



Company Registration No. 03046776 (England and Wales)

HIGHGATE PROPERTIES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
PAGES FOR FILING WITH REGISTRAR

HIGHGATE PROPERTIES LIMITED

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HIGHGATE PROPERTIES LIMITED

BALANCE SHEET

AS AT 30 JUNE 2020

		2020		2019 as restated	
	Notes	£	£	£	£
Fixed assets					
Investment properties	3		15,426,200		15,426,200
Current assets					
Debtors	4	862,879		874,098	
Cash at bank and in hand		543,934		609,674	
		<u>1,406,813</u>		<u>1,483,772</u>	
Creditors: amounts falling due within one year	5	<u>(10,139,669)</u>		<u>(636,327)</u>	
Net current (liabilities)/assets			<u>(8,732,856)</u>		<u>847,445</u>
Total assets less current liabilities			<u>6,693,344</u>		<u>16,273,645</u>
Creditors: amounts falling due after more than one year	6		(95,803)		(9,616,490)
Provisions for liabilities			<u>(1,796,528)</u>		<u>(1,796,528)</u>
Net assets			<u>4,801,013</u>		<u>4,860,627</u>
Capital and reserves					
Called up share capital			100		100
Revaluation reserve			4,222,964		4,222,964
Profit and loss reserves			<u>577,949</u>		<u>637,563</u>
Total equity			<u>4,801,013</u>		<u>4,860,627</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 June 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

HIGHGATE PROPERTIES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2020

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

K L J Attwood

Director

Company Registration No. 03046776

HIGHGATE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

Company information

Highgate Properties Limited is a private company limited by shares incorporated in England and Wales. The registered office is 5-11 Worship Street, London, EC2A 2BH.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Director has considered the potential impact of the coronavirus, and the various measures taken to contain it, on the operations of the Company. All tenants have kept to their lease commitments throughout the pandemic. Although some tenants have chosen not to renew their lease upon termination, they are confident on reletting the space within a realistic timeframe. The self-contained offices have a high-quality finish, are excellently located and are of a good size. No immediate concerns in relation to the Company's long-term future have been identified but this area continues to be monitored. The Director is satisfied that the steps they have taken in the short term are appropriate and effective.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

HIGHGATE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

HIGHGATE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

1.10 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	1	1

3 Investment property

	2020 £
Fair value	
At 1 July 2019 and 30 June 2020	15,426,200

The fair value of the investment property has been arrived at on the basis of a valuation carried out on 9 November 2015 by CBRE, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. The director considers that this valuation is still appropriate as at the reporting date.

4 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	47,821	-
Amounts owed by group undertakings and undertakings in which the company has a participating interest	659,042	643,542
Other debtors	156,016	230,556
	862,879	874,098

HIGHGATE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

5 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans	9,500,000	-
Trade creditors	9,406	5,319
Taxation and social security	48,189	35,328
Other creditors	582,074	595,680
	<u>10,139,669</u>	<u>636,327</u>

The bank loan is secured by a fixed charge over the investment property.

Finance lease liabilities of £29,048 (2019 £33,625) are secured by a charge over the asset to which the finance relates.

6 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans and overdrafts	-	9,500,000
Other creditors	95,803	116,490
	<u>95,803</u>	<u>9,616,490</u>

The bank loan is secured by a fixed charge over the investment property.

Finance lease liabilities of £95,803 (2019 £116,490) are secured by a charge over the asset to which the finance relates.

7 Revaluation reserve

	2020 £	2019 £
At the beginning and end of the year	<u>4,222,964</u>	<u>4,222,964</u>

8 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020 £	2019 £
	<u>4,366</u>	<u>8,731</u>

HIGHGATE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

9 Prior period adjustment

Reconciliation of changes in equity

	Notes	1 July 2018 £	30 June 2019 £
Adjustments to prior year			
Loan interest and hedging charges	(i)	(89,052)	(131,052)
Equity as previously reported		5,383,111	4,991,679
		<u> </u>	<u> </u>
Equity as adjusted		5,294,059	4,860,627
		<u> </u>	<u> </u>

Reconciliation of changes in profit for the previous financial period

	Notes	2019 £
Adjustments to prior year		
Loan interest and hedging charges	(i)	(41,800)
Profit as previously reported		124,568
		<u> </u>
Profit as adjusted		82,768
		<u> </u>

Notes to reconciliation

(i) Loan interest and hedging charges

During the year the company reviewed how they account for the timing of loan interest costs and related interest hedging charges. The policy has been amended to more accurately reflect the costs in the period to which they relate and a prior year adjustment has been required to reflect this.

