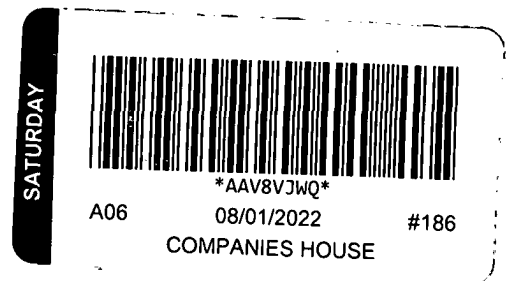


Company Registration No. 02526572 (England and Wales)

DREAMGATE PROPERTIES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
PAGES FOR FILING WITH REGISTRAR



DREAMGATE PROPERTIES LIMITED

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DREAMGATE PROPERTIES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|--|-------|------------------|-------------------|------------------|-------------------|
| Fixed assets | | | | | |
| Tangible assets | 4 | | 2,036 | | 2,545 |
| Investment properties | 5 | | 5,944,000 | | 10,974,000 |
| Investments | 6 | | 487,777 | | 487,777 |
| | | | <u>6,433,813</u> | | <u>11,464,322</u> |
| Current assets | | | | | |
| Debtors | 7 | 6,339,334 | | 6,225,284 | |
| Cash at bank and in hand | | 1,372,097 | | 975,793 | |
| | | <u>7,711,431</u> | | <u>7,201,077</u> | |
| Creditors: amounts falling due within one year | 8 | (443,382) | | (249,471) | |
| Net current assets | | | 7,268,049 | | 6,951,606 |
| Total assets less current liabilities | | | <u>13,701,862</u> | | <u>18,415,928</u> |
| Creditors: amounts falling due after more than one year | 9 | | (2,109,650) | | (5,720,688) |
| Provisions for liabilities | | | (731,590) | | (529,596) |
| Net assets | | | <u>10,860,622</u> | | <u>12,165,644</u> |
| Capital and reserves | | | | | |
| Called up share capital | | | 1,000 | | 1,000 |
| Profit and loss reserves | 10 | | 10,859,622 | | 12,164,644 |
| Total equity | | | <u>10,860,622</u> | | <u>12,165,644</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 December 2020 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.


DREAMGATE PROPERTIES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

The financial statements were approved by the board of directors and authorised for issue on 8 December 2021 and are signed on its behalf by:

S Nachoom
Director


Company Registration No. 02526572

DREAMGATE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Dreamgate Properties Limited is a private company limited by shares incorporated in England and Wales. The registered office is Pyramid House, 954 High Road, Finchley, London, N12 9RT.

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.

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 measured at the fair value of the consideration received or receivable and represents gross rents receivable in the year.

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:

| | |
|--------------------------------|----------------------|
| Computer equipment | 33.3% straight line |
| Fixtures, fittings & equipment | 20% reducing balance |

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.

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 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.

DREAMGATE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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 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.

1.7 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.

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.

DREAMGATE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.8 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.

1.9 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.

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.

DREAMGATE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Employees

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

| | 2020 Number | 2019 Number |
|-------|----------------|----------------|
| Total | 5 | 5 |

4 Tangible fixed assets

| | Plant and machinery etc £ |
|--|------------------------------------|
| Cost | |
| At 1 January 2020 and 31 December 2020 | 106,253 |
| Depreciation and impairment | |
| At 1 January 2020 | 103,708 |
| Depreciation charged in the year | 509 |
| At 31 December 2020 | 104,217 |
| Carrying amount | |
| At 31 December 2020 | 2,036 |
| At 31 December 2019 | 2,545 |

5 Investment property

| | 2020 £ |
|---------------------|-------------|
| Fair value | |
| At 1 January 2020 | 10,974,000 |
| Disposals | (5,030,000) |
| At 31 December 2020 | 5,944,000 |

The investment property is comprised of properties held for rental purposes. The fair value of the investment property has been arrived at on the basis of an independent valuation. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

DREAMGATE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Fixed asset investments

| | 2020 £ | 2019 £ |
|--|----------------|----------------|
| Shares in group undertakings and participating interests | <u>487,777</u> | <u>487,777</u> |

In the opinion of the directors the value of the company's investment in subsidiary undertakings is not less than the value included in the balance sheet.

7 Debtors

| | 2020 £ | 2019 £ |
|---|------------------|------------------|
| Amounts falling due within one year: | | |
| Trade debtors | 25,481 | 43,403 |
| Corporation tax recoverable | 47,698 | 47,698 |
| Amounts owed by group undertakings | 4,587 | 4,587 |
| Other debtors | 6,261,568 | 6,129,596 |
| | <u>6,339,334</u> | <u>6,225,284</u> |

8 Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------------|----------------|----------------|
| Bank loans and overdrafts | 5,950 | 3,621 |
| Trade creditors | 861 | 44,978 |
| Amounts owed to group undertakings | 69,683 | 49,696 |
| Corporation tax | 241,565 | 64 |
| Other taxation and social security | (256) | (256) |
| Other creditors | 125,579 | 151,368 |
| | <u>443,382</u> | <u>249,471</u> |

9 Creditors: amounts falling due after more than one year

| | 2020 £ | 2019 £ |
|---------------------------|------------------|------------------|
| Bank loans and overdrafts | <u>2,109,650</u> | <u>5,720,688</u> |

10 Profit and loss reserves

At the year end, there were distributable reserves of £6,217,596 (2019 - £4,131,117).

11 Related party transactions

Transactions with related parties

DREAMGATE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Related party transactions

(Continued)

During the year management fees of £140,661 (2019 - £170,054) were paid to a close family member of a director.

12 Directors' transactions

Advances or credits have been granted by the company to its directors as follows:

| Description | % Rate | Opening balance £ | Amounts repaid £ | Closing balance £ |
|----------------------------------|-----------|-------------------------|------------------------|-------------------------|
| S Nachoom - Advances and credits | - | 46,041 | (4,211) | 41,830 |
| | | <u>46,041</u> | <u>(4,211)</u> | <u>41,830</u> |