifying third party indemnity insurance for the benefit of all directors of the group was in force during the financial year. The insurance protects the directors and officers directly in circumstances where, by law, Blue Coast Real Estate Limited group cannot provide indemnity.

Employees

There are no employees in the group.

Engagement with customers and others

The directors are aware that delivering high levels of customer satisfaction enhances the reputation of our business. The directors in the group work directly with partners within real estate portfolios to enhance decisions taken by the company during the year.

BLUE COAST REAL ESTATE LIMITED

Group directors' report for the year ended 31 December 2020 (continued)

Donations

The group made charitable donations of £nil (2019: £nil) and political donations of £nil (2019: £nil) during the year.

Other matters and going concern

On 11 March 2020 the World Health Organisation declared Covid-19 a global pandemic and recommended containment and mitigation measures. The group continues to monitor developments and address the impact on the group's business. During the year a number of our businesses closed and reopened in response to government guidelines. Currently all our businesses have reopened and are trading.

The impact of Covid-19 was significant, particularly for our trading businesses. Government support and management decisions ensured that we entered the new financial year in robust health.

Whilst it is difficult to predict whether the full impact of Covid-19 is now behind us the directors have considered forecasted performance and believe that the group continues to remain in a strong financial position. Further details are included in the notes to the financial statements.

In making their assessment of the group's ability to continue as a going concern the Directors have considered the impact of Covid-19 on the group's liquidity including compliance with bank loan covenants, liabilities payable and financing requirements of all our major subsidiaries. Financial forecasts have been produced for a period in excess of 12 months from the date of these financial statements and sensitivities have been applied.

Based on these forecasts the group has adequate resources to continue in operational existence for a period in excess of 12 months from the date of approval of these financial statements. Accordingly, the Directors have continued to prepare the financial statements on a going concern basis.

The financial forecasts are driven by the following factors for the principal activities of the group:

Property investment and development

The Directors have actively engaged with tenants in order to maximise the recoverability of rents and service charges, which has proven to be successful with a high percentage collected through 2020. The group has also continued to fund ongoing refurbishment projects, a number of which were leased during the period.

Auditor

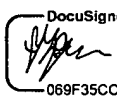
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor, BDO LLP, will be deemed to be reappointed in accordance with Section 113 of the Companies (Jersey) Law 1991.

Approval

This report was approved by the board of directors on 23 July 2021 and signed on behalf of the board by:

DocuSigned by:

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Jeremy Gogan
Secretary
Block 3, Unit 7B Spectrum
Gloucester Street
St Helier
Jersey, JE2 3DA

Company registered number: 131455

BLUE COAST REAL ESTATE LIMITED

Independent auditor's report for the year ended 31 December 2020 to the members of Blue Coast Real Estate Limited

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2020 and of its loss 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 Companies (Jersey) Law 1991.

We have audited the financial statements of Blue Coast Real Estate Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 December 2020 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated and company statement of financial position, the consolidated and company statement of changes in equity, the consolidated statement of cash flows 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent Company 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

BLUE COAST REAL ESTATE LIMITED

Independent auditor's report for the year ended 31 December 2020 to the members of Blue Coast Real Estate Limited (continued)

Other Companies (Jersey) Law 1991 reporting

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept, or proper 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
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors responsibilities statement, the Directors are 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 Directors determine 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 Directors are 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 Directors either intend to liquidate the Group's and the Parent 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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We gained an understanding of the legal and regulatory framework applicable to the Group and the industry in which it operates, and considered the risk of acts by the Parent Company and its subsidiaries that were contrary to applicable laws and regulations, including fraud.
- We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, financial reporting legislation, applicable law and tax legislation.
- We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- Our tests included agreeing the financial statement disclosures to underlying supporting documentation, review of board meeting minutes and enquiries with management.

BLUE COAST REAL ESTATE LIMITED

**Independent auditor's report for the year ended 31 December 2020 to the members of Blue Coast Real Estate Limited
(continued)**

- We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in accounting estimates.
- We addressed the risk of management override of internal controls through testing journals.
- We evaluated whether there was evidence of bias by the Directors in accounting estimates that represented a risk of material misstatement due to fraud. We challenged assumptions and judgements made by management in their significant accounting estimates.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Geraint Jones
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Geraint Jones
For and on behalf of BDO LLP, Chartered Accountants
London
United Kingdom

Date: 23 July 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

BLUE COAST REAL ESTATE LIMITED**Consolidated income statement for the year ended 31 December 2020**

	Note	2020 £million	2019 £million
Turnover	2	21.5	19.1
Gross profit		21.5	19.1
Administrative expenses		(5.4)	(2.8)
Exceptional administrative expenses	4	(19.8)	-
Operating (loss)/profit		(3.7)	16.3
Movement in fair value of investment properties		(12.9)	24.1
Interest payable and similar charges	5	(8.8)	(23.3)
(Loss)/profit before taxation	2	(25.4)	17.1
Taxation on (loss)/profit	7	0.3	(2.4)
(Loss)/profit for the financial year		(25.1)	14.7

The notes on pages 16 to 36 form part of these financial statements.

