
CES (EUSTON ROAD) LTD

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2021

CES (EUSTON ROAD) LTD
REGISTERED NUMBER: 04042519

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	4	2	2
Investment property	5	6,012,921	6,012,921
		<u>6,012,923</u>	<u>6,012,923</u>
Current assets			
Debtors: amounts falling due within one year	6	1,177,275	603,015
Bank & cash balances		1	1
		<u>1,177,276</u>	<u>603,016</u>
Creditors: amounts falling due within one year	7	(2,865,468)	(3,067,645)
Net current liabilities		<u>(1,688,192)</u>	<u>(2,464,629)</u>
Total assets less current liabilities		<u>4,324,731</u>	<u>3,548,294</u>
Creditors: amounts falling due after more than one year	8	(4,871,676)	(4,629,378)
Net liabilities		<u><u>(546,945)</u></u>	<u><u>(1,081,084)</u></u>
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account		(546,947)	(1,081,086)
		<u><u>(546,945)</u></u>	<u><u>(1,081,084)</u></u>

CES (EUSTON ROAD) LTD
REGISTERED NUMBER: 04042519

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

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 income and retained earnings 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:

J K Fowler
Director

Date: 23 December 2021

The notes on pages 3 to 8 form part of these financial statements.

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

1. General information

The principal activity of CES (Euston Road) Ltd ("the Company") is that of property investment.

The Company is a private company limited by shares and is incorporated in England and Wales.

The Registered Office address is 5 Manchester Square, London, W1U 3PD.

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 Going concern

The financial statements have been prepared on a going concern basis which assumes that the Company will continue in operational existence for the foreseeable future and will be able to meet its debts as they fall due.

At the Statement of Financial Position date, the Company had net current liabilities and net liabilities, and included within creditors due within one year are amounts owed to a director of £2,250,111.

The directors have confirmed that the Company will receive continuing ongoing support from its group companies and the director loan won't be recalled until such time that the Company can afford to do so. In addition, they are confident that the Company has sufficient access to working capital and future profit generation to support the business in the foreseeable future, and accordingly, consider it appropriate to prepare the financial statements on a going concern basis.

2.3 Turnover

Turnover represents rent and service charges receivable exclusive of Value Added Tax.

Revenue in respect of rent is recognised over the period of the lease.

2.4 Investment property

Investment properties are included in the Statement of Financial Position at historic cost.

This treatment is contrary to the requirements of the Financial Reporting Standard 102 Section 1A, which requires investment properties to be measured at fair value and for the gain or loss to go through the Statement of Income and Retained Earnings. In addition, no deferred tax has been recognised on any fair value gains arising on the investment properties. In the opinion of the directors, revaluation of the investment properties is not practicable.

Further, this is contrary to the Companies Act 2006, which states that fixed assets should be depreciated. In the opinion of the directors, this departure from the Act is necessary in order to give a true and fair view of the financial position of the Company.

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

2. Accounting policies (continued)

2.5 Valuation of investments

Investments held as fixed assets are shown at cost less provision for impairment.

2.6 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.

2.7 Financial instruments

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

(i) Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances and loans to related parties, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 Statement of Income and Retained Earnings.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, 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 receipts discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors 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.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

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

2. Accounting policies (continued)

2.7 Financial instruments (continued)

(iii) Offsetting

Financial assets and liabilities are offset and 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.

2.8 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.

2.9 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.

2.10 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.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.11 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.

2.12 Interest income

Interest income is recognised in profit or loss using the effective interest method.

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

2. Accounting policies (continued)

2.13 Taxation

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.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2020 - 4).

4. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2020	2
At 31 March 2021	<u>2</u>

CES (EUSTON ROAD) LTD

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

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Class of shares	Holding
Euston Road (Underlease) Ltd	Ordinary	100 %

5. Investment property

	Leasehold investment property
	£
Valuation	
At 1 April 2020	6,012,921
At 31 March 2021	<u>6,012,921</u>

Investment properties are stated at historic cost and have not, as required by the Financial Reporting Standard 102 Section 1A, been valued at fair value at the Statement of Financial Position date. In the opinion of the directors, the investment property has a market value in excess of the amount at which it is included in the financial statements, but do not feel that the cost of a professional valuation is justified, and do not feel able to arrive at an accurate valuation.

CES (EUSTON ROAD) LTD

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

6. Debtors

	2021 £	2020 £
Trade debtors	334,789	340,366
Amounts owed by group undertakings	740,309	88,152
Prepayments and accrued income	102,177	174,497
	<u>1,177,275</u>	<u>603,015</u>

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	83,811	116,874
Other taxation and social security	158	34,858
Other creditors	2,360,442	2,253,114
Accruals and deferred income	421,057	662,799
	<u>2,865,468</u>	<u>3,067,645</u>

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

	2021 £	2020 £
Other creditors	<u>4,871,676</u>	<u>4,629,378</u>

9. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
2 (2020 - 2) Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>

10. Ultimate parent undertaking and controlling party

The ultimate parent undertaking is Sandor Holdings Limited, a company incorporated in England and Wales.

There is no ultimate controlling party.

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.