

Registered number: 09416082

1-2 HEPSCOTT ROAD LIMITED

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 AUGUST 2023



1-2 HEPSCOTT ROAD LIMITED

COMPANY INFORMATION

Directors	H T Smith (resigned 28 March 2024) C Reynolds C Spires
Registered number	09416082
Registered office	First Floor Kirkdale House Kirkdale Road Leytonstone London E11 1HP
Independent auditors	Moore Kingston Smith LLP Chartered Accountants & Registered Auditors 9 Appold Street London EC2A 2AP

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REGISTERED NUMBER: 09416082

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Investment property	4	23,355,000	20,395,000
		<u>23,355,000</u>	<u>20,395,000</u>
Current assets			
Debtors: amounts falling due within one year	5	380,481	269,405
Cash at bank and in hand	6	115,208	234,336
		<u>495,689</u>	<u>503,741</u>
Creditors: amounts falling due within one year	7	<u>(2,627,675)</u>	<u>(15,532,099)</u>
Net current liabilities		(2,131,986)	(15,028,358)
Total assets less current liabilities		21,223,014	5,366,642
Creditors: amounts falling due after more than one year	8	(15,784,882)	-
Provisions for liabilities			
Deferred tax	10	<u>(1,288,156)</u>	<u>(1,140,519)</u>
		(1,288,156)	(1,140,519)
Net assets		4,149,976	4,226,123
Capital and reserves			
Called up share capital	11	100	100
Revaluation reserve		4,377,000	4,275,750
Profit and loss account		<u>(227,124)</u>	<u>(49,727)</u>
		4,149,976	4,226,123

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

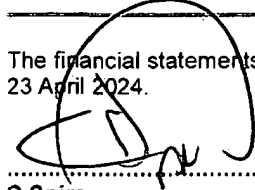
The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 AUGUST 2023

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 April 2024.



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C Spires
Director

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2023

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 September 2022	100	4,275,750	(49,727)	4,226,123
Comprehensive income for the year				
Loss for the year	-	-	(76,147)	(76,147)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(76,147)	(76,147)
Transfer to/from profit and loss account	-	101,250	(101,250)	-
Total transactions with owners	-	101,250	(101,250)	-
At 31 August 2023	100	4,377,000	(227,124)	4,149,976

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2022

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 September 2021	100	3,180,485	(164,137)	3,016,448
Comprehensive income for the year				
Profit for the year	-	-	1,209,675	1,209,675
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	1,209,675	1,209,675
Transfer to/from profit and loss account	-	1,095,265	(1,095,265)	-
Total transactions with owners	-	1,095,265	(1,095,265)	-
At 31 August 2022	100	4,275,750	(49,727)	4,226,123

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. General information

1-2 Hepscott Road Limited is a private limited company domiciled and incorporated in England and Wales. The registered office is First floor Kirkdale House, Kirkdale Road, Leytonstone, London, E11 1HP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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 pound.

The following principal accounting policies have been applied:

2.2 Going concern

The directors believe that the company will be able to continue to operate and meet its liabilities as they fall due for a period of at least one year from the date of approval of the financial statements. The financial statements have therefore been prepared on a going concern basis.

2.3 Revenue

Turnover comprises revenue recognised by the Company in respect of rental income receivable, exclusive of VAT.

2.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest 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.

2.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.6 Current and deferred taxation

The tax expense represents the tax currently payable.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 are 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 profit and loss account. 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.

2.7 Investment property

Investment property is carried at fair value determined annually by internally and 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. No depreciation is provided. Changes in fair value are recognised in profit or loss.

2.8 Cash and cash equivalents

Cash and cash equivalents 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.

2.9 Financial instruments

Basic financial instruments are measured at cost. The Company has no financial instruments measured at fair value or classified as a financial instrument under FRS 102.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

3. Taxation

	2023 £	2022 £
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	147,637	520,415
Total deferred tax	147,637	520,415
Taxation on profit on ordinary activities	147,637	520,415

4. Investment property

	Freehold investment property £
Valuation	
At 1 September 2022	20,395,000
Additions at cost	2,825,000
Surplus on revaluation	135,000
At 31 August 2023	23,355,000
Comprising	
Cost	17,587,494
Annual revaluation surplus/(deficit):	
2022	5,632,506
2023	135,000
At 31 August 2023	23,355,000

The 2023 valuations were made internally by an employee of the group, who is MRICS (Member of Royal Institute of Chartered Surveyors), on an open market value for existing use basis).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. Debtors

	2023 £	2022 £
Trade debtors	159,589	-
Other debtors	220,892	269,405
	<u>380,481</u>	<u>269,405</u>

6. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	115,208	234,336
	<u>115,208</u>	<u>234,336</u>

7. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	-	11,104,683
Trade creditors	21,138	15,135
Other taxation and social security	4,323	3,846
Other creditors	2,602,214	4,408,435
	<u>2,627,675</u>	<u>15,532,099</u>

8. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans	16,000,000	-
Prepaid loan arrangement fees	(215,118)	-
	<u>15,784,882</u>	<u>-</u>

Bank loans are net of prepaid loan arrangement fees of £215,118 (2022: £4,057) and are secured by a first legal charge over the properties owned by the Company, and a debenture over all the Company's assets. The aggregate amount of secured liabilities is £16,000,000 (2022: £11,108,739).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Loans

Analysis of the maturity of loans is given below.

	2023 £	2022 £
Amounts falling due within one year		
Bank loans	-	11,104,683
	-	11,104,683
Amounts falling due 2-5 years		
Bank loans	16,000,000	-
Prepaid loan arrangement fees	(215,118)	-
	15,784,882	-
	15,784,882	11,104,683

10. Deferred taxation

	2023 £
At beginning of year	(1,140,519)
Charged to profit or loss	(147,637)
At end of year	(1,288,156)

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Unrealised gain on revaluation of investment properties	(1,390,506)	(1,356,756)
Tax losses carried forward	18,137	132,024
Carried forward capital allowances	84,213	84,213
	(1,288,156)	(1,140,519)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

11. Share capital

	2023	2022
	£	£
Allotted, called up and fully paid		
100 (2022 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

12. Related party transactions

At the year end the Company owed £2,327,547 (2022: £4,217,545) to a company with a common director.

During the year the company purchased investment property of £2,700,000 (2022: £Nil) from a company with a common director. This excludes stamp duty and other miscellaneous cost.

13. Controlling party

The parent company is Childer Street Holdings Limited.

14. Auditors' information

The auditors' report on the financial statements for the year ended 31 August 2023 was unqualified.

The audit report was signed on 23 April 2024 by Steve Rushmer (Senior statutory auditor) on behalf of Moore Kingston Smith LLP.