BLUE COAST REAL ESTATE LIMITED**Consolidated statement of comprehensive income for the year ended at 31 December 2020**

	2020 £million	2019 £million
(Loss)/profit for the financial year	(25.1)	14.7
Other comprehensive income/(expense)		
Hedge effective portion of change in fair value	-	(0.1)
Other comprehensive expense for the year	-	(0.1)
Total comprehensive (expense)/income for the year	(25.1)	14.6
(Loss)/profit for the financial year attributable to:		
Non-controlling interest	-	-
Owners of the parent company	(25.1)	14.7
	(25.1)	14.7
Total comprehensive (expense)/income attributable to:		
Non-controlling interest	-	-
Owners of the parent company	(25.1)	14.6
	(25.1)	14.6

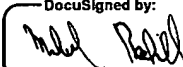
The notes on pages 16 to 36 form part of these financial statements.

BLUE COAST REAL ESTATE LIMITED**Consolidated and company statement of financial position at 31 December 2020**

Company number: 131455

	Note	Group		Company	
		2020 £million	2019 £million	2020 £million	2019 £million
Fixed assets					
Tangible assets	8	422.2	434.2	-	-
Investments	9/26	-	-	212.9	214.3
Total fixed assets		422.2	434.2	212.9	214.3
Current assets					
Debtors (including £1.4 million (2019: £nil) due after more than one year)	10	19.9	18.2	59.6	70.7
Cash at bank and in hand	12	5.5	15.4	-	-
Total current assets		25.4	33.6	59.6	70.7
Creditors: amounts falling due within one year	13	(90.2)	(95.9)	(69.1)	(70.7)
Net current liabilities		(64.8)	(62.3)	(9.5)	-
Total assets less current liabilities		357.4	371.9	203.4	214.3
Creditors: amounts falling due after one year	14	(176.8)	(167.0)	-	-
Provisions for liabilities	17	(1.3)	(0.5)	-	-
Net assets		179.3	204.4	203.4	214.3
Capital and reserves					
Called up share capital	18	-	-	-	-
Share premium	18	214.3	214.3	214.3	214.3
Other reserves	19	1.8	1.8	-	-
Retained earnings	19	(36.8)	(11.7)	(10.9)	-
Equity attributable to the owners of the parent company		179.3	204.4	203.4	214.3
Non-controlling interest		-	-	-	-
Shareholders' funds		179.3	204.4	203.4	214.3

The financial statements were approved by the board of directors and authorised for issue on 23 July 2021 and are signed on behalf of the board by:

DocuSigned by:

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Michael Rosehill - Director

The notes on pages 16 to 36 form part of these financial statements.

BLUE COAST REAL ESTATE LIMITED**Consolidated and company statement of changes in equity for the year ended 31 December 2020**

GROUP	Share premium £million	Other reserve £million	Retained earnings £million	Total £million
At 1 January 2019	214.3	1.8	(5.8)	210.3
Profit for the year	-	-	14.7	14.7
Other comprehensive income				
Hedge effective portion of change in fair value	-	-	(0.1)	(0.1)
Other comprehensive expense	-	-	(0.1)	(0.1)
Total comprehensive income	-	-	14.6	14.6
Other reserve movements	-	-	(0.5)	(0.5)
Redemption of shares with previous parent	-	-	(20.0)	(20.0)
Total transaction with owner recognised directly in equity	-	-	(20.5)	(20.5)
At 31 December 2019	214.3	1.8	(11.7)	204.4
Loss for the year	-	-	(25.1)	(25.1)
Other comprehensive income				
Currency translation differences	-	-	-	-
Total comprehensive expense	-	-	(25.1)	(25.1)
At 31 December 2020 (Note 19)	214.3	1.8	(36.8)	179.3

COMPANY	Share premium £million	Retained earnings £million	Total £million
Balance as at 1 January 2019	214.3	-	214.3
Profit for the year	-	-	-
Total comprehensive income for the year	-	-	-
Balance as at 31 December 2019	214.3	-	214.3
Loss for the year	-	(10.9)	(10.9)
Total comprehensive loss for the year	-	(10.9)	(10.9)
Balance at 31 December 2020	214.3	(10.9)	203.4

The notes on pages 16 to 36 form part of these financial statements.

