

4WC Ltd

Filleted Abridged Financial Statements
for the Year Ended 31 December 2023

4WC Ltd

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4WC Ltd

(Registration number: 13479966) Abridged Balance Sheet as at 31 December 2023

	Note	2023 £	(Unaudited) 2022 £
Current assets			
Stocks	4	25,182,664	19,725,000
Debtors		-	30,000
Cash at bank and in hand		33,446	41,428
		<u>25,216,110</u>	<u>19,796,428</u>
Prepayments and accrued income		1,279	14,786
Creditors: Amounts falling due within one year	5	<u>(27,603,753)</u>	<u>(15,272)</u>
Total assets less current liabilities		(2,386,364)	19,795,942
Creditors: Amounts falling due after more than one year	5	-	(22,294,573)
Accruals and deferred income		<u>(15,060)</u>	<u>(9,022)</u>
Net liabilities		<u>(2,401,424)</u>	<u>(2,507,653)</u>
Capital and reserves			
Called up share capital		100	100
Retained earnings		<u>(2,401,524)</u>	<u>(2,507,753)</u>
Shareholders' deficit		<u>(2,401,424)</u>	<u>(2,507,653)</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

All of the company's members have consented to the preparation of an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the Board on 24 July 2024 and signed on its behalf by:

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Mr George Stamp Brooksbank
Director

Notes to the Abridged Financial Statements for the Year Ended 31 December 2023

1 General information

The company is a private company limited by share capital, incorporated in the United Kingdom.

The address of its registered office is:
21-23 Ives Street
Chelsea
London
SW3 2ND

The financial statements for the year ended 31 December 2022 were prepared in accordance with Financial Reporting Standard 105. The company is part of a group that has exceeded the audit thresholds therefore the company is required to carry out an audit for the year ended 31 December 2023 and hence the financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities.

These financial statements were authorised for issue by the Board on 24 July 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These abridged financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These abridged financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Notes to the Abridged Financial Statements for the Year Ended 31 December 2023

Going concern

For the year ended 31 December 2023, the company generated a net profit/(loss) of £106,229 (2022: (£539,552)). As at 31 December 2023, the company is in a net liability position of £2,401,424 (2022: £2,507,653). The net liability position includes (A) a loan payable to Investec Bank Plc with an outstanding balance at the year end of £16,206,919, the maturity date was extended on 12 January 2024 to 16 July 2024 and further extended on 19 July 2024 to 15 January 2025; (B) shareholder loans payable to FC Property Fund Ltd and FCPF CIV Ltd with an outstanding balance at the year end of £11,192,952, the maturity date was extended on 19 July 2024 and is now repayable once the company is in receipt of the cleared funds from the sale of the property; and (C) other related party loan payable to FCP (London) Ltd with an outstanding balance at the year-end of £203,882 and is repayable on demand.

The directors have thoroughly evaluated the company's financial position for the 12 months following the date of signing of these financial statements and have concluded that the company is expected to have sufficient financial resources to meet its financial obligations as and when they are due, for at least 13 months. The shareholders of the company have agreed to provide support and have confirmed to the company that they will make available sufficient financial resources as required to enable the company to meet its short-term liabilities as they fall due for a period of at least 13 months from the date of approval of these financial statements.

Based on the above evaluation, the directors are confident that the company possesses sufficient resources to maintain its operations for the foreseeable future. Consequently, the financial statements have been prepared on a going concern basis.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Notes to the Abridged Financial Statements for the Year Ended 31 December 2023

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 0 (2022 - 0).

4 Stocks

	2023	(Unaudited) 2022
	£	£
Work in progress	25,182,664	19,725,000

Impairment of stocks

The amount of reversal of impairment recognised in profit or loss is £1,307,838.

5 Creditors

Creditors: amounts falling due within one year

Creditors include bank loans which are secured of £16,206,919 (2022 - £Nil).

Creditors include balances due to related parties of £11,396,834 (2022 - £Nil)

4WC Ltd

Notes to the Abridged Financial Statements for the Year Ended 31 December 2023

Creditors: amounts falling due after more than one year

Creditors include bank loans which are secured of £Nil (2022 - £10,902,010).

Creditors include balances due to related parties of £Nil (2022 - £11,392,563).

6 Related party transactions

Summary of transactions with other related parties

Included in cost of sales are development costs of £4,134,226 (2022: £2,173,795). The company is connected to 4WC Ltd by common directorship.

Loans from related parties

	Entities with joint control or significant influence £	Other related parties £	Total £
2023			
At start of period	11,197,766	194,797	11,392,563
Advanced	-	9,085	9,085
Repaid	(4,814)	-	(4,814)
	<u>11,192,952</u>	<u>203,882</u>	<u>11,396,834</u>
At end of period			
	<u>11,192,952</u>	<u>203,882</u>	<u>11,396,834</u>
	Entities with joint control or significant influence £	Other related parties £	Total £
2022			
At start of period	10,810,000	179,008	10,989,008
Advanced	387,766	15,789	403,555
	<u>11,197,766</u>	<u>194,797</u>	<u>11,392,563</u>
At end of period			
	<u>11,197,766</u>	<u>194,797</u>	<u>11,392,563</u>

Terms of loans from related parties

The above loan from entities with joint control or significant influence are unsecured, interest free and is repayable once the company is in receipt of the cleared funds from the sale of the property.

The above loan from other related parties is unsecured, interest free and is repayable on demand.

4WC Ltd

Notes to the Abridged Financial Statements for the Year Ended 31 December 2023

7 Parent and ultimate parent undertaking

The ultimate parent is FC Property Fund Ltd, incorporated in Jersey.

8 Non adjusting events after the financial period

On 12 January 2024, the repayment date for the Investec Bank Plc loan was extended to 16 July 2024.

On 8 July 2024, the directors accepted a £35m offer for the sale of the stock (property know as 4 Wilton Crescent).

On 19 July 2024, the repayment date for the Investec Bank Plc loan was extended to 15 January 2025.

On 19 July 2024, the repayment date for the FC Property Fund Ltd and FCPF CIV Ltd shareholder loans were extended and are now repayable once the company is in receipt of the cleared funds from the sale of the property.

There are no other significant events that have occurred at the date of signing which require disclosure in the financial statements.

9 Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 24 July 2024 was Mr. Shantilal Kalyan Varsani, who signed for and on behalf of Varsani Joseph Limited.

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