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**CANDLELIGHT PROPERTY LIMITED**

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**UNAUDITED**  
**FINANCIAL STATEMENTS**  
**INFORMATION FOR FILING WITH THE REGISTRAR**  
**FOR THE YEAR ENDED 31 MARCH 2021**



**CANDLELIGHT PROPERTY LIMITED**  
**REGISTERED NUMBER: 03839081**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	4	288,266	288,511
Investment property	5	9,078,620	8,793,824
		<u>9,366,886</u>	<u>9,082,335</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	2,507,199	2,094,508
Cash at bank and in hand	7	44,401	25,425
		<u>2,551,600</u>	<u>2,119,933</u>
Creditors: amounts falling due within one year	8	(1,482,046)	(3,286,245)
<b>Net current assets/(liabilities)</b>		<u>1,069,554</u>	<u>(1,166,312)</u>
<b>Total assets less current liabilities</b>		<u>10,436,440</u>	<u>7,916,023</u>
Creditors: amounts falling due after more than one year	9	(8,367,210)	(6,404,662)
<b>Provisions for liabilities</b>			
Deferred tax	11	(596,123)	(560,781)
		<u>(596,123)</u>	<u>(560,781)</u>
<b>Net assets</b>		<u><u>1,473,107</u></u>	<u><u>950,580</u></u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		1,473,007	950,480
		<u><u>1,473,107</u></u>	<u><u>950,580</u></u>

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**CANDLELIGHT PROPERTY LIMITED**  
**REGISTERED NUMBER: 03839081**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 MARCH 2021**

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The directors consider 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 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 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 on 17 December 2021.



**D H Simpson**  
Director

The notes on pages 3 to 13 form part of these financial statements.

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## CANDLELIGHT PROPERTY LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 1. General information

The Company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office and principal place of business is:

TS2 Pinewood Business Park  
Coleshill Road  
Solihull  
West Midlands  
B37 7HG

The principal activity of the Company is the provision of commercial serviced offices.

#### 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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The following principal accounting policies have been applied:

##### 2.2 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

##### 2.3 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

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## CANDLELIGHT PROPERTY LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 2. Accounting policies (continued)

##### 2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

##### 2.5 Finance costs

Finance costs are charged to profit or loss 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 profit or loss in the year in which they are incurred.

##### 2.7 Pensions

###### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

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## CANDLELIGHT PROPERTY LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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## 2. Accounting policies (continued)

### 2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting 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 Statement of Financial Position 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 reporting date.

### 2.9 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, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	- 8%
Computer equipment	- 20%
Other fixed assets	- 20%

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 profit or loss.

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## CANDLELIGHT PROPERTY LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 2. Accounting policies (continued)

##### 2.10 Investment property

Investment property is carried at fair value determined annually by external valuers 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 profit or loss.

##### 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 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.

##### 2.13 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 profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position 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 Statement of Financial Position.

##### 2.14 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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**CANDLELIGHT PROPERTY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**2. Accounting policies (continued)**

**2.14 Financial instruments (continued)**

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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.

**3. Employees**

The average monthly number of employees, including directors, during the year was 6 (2020 - 6).

**4. Tangible fixed assets**

	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>Cost or valuation</b>				
At 1 April 2020	510,070	33,539	11,700	555,309
Additions	67,486	4,516	-	72,002
At 31 March 2021	577,556	38,055	11,700	627,311
<b>Depreciation</b>				
At 1 April 2020	249,383	17,415	-	266,798
Charge for the year on owned assets	65,407	6,840	-	72,247
At 31 March 2021	314,790	24,255	-	339,045
<b>Net book value</b>				
At 31 March 2021	262,766	13,800	11,700	288,266
At 31 March 2020	260,687	16,124	11,700	288,511



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**CANDLELIGHT PROPERTY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**5. Investment property**

	Freehold investment property £	Long term leasehold investment property £	Total £
<b>Valuation</b>			
At 1 April 2020	4,250,983	4,542,841	8,793,824
Additions at cost	93,100	5,685	98,785
Surplus on revaluation	191,696	(5,685)	186,011
Transfers between classes	42,841	(42,841)	-
<b>At 31 March 2021</b>	<b>4,578,620</b>	<b>4,500,000</b>	<b>9,078,620</b>

The 2021 valuations were made by BNP Paribas, on an open market value for existing use basis.