BLUE COAST REAL ESTATE LIMITED**Consolidated statement of cash flows for the year ended 31 December 2020**

	Note	2020 £million	2019 £million
Net cash outflow from operating activities			
(Loss)/profit for the financial year		(25.1)	14.7
Change in fair value of investment property		12.9	(24.1)
Net interest payable	5	8.8	23.3
Taxation charge	7	0.3	2.4
Depreciation and amortisation charges	3	-	0.2
Decrease/(increase) in trade and other debtors		(7.2)	0.4
Decrease in trade and other creditors		(0.9)	(6.4)
Increase in intercompany balances		6.3	5.6
Cash (used in)/generated from operations		(5.5)	16.1
Interest paid		(7.6)	(23.0)
Corporation tax paid		(1.0)	(1.1)
Net cash used in operating activities		(14.1)	(8.0)
Cash flows from investing activities			
Purchase of tangible fixed assets		(0.8)	(6.2)
Net cash used in investing activities		(0.8)	(6.2)
Cash flows from financing activities			
New loans		161.1	-
Redemption of shares with previous parent		-	(20.0)
Repayment of borrowings		(150.0)	(6.3)
Movement of loans from fellow subsidiary undertakings		(6.1)	5.8
Net cash generated from/(used in) financing activities		5.0	(20.5)
Decrease in cash and cash equivalents		(9.9)	(34.7)
Cash and cash equivalents at the beginning of the year		15.4	50.1
Cash and cash equivalents at the end of the year		5.5	15.4
Cash and cash equivalents comprise of:			
Cash at bank and in hand		5.5	15.4
		5.5	15.4

The notes on pages 16 to 36 form part of these financial statements.

BLUE COAST REAL ESTATE LIMITED

Notes forming part of the financial statements for the year ended 31 December 2020

INDEX OF NOTES

General notes

1	Accounting policies
2	Turnover and profit before tax
3	Expenses and auditor's remuneration
4	Exceptional administrative expenses
5	Interest payable and similar charges
6	Directors
7	Taxation
8	Tangible assets
9	Fixed asset investments
10	Debtors
11	Deferred tax assets
12	Cash at bank and in hand
13	Creditors: amounts falling due within one year
14	Creditors: amounts falling due after one year
15	Borrowings
16	Other creditors
17	Provisions for liabilities
18	Called up share capital
19	Reserves
20	Financial instruments
21	Operating leases
22	Finance, lease and hire purchase contracts
23	Related party transactions
24	Ultimate parent undertaking
25	Subsequent events
26	Subsidiary and associated undertakings

BLUE COAST REAL ESTATE LIMITED**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)**

1 Accounting policies

Blue Coast Real Estate Limited is a company limited by shares and incorporated and domiciled in Jersey.

The financial statements have been prepared under the historical cost basis, except for the following assets which are stated at their fair value: investment properties, owner occupied properties, financial instruments, fixed asset unlisted investments and current asset investments. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £0.1 million.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the group's accounting policies. These are described in 1.18.

Parent company disclosure exemptions

The parent company is included in the consolidated financial statements and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- The reconciliation of the number of shares outstanding from the beginning to the end of the period has not been included;
- No separate parent company Cash Flow Statement with related notes is included; and
- Key Management Personnel compensation has not been included; and
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1. Going concern

In making their assessment of the group's ability to continue as a going concern the Directors have considered the impact of Covid-19 on the group's liquidity including compliance with bank loan covenants, liabilities payable and financing requirements of all our major subsidiaries. Financial forecasts have been produced for a period in excess of 12 months from the date of these financial statements and sensitivities have been applied.

Based on these forecasts the group has adequate resources to continue in operational existence for a period in excess of 12 months from the date of approval of these financial statements. Accordingly, the Directors have continued to prepare the financial statements on a going concern basis.

The financial forecasts are driven by the following factors for the principal activities of the group:

Property investment and development

The Directors have actively engaged with tenants in order to maximise the recoverability of rents and service charges, which has proven to be successful with a high percentage collected through 2020. The group has also continued to fund ongoing refurbishment projects, a number of which were leased during the period.

BLUE COAST REAL ESTATE LIMITED**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)**

1 Accounting policies (continued)**1.2. Acquisition of entities under common control**

Business combinations arising from transfer of interest in entities that are under the common control of the shareholders that control the group are accounted for using book values of the acquired entities at the date of acquisition. The components of equity of the acquired entity are added as part of the equity of the group. Such business combinations arising from transfer of interest in entities that are under the control of the shareholders who control the group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. The components of equity of the acquired entities are added to the same components within the group equity except that any share capital of the acquired entities is recognised as part of share premium.

1.3. Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2020. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated income statement from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

A special purpose entity (SPE) is consolidated if the Group concludes that it controls the SPE.

An associate is an entity in which the Group has significant influence, but not control, over the operating and financial policies of the entity. Significant influence is presumed to exist when the investor holds between 20% and 50% of the equity voting rights.

A joint venture is a contractual arrangement undertaking in which the Group exercises joint control over the operating and financial policies of the entity. Where the joint venture is carried out through an entity, it is treated as a jointly controlled entity. The Group's share of the profits less losses of associates and of jointly controlled entities is included in the consolidated income statement and its interest in their net assets is recorded on the statement of financial position using the equity method.

