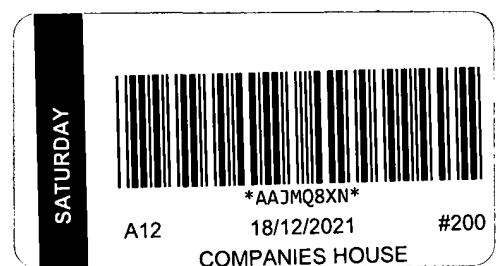


Company Registration No. 12545503 (England and Wales)

CAERNARFON PROPERTIES LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021
PAGES FOR FILING WITH REGISTRAR



CAERNARFON PROPERTIES LIMITED

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CAERNARFON PROPERTIES LIMITED

BALANCE SHEET

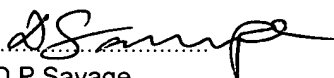
AS AT 30 JUNE 2021

	Notes	2021 £	£
Current assets			
Stocks	3	1,818,954	
Debtors	4	21,586	
		<u>1,840,540</u>	
Creditors: amounts falling due within one year	5	<u>(1,845,777)</u>	
Net current liabilities			<u>(5,237)</u>
Capital and reserves			
Called up share capital	6		100
Profit and loss reserves			<u>(5,337)</u>
Total equity			<u>(5,237)</u>

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

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 and signed by the director and authorised for issue on 15/12/21


D P Savage
Director

Company Registration No. 12545503

CAERNARFON PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021

1 Accounting policies

Company information

Caernarfon Properties Limited is a private company limited by shares incorporated in England and Wales. The registered office is Alliance House, Westpoint Enterprise Park, Clarence Avenue, Trafford Park, Manchester, M17 1QS.

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

At the time of approving the financial statements, the Director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

The company is reliant on the continued support of the parent company, Property Alliance Group Limited. Property Alliance Group Limited is considered to have the ability to continue to support the company for at least the next 12 months despite the current uncertain economic outlook related to the Covid-19 pandemic.

After reviewing the company's forecasts and projections, the director has a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Reporting period

The reporting period is for a duration of 15 months, from 3 April 2020 to 30 June 2021. The reporting period was extended as to align with group companies.

CAERNARFON PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.4 Stocks

Land and building development costs, which have not achieved practical completion at the balance sheet date or an unconditional contract to sell the property has not been exchanged at the balance sheet date, are accounted for as work in progress.

Work in progress is valued on the basis of direct costs such as acquisition and development costs plus attributable overheads including interest and any estimated losses on long term contracts directly linked to the overall development project.

Work in progress is valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price less further costs expected to be incurred to completion and disposal.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of work in progress over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

On completion of a development, an assessment is made of any further costs which may be incurred by the company and an appropriate accrual or provision is made. Provision is made for foreseeable losses where appropriate. No element of profit is included in the valuation of land and buildings development costs.

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' 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.

CAERNARFON PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

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.

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.

CAERNARFON PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2021

2 Employees

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

	2021 Number
Total	1

3 Stocks

	2021 £
Stocks	1,818,954

The properties held in stock are secured. The loan is recognised in Dragon Investments Limited, the parent company.

4 Debtors

	2021 £
Amounts falling due within one year:	
Other debtors	21,586

5 Creditors: amounts falling due within one year

	2021 £
Trade creditors	42,910
Amounts owed to group undertakings	1,768,617
Other creditors	34,250
	<u>1,845,777</u>

6 Called up share capital

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

CAERNARFON PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2021

7 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Zoë Duffy BFP FCA and the auditor was UHY Hacker Young Manchester LLP.

8 Parent company

By virtue of its shareholding, Dragon Investments Limited is the parent company. Property Alliance Group Limited is the ultimate parent company and is ultimately controlled by D Russell by virtue of his shareholding in Property Alliance Group Limited, a company registered in England and Wales.

The consolidated financial statements of the group may be obtained from Property Alliance Group Limited at Alliance House, Westpoint Enterprise Park, Clarence Avenue, Trafford Park, Manchester, M17 1QS.