

Company registration number 04972088 (England and Wales)

REAL IDEAS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022
PAGES FOR FILING WITH REGISTRAR

REAL IDEAS LIMITED

CONTENTS

	Page
Statement of financial position	1
Notes to the financial statements	2 - 5

REAL IDEAS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 JANUARY 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Investment properties	4		6,000,000		6,000,000
Current assets					
Debtors	5	125,213		49,477	
Cash at bank and in hand		195,496		106,885	
		<u>320,709</u>		<u>156,362</u>	
Creditors: amounts falling due within one year	6	<u>(3,010,644)</u>		<u>(1,272,060)</u>	
Net current liabilities			<u>(2,689,935)</u>		<u>(1,115,698)</u>
Total assets less current liabilities			3,310,065		4,884,302
Creditors: amounts falling due after more than one year	7		-		(1,806,256)
Net assets			<u>3,310,065</u>		<u>3,078,046</u>
Capital and reserves					
Called up share capital	8		100		100
Non-distributable profits reserve	9		1,239,268		1,239,268
Distributable profit and loss reserves			<u>2,070,697</u>		<u>1,838,678</u>
Total equity			<u>3,310,065</u>		<u>3,078,046</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 January 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has 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.

The financial statements were approved by the board of directors and authorised for issue on 25 October 2022 and are signed on its behalf by:

Mr A D Samuels
Director

Company Registration No. 04972088

REAL IDEAS LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 JANUARY 2022

1 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Accounting policies

Company information

Real Ideas Limited is a private company limited by shares incorporated in England and Wales. The registered office is 314 Regent Park Road, Finchley, London, N3 2JX.

2.1 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.

2.2 Going concern

Although total current liabilities exceed total current assets, the company's going concern is not in any doubt, as the company's holding company, BM Samuels Finance Group plc and other creditors have agreed to continue supporting the company for the foreseeable future.

2.3 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.

2.4 Cash at bank and in hand

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.

REAL IDEAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

2 Accounting policies

(Continued)

2.5 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 statement of financial position 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, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

2.6 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

2.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

REAL IDEAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

2 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2.8 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

3 Employees

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

	2022 Number	2021 Number
Total	3	3

4 Investment property

	2022 £
Fair value	
At 1 February 2021 and 31 January 2022	6,000,000

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 January 2022 by the directors of the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

REAL IDEAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

5 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	77,289	28,625
Other debtors	40,388	8,353
Prepayments and accrued income	7,536	12,499
	<u>125,213</u>	<u>49,477</u>

6 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	1,020,000	104,447
Amounts owed to group undertakings	1,885,394	1,065,367
Corporation tax	51,325	50,904
Accruals and deferred income	53,925	51,342
	<u>3,010,644</u>	<u>1,272,060</u>

7 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	-	1,806,256

Total loans and other borrowings amounting to £1,020,000 (2021: £1,910,703) are secured by fixed and floating charges over the company's investment property and assets.

8 Called up share capital

	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary of £1 each	100	100	100	100

9 Non-distributable profits reserve

	2022	2021
	£	£
At the beginning and end of the year	<u>1,239,268</u>	<u>1,239,268</u>