Where a group company is party to a joint venture which is not an entity that company accounts directly for its part of the income and expenditure, assets, liabilities and cash flows. Such arrangements are reported in the consolidated financial statements on the same basis.

In the parent company's financial statements, investments in subsidiaries, jointly controlled entities and associates are carried at cost less impairment.

1.4. Foreign currency

Transactions in foreign currencies are translated to the Group companies' functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the income statement.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the statement of financial position date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on retranslation are recognised in other comprehensive income.

BLUE COAST REAL ESTATE LIMITED**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)**

1 Accounting policies (continued)**1.5. Classification of financial instruments issued by the group**

In accordance with FRS 102.22, financial instruments issued by the group are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the group; and
- (b) where the instrument will or may be settled in the entity's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the entity's own equity instruments or is a derivative that will be settled by the entity exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the entity's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.6. Basic financial instruments*Trade and other debtors/creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Investments in preference and ordinary shares

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through the income statement. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognised in the income statement. Other investments are measured at cost less impairment in the income statement.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1.7. Other financial instruments*Financial instruments not considered to be Basic financial instruments (Other financial instruments)*

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in the income statement except as follows:

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment.

BLUE COAST REAL ESTATE LIMITED

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

1 Accounting policies (continued)

1.8. Tangible fixed assets

Tangible fixed assets, other than investment properties and owner occupied properties, 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.

The group adds to the carrying amount of an item of fixed assets, the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the income statement during the period in which they are incurred.

Leases in which the entity assumes substantially all the risks and rewards of ownership of the leased assets are classified as finance leases. All other leases are classified as operating leases.

Depreciation is charged to the income statement over the estimated useful lives of each part of an item of tangible fixed asset as follows:

- *Freehold properties*
Straight line basis over the life of the building element of the property subject to a maximum of 50 years
- *Long leasehold properties*
Straight line basis over the life of the lease up to a maximum of 50 years in relation to the building element

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last annual reporting date in the pattern by which the group expects to consume an asset's future economic benefits.

Land is not depreciated.

Fixed assets - Investment properties

Investment property is carried at fair value determined annually either through an external valuation or by an employee of the group who is a member of the Royal Institution of Chartered Surveyors. The fair value is derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Any movements in fair value are recognised in the income statement. Investment properties are not depreciated.

1.9. Purchases and sales of properties

Purchases and sales of properties are accounted for at the date of completion of the relevant transaction.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount.

BLUE COAST REAL ESTATE LIMITED

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

1 Accounting policies (continued)

1.10. Leases

The group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before 1 January 2014 to continue to be charged over the period to the first market rent review rather than the term of the lease.

Operating lease agreements

Lease income is recognised in the income statement on a straight-line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

Finance lease agreements

Assets held under finance leases are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

1.11. Business combinations

Business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the entity.

At the acquisition date, the group recognises goodwill at the acquisition date as:

- the fair value of the consideration (excluding contingent consideration) transferred; plus
- estimated amount of contingent consideration (see below); plus
- the fair value of the equity instruments issued; plus
- directly attributable transaction costs; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities and contingent liabilities assumed.

When the excess is negative, this is recognised and separately disclosed on the face of the statement of financial position as negative goodwill.

BLUE COAST REAL ESTATE LIMITED

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

1 Accounting policies (continued)

1.12. Current and deferred taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the income statement, other comprehensive income or directly in equity, consistently with the recognition of items it relates to.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the financial position date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date. Deferred tax balances are not discounted.

1.13. Investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

1.14. Revenue

Revenue represents amounts receivable from third parties, exclusive of VAT and similar sales taxes from the rental of properties.

1.15. Accrued income

Rental income from investment properties is recognised for the rent free period granted to certain tenants as part of the terms of their leases. These amounts are based upon future minimum rental payments and are allocated on a straight line basis over the period to the end of the lease. Amounts received on long term accommodation contracts are allocated in accordance with actual use.

1.16. Finance costs

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 initially recognised as a reduction in the proceeds of the associated capital instrument and amortised over the period of the loan. Finance costs (borrowing costs) are capitalised if the asset is a qualifying asset or is used solely for the construction or production of a qualifying asset.

1.17. Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

BLUE COAST REAL ESTATE LIMITED

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

1 Accounting policies (continued)

1.18. Judgements in applying accounting policies and key sources of estimation uncertainty

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed below.