If the investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2021 £	2020 £
Historic cost	5,941,132	5,842,347
	<b>5,941,132</b>	<b>5,842,347</b>

**6. Debtors**

	2021 £	2020 £
Trade debtors	102,809	51,011
Amounts owed by group undertakings	2,359,370	1,958,495
Other debtors	952	1,232
Prepayments and accrued income	44,068	83,770
	<b>2,507,199</b>	<b>2,094,508</b>

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**CANDLELIGHT PROPERTY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**7. Cash and cash equivalents**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	<b>44,401</b>	25,425
	<b>44,401</b>	25,425

**8. Creditors: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>359,221</b>	142,905
Other loans	<b>440,954</b>	2,221,413
Trade creditors	<b>91,076</b>	112,426
Other taxation and social security	<b>71,294</b>	22,732
Other creditors	<b>363,430</b>	558,716
Accruals and deferred income	<b>156,071</b>	228,053
	<b>1,482,046</b>	3,286,245

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**9. Creditors: Amounts falling due after more than one year**

	2021 £	2020 £
Bank loans	6,268,885	6,183,106
Other loans	2,098,325	221,556
	<u>8,367,210</u>	<u>6,404,662</u>

The following liabilities were secured:

	2021 £	2020 £
Bank loans	6,628,106	6,326,011
Other secured loans	2,485,698	2,221,413
	<u>9,113,804</u>	<u>8,547,424</u>

Details of security provided:

The bank loans include a mortgage of £6,183,106 (2020 - £6,326,011) secured against all investment properties held by the Company, investment property held in XYZ Partnership, a partnership in which the directors and a family member have a 100% interest, and an investment property held by a fellow subsidiary, TSII Limited. The loan is repayable over a 5 year term, with interest currently charged at a rate of 2.85%. During the year, the Company borrowed a further £445,000 with a 6 year term. This lending facility is supported by the UK Government's Coronavirus Business Interruption Loan Scheme created in response to COVID-19. Under this scheme, interest due during the first 12 months from the date of drawdown is payable by the UK Government, thereafter interest on the loan is charged at a fixed rate of 3.60%.

Other secured loans are payable to a pension scheme in which the directors are members. The loan balances are payable within 5 years and are secured against the remaining investment properties held in TSII Limited, with interest charged at a rate of 6.00%.

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

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**10. Loans**

Analysis of the maturity of loans is given below:

	2021 £	2020 £
<b>Amounts falling due within one year</b>		
Bank loans	359,221	142,905
Other loans	440,954	2,221,413
	<u>800,175</u>	<u>2,364,318</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	384,112	290,487
Other loans	467,411	-
	<u>851,523</u>	<u>290,487</u>
<b>Amounts falling due 2-5 years</b>		
Bank loans	5,868,614	5,892,619
Other loans	1,630,914	221,556
	<u>7,499,528</u>	<u>6,114,175</u>
<b>Amounts falling due after more than 5 years</b>		
Bank loans	16,159	-
	<u>16,159</u>	<u>-</u>
	<u>9,167,385</u>	<u>8,768,980</u>

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

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**11. Deferred taxation**

	2021 £
At beginning of year	(560,781)
Charged to profit or loss	(35,342)
<b>At end of year</b>	<b>(596,123)</b>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Unrealised gain on property valuations	(596,123)	(560,781)
	<u>(596,123)</u>	<u>(560,781)</u>

**12. Pension commitments**

At the year end £1,790 was owing to defined contribution schemes (2020 - £1,487).

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## CANDLELIGHT PROPERTY LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 13. Related party transactions

Amounts owed by group undertakings includes receivables from fellow subsidiaries of £2,129,462 from TSII Limited and £229,863 from CLRes Limited (2020 - £1,790,586 and £167,863 respectively). The balance of £45 (2020 - £45) is due from the parent company. No interest is being charged on these borrowings.

The Company leased property from XYZ Partnership during the year at a cost of £112,500 (2020 - £112,500). As at 31 March 2021, there are related balances of £21,450 payable within trade creditors and a prepayment of £19,920 (2020 - £NIL and £27,025 respectively).

A Small Self Administered Scheme loaned £2,485,698 to the Company which has been secured against assets held by TSII Limited (2020 - £2,221,413). Accruals and deferred income include related loan interest accrued of £2,237 as at 31 March 2021 (2020 - £1,461) with no further amounts due (2020 - £131,248 payable). The Company also leased land from this scheme, incurring a £30,000 expense in the year (2020 - £16,667) with a £5,000 prepayment at the year end (2020 - £3,333). The directors are members and trustees of this scheme.

Other creditors include £99,455 payable to the directors (2020 - £244,467). In the year ending 31 March 2021, interest expensed in respect of these loans was £12,347 (2020 - £18,851).

Other loans include £53,581 due to investors who are family members related to the directors (2020 - £221,556). These loans are unsecured and incurred interest of £24,023 during the year (2020 - £27,383).

Included in cost of sales is £14,500 (2020 - £23,000) in respect of car park expenditure paid to Chelmsley Town FC Ltd, a company sharing common directors. As at 31 March 2021, £1,059 has been prepaid (2020 - £6,559).

#### 14. Controlling party

The ultimate parent company is Candlelight Holdings Limited, a company registered in England and Wales. The ultimate controlling parties are the directors.