

Company Registration No. 01609157 (England and Wales)

BAYLIGHT PROPERTIES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2019
PAGES FOR FILING WITH REGISTRAR

BAYLIGHT PROPERTIES LIMITED

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BAYLIGHT PROPERTIES LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 NOVEMBER 2019

		2019		2018	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3	1,354,780		1,371,990	
Investment properties	4	6,634,426		6,532,660	
Investments	5	1,427,407		1,401,598	
		9,416,613		9,306,248	
Current assets					
Stocks		6,936,197		3,939,881	
Debtors	6	13,875,928		16,269,391	
Cash at bank and in hand		597,719		293,022	
		21,409,844		20,502,294	
Creditors: amounts falling due within one year	7	(9,325,637)		(929,818)	
Net current assets		12,084,207		19,572,476	
Total assets less current liabilities		21,500,820		28,878,724	
Creditors: amounts falling due after more than one year	8	-		(5,900,774)	
Provisions for liabilities		(453,263)		(412,666)	
Net assets		21,047,557		22,565,284	
Capital and reserves					
Called up share capital	9	50,000		50,000	
Share premium account	10	1,077,761		1,077,761	
Capital redemption reserve	10	10,261		10,261	
Other reserves	10	3,712,657		3,688,835	
Profit and loss reserves	10	16,196,878		17,738,427	
Total equity		21,047,557		22,565,284	

BAYLIGHT PROPERTIES LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 NOVEMBER 2019

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 30 November 2019 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 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.

The financial statements were approved by the board of directors and authorised for issue on 27 July 2020 and are signed on its behalf by:

C N B Kelly
Director

Company Registration No. 01609157

BAYLIGHT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2019

1 Accounting policies

Company information

Baylight Properties Limited is a private company limited by shares incorporated in England and Wales. The registered office is 30 City Road, London, EC1Y 2AB. The principal place of business is 71 Queensway, London, W2 4QH.

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 investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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.

Dividend income from investment in shares are recognised when the dividends have been declared.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold properties	Over lease period of 10 years
Fixtures, fittings & equipment	20% on a reducing balance basis
Motor vehicles	25% on a reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

BAYLIGHT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

1 Accounting policies

(Continued)

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.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

The fair value is determined by the directors with the benefit of professional external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any differences in the nature or location of the specified asset.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

Investment in listed entities are initially recorded at costs and subsequently measured at market value by reference to the stock price as at the year end. The fair value movement is recognised in the income statement.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

BAYLIGHT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks 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.

1.8 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 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 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

BAYLIGHT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 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.

1.11 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 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.

BAYLIGHT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

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 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.

1.12 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.

1.13 Retirement benefits

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

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Employees

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

	2019 Number	2018 Number
Total	6	6

BAYLIGHT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 December 2018	1,411,023	105,325	1,516,348
Additions	-	4,821	4,821
At 30 November 2019	1,411,023	110,146	1,521,169
Depreciation and impairment			
At 1 December 2018	76,827	67,531	144,358
Depreciation charged in the year	14,110	7,921	22,031
At 30 November 2019	90,937	75,452	166,389
Carrying amount			
At 30 November 2019	1,320,086	34,694	1,354,780
At 30 November 2018	1,334,196	37,794	1,371,990

4 Investment property

	2019 £
Fair value	
At 1 December 2018	6,532,660
Additions	102,552
Revaluations	(786)
At 30 November 2019	6,634,426

The fair value of investment properties at the reporting date was based on a valuation carried out by the directors. The valuation was arrived at by reference to market evidence of transaction prices for similar properties in its location, together with a review of property rental yields. No depreciation is provided in respect of these properties.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2019 £	2018 £
Cost	3,684,178	3,581,626
Accumulated depreciation	-	-
Carrying amount	3,684,178	3,581,626

BAYLIGHT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

5 Fixed asset investments

	2019 £	2018 £
Shares in group undertakings and participating interests	616,635	656,031
Other investments other than loans	810,772	745,567
	<u>1,427,407</u>	<u>1,401,598</u>

Included within 'other investments other than loans' includes investments in listed entities that are recorded at market value by reference to the stock price as at the year end.