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the group either as a lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- *Tangible fixed assets (see note 8)*
Tangible fixed assets, other than investment properties and owner occupied properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Investment properties are valued annually using a yield methodology. This uses market rental values capitalised at a market capitalisation rate, but there is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself. Key inputs into the valuations include annual rent per square metre and capitalisation rate.
- *Deferred taxation (see notes 7, 11 and 17)*
Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

BLUE COAST REAL ESTATE LIMITED

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

2 Turnover and profit before tax**Analysis of turnover and profit before tax****Analysis of turnover**

	Turnover excluding intra group sales		Turnover including intra group sales	
	2020	2019	2020	2019
Analysis by class of business:	£million	£million	£million	£million
Property	21.5	19.1	21.5	19.1
	21.5	19.1	21.5	19.1
Analysis by geographical market:			2020	2019
			£million	£million
United Kingdom			21.5	19.1
			21.5	19.1

Analysis of profit before tax

	2020	2019
	£million	£million
Property	(25.4)	17.1
	(25.4)	17.1

3 Expenses and auditors' remuneration

Included in loss/profit are the following:	2020	2019
	£million	£million
Depreciation and amortisation	-	0.2
Principal auditors' remuneration:		
Audit of these financial statements	0.1	0.1
Audit of subsidiaries pursuant to legislation	0.1	-
Non-audit services	-	-
Other auditors' remuneration:		
Audit	-	-
Non audit services	-	-

BLUE COAST REAL ESTATE LIMITED**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)****4 Exceptional administrative expenses**

	2020 £million	2019 £million
Financial costs – break costs	19.8	-

External borrowings of the group were refinanced during the year. As a result of the refinancing, the group incurred break costs of £19.8 million (2019: £nil) upon repayment of the MassMutual loan.

5 Interest payable and similar charges

	2020 £million	2019 £million
Interest on loans with other group companies	0.8	14.9
Interest on loans and overdrafts	7.6	7.9
Other finance charges	0.4	0.5
	8.8	23.3

6 Directors

	2020 £million	2019 £million
Aggregate directors' emoluments	0.3	0.6
Contributions to the pension scheme paid on behalf of the directors	-	-
Emoluments of the highest paid director	0.2	0.2
Accrued benefits of highest paid director under a defined benefit scheme: Annual pension	-	-

	2020 Number	2019 Number
Number of directors in defined benefit schemes	1	1

The directors are paid by a company related to the group.

BLUE COAST REAL ESTATE LIMITED**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)****7 Taxation**

	2020 £million	2020 £million	2019 £million	2019 £million
(a) Analysis of tax charge in the year				
<i>Current tax on profit</i>				
UK corporation tax for current period	0.3		1.2	
Adjustment to tax charge in respect of previous periods	-		-	
Total current tax		0.3		1.2
<i>Deferred Tax</i>				
Origination and reversal of timing differences		(0.6)		1.2
Total tax charge (note b)		(0.3)		2.4

(b) Factors affecting tax charge/(credit) for period

As the group owns properties in the UK it is subject to UK income tax at the rate of 20% on UK rental income. The tax assessed for the period differs from the standard rate of corporation tax in the UK of 19% (2019: 20%).

Profit before tax	(25.4)	17.1
Profit multiplied by the standard rate of UK corporation tax of 19% (2019: 20%).	(4.8)	3.4
Effect of:		
Group relief	3.3	-
Expenses not deductible for tax purposes	-	0.3
Non controlling interest	(0.1)	(0.1)
Non taxable income	-	(0.1)
Depreciation in excess of capital allowances	(0.1)	(0.1)
Fair value gains/losses	1.5	(1.1)
Adjustments to tax charge in respect of previous periods – deferred tax	(0.1)	0.1
Differences in tax rates	-	-
Total tax charge for the year	(0.3)	2.4

(c) Factors affecting future tax charges

The company became tax resident on 22 June 2020 and is subject to UK corporation tax.

The UK corporation tax rate will remain at 19% from 1 April 2021.

BLUE COAST REAL ESTATE LIMITED**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)****8 Tangible assets**

Group	Land and Buildings (see below) £million	Plant, equipment and vehicles £million	Total £million
<i>Cost or valuation</i>			
At 1 January 2020	434.6	-	434.6
Additions at cost	0.8	-	0.8
Revaluation	(12.9)	-	(12.9)
At 31 December 2020	422.5	-	422.5
<i>Depreciation</i>			
At 1 January 2020	0.4	-	0.4
Historical adjustment	(0.1)	-	(0.1)
At 31 December 2020	0.3	-	0.3
<i>Net book value</i>			
At 31 December 2020	422.2	-	422.2
At 31 December 2019	434.2	-	434.2

Group

Land and Buildings			
<i>Cost or valuation</i>	Freehold £million	Long Leasehold £million	Total £million
At 1 January 2020	384.1	50.5	434.6
Additions	0.3	0.5	0.8
Revaluation	(11.9)	(1.0)	(12.9)
At 31 December 2020	372.5	50.0	422.5
<i>Depreciation</i>			
At 1 January 2020	-	0.4	0.4
Historical adjustment	-	(0.1)	(0.1)
At 31 December 2020	-	0.3	0.3
<i>Net book value</i>			
At 31 December 2020	372.5	49.7	422.2
At 31 December 2019	384.1	50.1	434.2

BLUE COAST REAL ESTATE LIMITED**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)****8 Tangible assets (continued)****Group**

The net book value of investment properties included in land and buildings is analysed as follows:

	Freehold £million	Long Leasehold £million	Total £million
At 31 December 2020	372.4	42.8	415.2
At 31 December 2019	384.1	43.7	427.8

The historic cost of land and buildings classified as investment properties is £292.6 million (2019: £292.2 million).

