

Company Registration No. 11734138 (England and Wales)

2JZ PROPERTIES LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
PAGES FOR FILING WITH REGISTRAR

2JZ PROPERTIES LTD

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2JZ PROPERTIES LTD

BALANCE SHEET

AS AT 31 MARCH 2021

| | Notes | 2021 | | 2020 | |
|--|-------|--------------------|--------------------|--------------------|--------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Investment properties | 4 | | 10,900,615 | | 10,894,573 |
| Current assets | | | | | |
| Debtors | 5 | 277,333 | | 298,444 | |
| Cash at bank and in hand | | 384,066 | | 344,825 | |
| | | <u>661,399</u> | | <u>643,269</u> | |
| Creditors: amounts falling due within one year | 6 | <u>(5,470,985)</u> | | <u>(5,521,434)</u> | |
| Net current liabilities | | | <u>(4,809,586)</u> | | <u>(4,878,165)</u> |
| Total assets less current liabilities | | | 6,091,029 | | 6,016,408 |
| Creditors: amounts falling due after more than one year | 7 | | (5,986,000) | | (5,986,000) |
| Provisions for liabilities | | | <u>(1,794,664)</u> | | <u>(1,363,945)</u> |
| Net liabilities | | | <u>(1,689,635)</u> | | <u>(1,333,537)</u> |
| Capital and reserves | | | | | |
| Called up share capital | | | 1,000 | | 1,000 |
| Profit and loss reserves | 8 | | <u>(1,690,635)</u> | | <u>(1,334,537)</u> |
| Total equity | | | <u>(1,689,635)</u> | | <u>(1,333,537)</u> |

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

For the financial year ended 31 March 2021 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.

2JZ PROPERTIES LTD

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

The financial statements were approved by the board of directors and authorised for issue on 14 December 2021 and are signed on its behalf by:

M Mehta
Director

Company Registration No. 11734138

2JZ PROPERTIES LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

2JZ Properties Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Argyle House, 1st Floor South Entrance, Joel Street, Northwood Hills, Middlesex, HA6 1NW.

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 Reporting period

Last year was the first reporting period of the company from incorporation on 19 December 2018 to 31 March 2020 and it was a long period. This is a twelve month period and hence the amounts are not comparable.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable during the period in respect of rental 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.

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.

2JZ PROPERTIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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.

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 Taxation

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

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.

2JZ PROPERTIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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 profit and loss account, 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.

1.9 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 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.

2JZ PROPERTIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Employees

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

| | 2021 Number | 2020 Number |
|-------|----------------|----------------|
| Total | - | - |

4 Investment property

| | 2021 £ |
|-------------------|------------|
| Fair value | |
| At 1 April 2020 | 10,894,573 |
| Additions | 6,042 |
| At 31 March 2021 | 10,900,615 |

The fair value of the investment properties have been arrived at on the open market basis of valuation carried out at the balance sheet date by the directors. These valuations have been incorporated in these financial statements.

The historical cost of the investment properties that has been acquired from a group company at the balance sheet date amounted to £10,900,615 (2020 £10,894,573).

5 Debtors

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 2,439 | 1,449 |
| Amounts owed by group undertakings | 121,347 | 121,281 |
| Other debtors | 153,547 | 175,714 |
| | 277,333 | 298,444 |

6 Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------------|-----------|-----------|
| Trade creditors | 16,348 | 171,802 |
| Amounts owed to group undertakings | 5,343,107 | 5,236,095 |
| Other creditors | 111,530 | 113,537 |
| | 5,470,985 | 5,521,434 |

2JZ PROPERTIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Creditors: amounts falling due after more than one year

| | 2021 | 2020 |
|---------------------------|-----------|-----------|
| | £ | £ |
| Bank loans and overdrafts | 5,986,000 | 5,986,000 |

The long term bank loans are repayable after 5 years and are secured by a fixed and floating charge over all the property owned by the company as well as that of Aurient K6 Limited Aurient Investments N16 Limited, both fellow subsidiaries. All three companies received a total loan of £16,100,000 in proportion to the market value of the investment properties that they own. They are jointly and severally liable for the loan received. The borrowings in Aurient K6 Limited amount to £1,357,000 and in Aurient Investments Limited amount to £8,757,000 at the balance sheet date.

8 Profit and loss reserves

At the balance sheet date the company had distributable reserves that amount to £104,029 (2020 £29,408) as included within the profit and loss reserves.

9 Financial commitments, guarantees and contingent liabilities

The company is registered for value added tax purposes in a group of companies which share a common registration number. As a result it has jointly guaranteed the value added tax liability of the group member companies and failure by other members of the group would give rise to additional liabilities for the company.

The company is also jointly and severally liable for the bank loan in Aurient K6 Limited and 2JZ Properties Limited as per Note 6 above.

10 Related party transactions

At the balance sheet date, the company owed £5,343,107 (2020 £5,236,095) to other group companies.

At the balance sheet date, the company was owed £121,347 (2020 £121,281) by other group companies.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.