
GALLIPOLI CAFE LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 29 FEBRUARY 2020

GALLIPOLI CAFE LIMITED
REGISTERED NUMBER: 03514051

BALANCE SHEET
AS AT 29 FEBRUARY 2020

	Note	29 February 2020 £	28 February 2019 £
Fixed assets			
Tangible assets	5	125,042	153,822
Investment property	6	24,397,677	24,311,246
		<u>24,522,719</u>	<u>24,465,068</u>
Current assets			
Debtors: amounts falling due within one year	7	181,948	213,534
Cash at bank and in hand	8	64,163	55,318
		<u>246,111</u>	<u>268,852</u>
Creditors: amounts falling due within one year	9	(1,208,391)	(1,190,924)
Net current liabilities		<u>(962,280)</u>	<u>(922,072)</u>
Total assets less current liabilities		<u>23,560,439</u>	<u>23,542,996</u>
Creditors: amounts falling due after more than one year	10	(14,235,247)	(14,219,156)
Provisions for liabilities			
Deferred tax	12	(1,214,640)	(1,214,640)
		<u>(1,214,640)</u>	<u>(1,214,640)</u>
Net assets		<u><u>8,110,552</u></u>	<u><u>8,109,200</u></u>
Capital and reserves			
Called up share capital	13	1,000	1,000
Profit and loss account	14	8,109,552	8,108,200
		<u><u>8,110,552</u></u>	<u><u>8,109,200</u></u>

GALLIPOLI CAFE LIMITED
REGISTERED NUMBER: 03514051

BALANCE SHEET (CONTINUED)
AS AT 29 FEBRUARY 2020

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Mr Enver Ucar
Director

Date: 28 September 2020

The notes on pages 3 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

1. General information

Gallipoli Cafe Limited is a private company limited by share capital, incorporated in England and Wales, registration number 03514051. The address of the registered office is 291 Green Lanes, London N13 4XS.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies 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 following principal accounting policies have been applied:

2.2 Revenue

Revenue comprises rental income and other sums receivable from the company's investment properties.

The company's properties which are leased out under operating leases are included in investment property in the balance sheet. Rental income from operating leases is recognised in the income statement on a straight line basis over the lease term. Rent received in advance is deferred in the balance sheet and recognised in the period to which it relates to.

The company's properties which are rented as residential units are included in investment property in the balance sheet. Rental revenue recognition commences when the tenant takes possession or controls the physical use of the rented space and is recorded on a straight-line bases according to the tenancy agreement.

2.3 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.4 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.5 Finance costs

Finance costs are charged to the Statement of Comprehensive Income 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.

2.6 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance and straight line basis.

Depreciation is provided on the following basis:

Short-term leasehold property	- 5 years
Fixtures and fittings	- 25% reducing balance
Alterations to premises	- Over the term of the lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.9 Investment property

Investment property is carried at fair value determined annually by the Director 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 the Statement of Comprehensive Income including the Profit and Loss account.

2.10 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 4 (2019 - 3).

4. Dividends

	29 February 2020 £	28 February 2019 £
Final dividend on Ordinary Shares	85,000	64,000
	<u>85,000</u>	<u>64,000</u>

GALLIPOLI CAFE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

5. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Alterations to premises £	Total £
Cost				
At 1 March 2019	2,658	156,724	280,463	439,845
Additions	-	555	-	555
At 29 February 2020	2,658	157,279	280,463	440,400
Depreciation				
At 1 March 2019	532	126,930	158,562	286,024
Charge for the year on owned assets	532	7,587	21,215	29,334
At 29 February 2020	1,064	134,517	179,777	315,358
Net book value				
At 29 February 2020	1,594	22,762	100,686	125,042
At 28 February 2019	2,126	29,795	121,901	153,822

6. Investment property

	Freehold investment property £	Short term leasehold investment property £	Total £
Valuation			
At 1 March 2019	24,115,000	196,246	24,311,246
Additions at cost	86,431	-	86,431
At 29 February 2020	24,201,431	196,246	24,397,677

The 2020 valuations were made by the Director, Enver Ucar, on an open market value for existing use basis.

GALLIPOLI CAFE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

7. Debtors

	29 February 2020 £	<i>28 February 2019 £</i>
Other debtors	154,821	182,969
Prepayments and accrued income	27,127	30,565
	<u>181,948</u>	<u>213,534</u>

8. Cash and cash equivalents

	29 February 2020 £	<i>28 February 2019 £</i>
Cash at bank and in hand	64,164	55,316
Less: bank overdrafts	-	(1,017)
	<u>64,164</u>	<u>54,299</u>

9. Creditors: Amounts falling due within one year

	29 February 2020 £	<i>28 February 2019 £</i>
Bank overdrafts	-	1,017
Bank loans	168,385	150,000
Trade creditors	57,095	72,213
Corporation tax	24,989	10,418
Other taxation and social security	1,629	-
Other creditors	903,226	913,965
Accruals and deferred income	53,067	43,311
	<u>1,208,391</u>	<u>1,190,924</u>

GALLIPOLI CAFE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

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

	29 February 2020 £	<i>28 February 2019 £</i>
Bank loans	14,235,247	14,219,156
	<u>14,235,247</u>	<u>14,219,156</u>

11. Loans

Analysis of the maturity of loans is given below:

	29 February 2020 £	<i>28 February 2019 £</i>
Amounts falling due within one year		
Bank loans	168,385	150,000
Amounts falling due 1-2 years		
Bank loans	2,970,885	-
Amounts falling due 2-5 years		
Bank loans	1,757,234	3,557,942
Amounts falling due after more than 5 years		
Bank loans	9,507,128	10,661,214
Total bank loans	<u>14,403,632</u>	<u>14,369,156</u>

The company has entered into various interest only bank loan arrangements at fixed and variable rates of interest. Bank loans are secured over the investment properties of the company.

12. Deferred taxation

	2020 £
At beginning of year	(1,214,640)
Charged to the profit or loss	-
At end of year	<u>(1,214,640)</u>

GALLIPOLI CAFE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

12. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	29 February 2020 £	28 February 2019 £
Fair value movements	(1,214,640)	(1,214,640)

13. Share capital

	29 February 2020 £	28 February 2019 £
Allotted, called up and fully paid		
1,000 (2019 - 1,000) Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

14. Reserves

Profit and loss account

The profit and loss account includes historical distributable and non-distributable profit and losses less distributions. Non-distributable profits at the year end are £5,178,204 (2019: £5,178,204)

15. Director's personal guarantees

The director has provided a personal guarantee in respect of certain company bank loans which are limited to £295,250 plus interest and costs.

16. Related party transactions

Included within Other Creditor at the year end is a loan amount of £849,604 (2019: £857,226) due to the Director. The loan is unsecured and repayable on demand. The Director has charged the company interest of £19,602 (2019: £17,948) which is equal to the bank loan interest incurred in raising personal finance of £850,000 which has been loaned to the company.

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.