The gross value of land and buildings is analysed as follows:

	2020 £million	2019 £million
Properties stated at year end valuation	415.2	427.8
Properties stated at cost	7.3	6.8
	422.5	434.6

Freehold and long leasehold properties, other than hotels, are valued annually either through an external valuation or by an employee of the group who is a member of the Royal Institution of Chartered Surveyors; these assets are recorded at current valuation based on existing use or open market value in the case of investment properties. The majority of these freehold and leasehold properties undergo an external valuation each year, with the remainder externally valued at least every five years, on a rolling basis, by an independent firm of chartered surveyors in accordance with the Royal Institution of Chartered Surveyors Statement of Asset Valuation Practice and Guidance notes. All other tangible fixed assets are stated at depreciated historic cost less any provision for impairment.

Tangible fixed assets with a carrying value of £315.4 million (2019: £363.1 million) are pledged as security for the group's bank loans.

BLUE COAST REAL ESTATE LIMITED**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)****9 Fixed asset investments**

A full list of subsidiary and associated undertakings are shown in note 26.

Company
**Shares in
subsidiary
undertakings
£million**
Cost

At 1 January 2020

214.3

Additions

11.4

At 31 December 2020

225.7

Provisions

At 1 January 2020

-

Provided in the year

12.8

At 31 December 2020

12.8

Net book value

At 31 December 2020

212.9

At 31 December 2019

214.3

10 Debtors

	Group		Company	
	2020	2019	2020	2019
	£million	£million	£million	£million
Amounts falling due within one year				
Trade debtors	1.5	0.4	-	-
Amounts due from fellow subsidiaries	2.3	9.0	56.7	67.9
Other debtors (see below)	14.5	8.8	-	-
Accrued income	0.1	-	-	-
Prepayments	0.1	-	-	-
	18.5	18.2	56.7	67.9
Amounts falling due after one year				
Other debtors (see below)	1.4	-	-	-
Amounts due from fellow subsidiaries	-	-	2.9	2.8
	1.4	-	2.9	2.8
Total debtors	19.9	18.2	59.6	70.7
	Group		Company	
	2020	2019	2020	2019
	£million	£million	£million	£million
<i>Other debtors due within one year comprise:</i>				
Corporation tax	-	0.2	-	-
UK deferred tax asset (note 11)	0.6	0.5	-	-
Sundry debtors	13.9	8.1	-	-
	14.5	8.8	-	-
<i>Other debtors due after one year comprise:</i>				
UK deferred tax asset (note 11)	1.4	-	-	-
	1.4	-	-	-

BLUE COAST REAL ESTATE LIMITED**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)****11 Deferred tax assets**

	Group		Company	
	2020	2019	2020	2019
	£million	£million	£million	£million
Analysis of deferred tax asset due within one year movement during the year:				
Balance at 1 January	0.5	1.2	-	-
Credited/(charged) during the year	0.1	(0.7)	-	-
Balance at 31 December	0.6	0.5	-	-

The closing balance of deferred tax asset due within one year is in respect of:

Short term timing differences	0.6	0.5		
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Analysis of deferred tax asset due after more than one year movement during the year:

Balance at 1 January	-	-	-	-
Credited during the year	1.4	-	-	-
Balance at 31 December	1.4	-	-	-

The closing balance of the deferred tax asset consist of revenue losses for both years.

In addition to the deferred tax asset above, the group has additional unrecognised gross tax losses of £nil (2019: £nil).

Deferred taxes arising on UK operations at the balance sheet date have been calculated using a tax rate of 19% (2019: 17%). Deferred taxes arising on foreign operations at the balance sheet date have been calculated at the applicable overseas tax rate.

12 Cash at bank and in hand

Included in cash at bank and in hand is restricted cash at bank of £nil (2019: £nil). This represents deposit accounts pledged by certain subsidiaries as collateral with their loan note holders, as required by the loan agreements and capital expenditure designated deposits.

