

ALCHEMY METALS PROPERTIES LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 OCTOBER 2020



ALCHEMY METALS PROPERTIES LIMITED
REGISTERED NUMBER: 09361269

BALANCE SHEET
AS AT 31 OCTOBER 2020


	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	2,273,195	2,356,375
		<u>2,273,195</u>	<u>2,356,375</u>
Current assets			
Debtors: amounts falling due within one year	5	100,801	33,601
Cash at bank and in hand	6	26,905	50,278
		<u>127,706</u>	<u>83,879</u>
Creditors: amounts falling due within one year	7	(950,198)	(937,223)
Net current liabilities		<u>(822,492)</u>	<u>(853,344)</u>
Total assets less current liabilities		<u>1,450,703</u>	<u>1,503,031</u>
Creditors: amounts falling due after more than one year	8	(1,457,844)	(1,513,701)
Net liabilities		<u>(7,141)</u>	<u>(10,670)</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		(7,142)	(10,671)
		<u>(7,141)</u>	<u>(10,670)</u>

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:


P W Newman
 Director

Date: 15-4-21

The notes on pages 2 to 7 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020**

1. General information

Alchemy Metals Properties Limited is a private company, limited by shares and incorporated in England and Wales. The address of the registered office is given in the company information on page 2 of these financial statements. The nature of the company's operations and principal activities are those of a property company renting to other group entities.

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 financial statements have been prepared in the functional currency, pounds sterling, rounded to the nearest £1.

The following principal accounting policies have been applied:

2.2 Going concern

At the balance sheet date the company had net current liabilities of £822,492 (2019: 853,344) and total net liabilities of £7,141 (2019: £10,670). Alchemy Metals Limited, a fellow subsidiary, has indicated its willingness and ability to support the company for at least the 12 months following the date on which the balance sheet was signed, and has provided a letter of support to this effect. Therefore, the accounts have been appropriately prepared on a going concern basis.

2.3 Revenue

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.

2.4 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.

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2. Accounting policies (continued)

2.5 Borrowing costs

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

2.6 Taxation

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.

2.7 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:

Freehold property	-	4% straight line
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Freehold land is not depreciated. 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 31 OCTOBER 2020

2. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 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.

2.11 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.

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.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

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**NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)**2.11 Financial instruments (continued)**

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.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2019 - 2).

4. Tangible fixed assets

	Freehold property £
Cost or valuation	
At 1 November 2019	2,446,470
At 31 October 2020	2,446,470
Depreciation	
At 1 November 2019	90,095
Charge for the year	83,180
At 31 October 2020	173,275
Net book value	
At 31 October 2020	2,273,195
At 31 October 2019	2,356,375

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Debtors

	2020 £	2019 £
Trade debtors	100,800	33,600
Amounts owed by group undertakings	1	1
	<u>100,801</u>	<u>33,601</u>

6. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	26,905	50,278
	<u>26,905</u>	<u>50,278</u>

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	55,857	53,165
Amounts owed to group undertakings	847,658	847,658
Corporation tax	10,283	-
Other taxation and social security	8,400	8,400
Accruals and deferred income	28,000	28,000
	<u>950,198</u>	<u>937,223</u>

Bank loans carry a fixed rate of interest set at 4.58% and are repayable by instalments over 20 years. They are secured by a first legal charge over the freehold land and buildings owned by the company. The directors consider that the carrying amount of the bank loans and overdrafts are approximate to their fair value.

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	1,457,844	1,513,701
	<u>1,457,844</u>	<u>1,513,701</u>

Bank loans falling due after more than one year carry the same terms and securities as laid out in note 7.

9. Related party transactions

The company has taken advantage of the exemptions of Financial Reporting Standard 102 Section 33 in respect of disclosure of intra group transactions, as the company is a wholly owned subsidiary of Alchemy Metals Group Limited.

10. Controlling party and ultimate parent company

The ultimate controlling party throughout the year and the previous year is P W Newman by virtue of his majority shareholding in the company's ultimate parent.

The ultimate parent company of Alchemy Metals Properties Limited is Alchemy Metals Group Limited, a company incorporated in England and Wales and into whose consolidated accounts the financial statements of Alchemy Metals Properties Limited is consolidated. The financial statements of Alchemy Metals Group Limited are available from Companies House and its registered office is the same as that of the company.

11. Auditors' information

The auditors' report on the financial statements for the year ended 31 October 2020 was unqualified.

The audit report was signed on 21/04/2021 by Neil Stern, FCA (Senior Statutory Auditor) on behalf of MHA MacIntyre Hudson.