Movements in fixed asset investments

	Shares in group undertakings and participating interests £	Other investments other than loans £	Total £
Cost or valuation			
At 1 December 2018	855,931	745,567	1,601,498
Valuation changes	(39,396)	65,205	25,809
	<u>816,535</u>	<u>810,772</u>	<u>1,627,307</u>
At 30 November 2019			
Impairment			
At 1 December 2018 & 30 November 2019	199,900	-	199,900
	<u>199,900</u>	<u>-</u>	<u>199,900</u>
Carrying amount			
At 30 November 2019	616,635	810,772	1,427,407
	<u>616,635</u>	<u>810,772</u>	<u>1,427,407</u>
At 30 November 2018	656,031	745,567	1,401,598
	<u>656,031</u>	<u>745,567</u>	<u>1,401,598</u>

6 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	17,911	314,336
Amounts owed by group undertakings	12,002,797	11,886,255
Other debtors	1,855,220	4,068,800
	<u>13,875,928</u>	<u>16,269,391</u>

Trade debtors disclosed above are measured at amortised cost.

BAYLIGHT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

6 Debtors

(Continued)

Trade debtors are stated after provisions for impairment of £nil (2018: £nil)

Included within amounts owed by group undertakings is a loan of £12,002,797 (2018: £11,886,255) that is unsecured, interest free, has no fixed date of repayment and is repayable on demand.

Included within other debtors is a loan of £974,964 (2018: £2,208,833) that is unsecured, interest free, has no fixed date of repayment and is repayable on demand.

Included within other debtors is a loan of £94,982 (2018: £nil) and interest is charged at the HM Revenue & Customs official rate. The loan is unsecured and repayable on demand.

Included within other debtors is a loan of £nil (2018: £1,069,370) that is unsecured, has interest payable at a rate of 4%, has no fixed date of repayment and is repayable on demand.

Included within other debtors is £635,488 (2018: £384,343) owed by the director. Interest is charged at the HM Revenue & Customs official rate. The loan is unsecured and repayable on demand.

7 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	8,819,144	3,163
Trade creditors	94,056	145,755
Amounts owed to group undertakings	30,739	25,471
Taxation and social security	13,067	32,997
Other creditors	368,631	722,432
	<u>9,325,637</u>	<u>929,818</u>

Included within amounts due to group undertakings is a loan of £30,739 (2018: £25,471) that is unsecured, interest free, have no fixed date of repayment and is repayable on demand.

Included within other creditors is a loan of £134,580 (2018: £491,828) that is unsecured, interest free, have no fixed date of repayment and is repayable on demand.

Bank loans and overdrafts are secured by a fixed and floating charge over all assets of the company.

The aggregate secured liability is £8,819,144 (2018: £3,163).

8 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	-	5,900,774

Bank loans due after one year are secured by way of a fixed charge over the company's assets. The loan is also secured by way of a cross guarantee with a fixed charge held by a subsidiary company.

Total aggregate secured liabilities is £nil (2018: £5,900,774).

BAYLIGHT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

9 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
50,000 Ordinary shares of £1 each	50,000	50,000

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and repayment of capital.

10 Reserves

Share premium

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Other reserves

Other reserves relate to non-distributable reserves arising from revaluation of investment property, fair value movement on investment property transferred to stock and fair value movement on listed investments less deferred tax.

Profit and loss reserves

Retained earnings represents accumulated comprehensive income for the year and prior periods less dividends paid.

11 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Management fees receivable	
	2019 £	2018 £
Entities over which the entity has control, joint control or significant influence	45,000	171,000
Other related parties	499,000	130,800

The following amounts were outstanding at the reporting end date:

	2019 £	2018 £
Amounts due to related parties		
Entities over which the entity has control, joint control or significant influence	30,739	25,471
Other related parties	162,580	519,829

BAYLIGHT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2019

11 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	Balance £	2019 Provision £	Net £
Amounts due from related parties			
Entities over which the entity has control, joint control or significant influence	35,645,948	23,643,151	12,002,797
Key management personnel	635,488	-	635,488
Other related parties	1,070,062	-	1,070,062
	<u> </u>	<u> </u>	<u> </u>
Amounts due in previous period			
Entities over which the entity has control, joint control or significant influence	34,622,047	22,748,990	11,873,057
Key management personnel	384,343	-	384,343
Other related parties	2,541,738	-	2,541,738
	<u> </u>	<u> </u>	<u> </u>

12 Directors' transactions

Description	% Rate	Opening balance £	Amounts advanced £	Interest charged £	Amounts repaid £	Closing balance £
Director's current account	2.50	384,343	605,138	31,007	(385,000)	635,488
		<u>384,343</u>	<u>605,138</u>	<u>31,007</u>	<u>(385,000)</u>	<u>635,488</u>

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.