13 Creditors: amounts falling due within one year

	Note	Group		Company	
		2020	2019	2020	2019
		£million	£million	£million	£million
Borrowings	15	3.8	-	-	-
Borrowings – amounts due to fellow subsidiaries	15	79.5	86.0	69.1	70.7
Other creditors and bank deposit liabilities	16	6.4	8.6	-	-
Other amounts due to fellow subsidiaries		0.5	1.3	-	-
Total creditors due within one year		90.2	95.9	69.1	70.7

BLUE COAST REAL ESTATE LIMITED**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)****14 Creditors: amounts falling due after one year**

	Note	Group		Company	
		2020	2019	2020	2019
		£million	£million	£million	£million
Borrowings	15	161.2	153.0	-	-
Borrowings – amounts due to fellow subsidiaries	15	8.2	7.2	-	-
Other creditors	16	7.4	6.8	-	-
Total creditors due after one year		176.8	167.0	-	-

15 Borrowings

(a)	Repayment analysis	Group		Company	
		2020	2019	2020	2019
		£million	£million	£million	£million
	Due in one year or less	3.8	-	-	-
	Due after one year but not more than two years	-	3.0	-	-
	Due after two years but not more than five years	-	150.0	-	-
	Due after five years not payable by instalments (c)	161.2	-	-	-
	Due after one year	161.2	153.0	-	-
	Total borrowings	165.0	153.0	-	-

(b)	Analysis of borrowings	Group		Company	
		2020	2019	2020	2019
		£million	£million	£million	£million
	Total borrowings comprise:				
	Bank and other loans (d)	165.0	153.0	-	-
		165.0	153.0	-	-

(c)	Analysis of borrowings due after five years not payable by instalments	Group		Company	
		2020	2019	2020	2019
		£million	£million	£million	£million
Type of bank loan	Interest rate %				
In, or linked to, Sterling	Fixed 2.30	161.2	-	-	-
		161.2	-	-	-

15 Borrowings (continued)

		Group		Company	
		2020	2019	2020	2019
		£million	£million	£million	£million
Type of bank loan	Interest rate %				
<i>Secured loans</i>					
In, or linked to, Sterling	Libor +1.00 to 3.25	3.8	3.8	-	-
In, or linked to, Sterling	Fixed 2.30	161.2	-	-	-
In, or linked to, Sterling	Fixed 5.01 to 5.23	-	149.2	-	-
Total secured loans		165.0	153.0	-	-

	Group		Company	
	2020	2019	2020	2019
	£million	£million	£million	£million
(e) Amounts owed to fellow subsidiaries - loans				
Due in one year or less	79.5	86.0	69.1	70.7
Due after one year	8.2	7.6	-	-
	87.7	93.6	69.1	70.7

	Group		Company	
	2020	2019	2020	2019
	£million	£million	£million	£million
Amounts falling due within one year				
Trade creditors	-	0.3	-	-
Corporation tax	0.1	1.0	-	-
VAT payable	1.8	1.4	-	-
Sundry creditors	0.3	0.3	-	-
Accruals and deferred income	4.2	5.6	-	-
	6.4	8.6	-	-
Amounts falling due after one year				
Finance lease liability	7.4	6.8	-	-
	7.4	6.8	-	-

BLUE COAST REAL ESTATE LIMITED**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)****17 Provisions for liabilities****Group**

Analysis of movements during the year

	<u>Deferred Taxation</u>
	<u>Total</u>
	<u>£'000</u>
Balance at 1 January 2020	0.5
Charged during the year	0.8
Balance at 31 December 2020	<u>1.3</u>

	<u>2020</u>	<u>2019</u>
	<u>£'000</u>	<u>£'000</u>
The closing deferred tax provision is in respect of:		
Timing differences	<u>1.3</u>	<u>0.5</u>

18 Called up share capital

	<u>Group and Company</u>	
	<u>2020</u>	<u>2019</u>
	<u>£</u>	<u>£</u>
Allotted, called up and fully paid Ordinary shares of £1 each	<u>8</u>	<u>8</u>
Shares classified in shareholders' funds	<u>8</u>	<u>8</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

Share premium

Share premium is the premium above allotted, called up and fully paid Ordinary shares.

19 Reserves**Other reserve**

This reserve records non income statement gains or losses due to group re-organisation and also capital contributions due to present valuation of loans to market value.

Retained earnings

This reserve records retained earnings and accumulated losses.

BLUE COAST REAL ESTATE LIMITED**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)****20 Financial instruments**

The group's and company's financial instruments can be analysed as follows:

	Group		Company	
	2020	2019	2020	2019
	£million	£million	£million	£million
Financial assets				
Financial assets measured at fair value through the income statement	-	-	-	-
Financial assets measured at amortised cost	<u>23.5</u>	<u>33.1</u>	<u>59.6</u>	<u>70.7</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>256.2</u>	<u>252.5</u>	<u>69.1</u>	<u>70.7</u>

Financial assets measured at fair value through the income statement comprise fixed asset investments in unlisted and current asset investments in listed and unlisted shares.

Financial instruments measured at amortised cost comprise trade debtors, cash, other loans and sundry debtors.

Financial liabilities measured at amortised cost comprise borrowings, trade creditors, non-controlling interests in preference shares, bank deposits and other creditors.

The fair value of currency options forward contracts and interest rate swaps held by the group at the year end is as follows:

	2020		2019	
	£million		£million	
	Assets	Liabilities	Assets	Liabilities
Derivatives and financial instruments	-	-	-	-

The group entered into an interest swap contract totalling £nil (2019: £nil) with a fair value of £nil (2019: £nil). The change in fair value of the derivatives for the group recognised in the statement of comprehensive income was £nil (2019: £105,000 loss).

BLUE COAST REAL ESTATE LIMITED**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)****21 Operating leases**

The group had total future minimum lease income under non-cancellable leases as set out below:

	2020	2019
	Land and	Land and
	buildings	buildings
	£million	£million
Operating leases which expire:		
Within one year	18.1	17.7
In two to five years	71.5	75.2
After five years	71.6	94.7
Total operating lease commitments	<u>161.2</u>	<u>187.6</u>

No leases in the current or prior year had contingent rent income.

22 Finance, lease and hire purchase contracts

The group had total future minimum lease payment under non-cancellable operating leases as set out below:

	2020	2019
	Land and	Land and
	buildings	buildings
	£million	£million
Operating leases which expire:		
Within one year	0.5	0.5
In two to five years	1.8	1.8
After five years	44.7	45.0
Total operating lease commitments	<u>47.0</u>	<u>47.3</u>

The majority of leases for land and buildings are subject to periodic rent reviews.

BLUE COAST REAL ESTATE LIMITED**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)****23 Related party transactions**

- (a) During the year group entities entered into the following trading transactions with related companies that are not wholly owned subsidiaries.

	<u>2020</u> <u>£million</u>	<u>2019</u> <u>£million</u>
Sale of goods and services	<u>(4.9)</u>	<u>(4.7)</u>
Amounts owed by related parties	<u>0.1</u>	<u>-</u>

The group has taken advantage of the exemption conferred by FRS 102, not to disclose transactions with wholly owned group companies.

- (b) Key management personnel

The key management personnel included all directors and senior managers who together have authority and responsibility for planning, directing and controlling the activities of the group.

The key management personnel of the company were also key management personnel of other companies in the LFH International group. The key management personnel believe it is practical to apportion this amount between their services as key management personnel of the company and their services as key management personnel of other companies in the group. The full salary cost is borne by another group company, however their full compensation is disclosed as a whole below.

	<u>2020</u> <u>£million</u>	<u>2019</u> <u>£million</u>
Total compensation for services provided to the group	<u>1.7</u>	<u>1.5</u>
	<u>1.7</u>	<u>1.5</u>

24 Ultimate parent undertaking

The company's ultimate parent undertaking is LFH International Limited whose registered office address is Floor 4, Willow House, Cricket Square, PO Box 268, Grand Cayman KY1-1104, Cayman Islands.

The company's immediate parent undertaking is Blue Coast Properties Plc whose registered office address is Block 3, Unit 7B Spectrum, Gloucester Street, St Helier, Jersey, JE2 3DA.

25 Subsequent events

No subsequent events have been identified.

BLUE COAST REAL ESTATE LIMITED**Notes forming part of the financial statements for the year ended 31 December 2020 (continued)****26 Subsidiary and associated undertakings****Subsidiary undertakings**

The company's subsidiaries, all of which are included in the consolidated financial statements, are set out below:

Company	Country of incorporation	% of equity held by the Group	Nature of business
Ayr (Jersey) Ltd	Jersey ²	100.00	Property company
BC Chelsea Ltd	Jersey ²	100.00	Property company
BC Chester LP (formerly Blue Coast Commercial Investments LP)	England ¹	100.00	Property partnership
BC Kingsway 1 Ltd	Jersey ²	100.00	Property company
BC Noho Ltd	Jersey ²	100.00	Property company
BC Seymour Ltd	Jersey ²	100.00	Property company
BCPH Ltd	Jersey ²	100.00	Investment company
Blue Coast Managers Ltd	Jersey ²	100.00	Investment company
Blue Coast Partners Ltd	Jersey ²	100.00	Investment company
Blue Coast Plus Ltd	Jersey ²	100.00	Property company
Blue Coast Stratford LLP	England ¹	100.00	Property partnership
Courtlands Developments (Jersey) Ltd	Jersey ²	100.00	Property company
Magna Park (Jersey) Ltd	Jersey ²	100.00	Property investment

A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated income statement from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

Investments in subsidiaries are all held as ordinary shares.

¹ Registered office address: Seymour Mews House, 26-37 Seymour Mews, London, W1H 6BN, UK
² Registered office address: Block 3 Spectrum, Gloucester Street, St Helier, Jersey, JE2 3DA