

COMPANY REGISTRATION NUMBER: 04851162

A. W. Champion Properties Limited
Financial Statements
31 December 2019



A. W. Champion Properties Limited

Financial Statements

Year ended 31 December 2019

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A. W. Champion Properties Limited

Officers and Professional Advisers

The board of directors	P.W.A. Champion S. B. L Lister
Company secretary	S.P. Bowden
Registered office	Champion House Burlington Road New Malden Surrey KT3 4NB
Auditor	Shipleys LLP Chartered accountants & statutory auditor 10 Orange Street Haymarket London WC2H 7DQ

A. W. Champion Properties Limited

Directors' Report

Year ended 31 December 2019

The directors present their report and the financial statements of the company for the year ended 31 December 2019.

Directors

The directors who served the company during the year were as follows:

P.W.A. Champion
S. B. L Lister

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, it continues to adopt the going concern basis in preparing the annual financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies in the financial statements. The directors have considered and will continue to monitor the threat and implications of the COVID-19 pandemic, but it is too early to fully understand the impact that the virus will have on our business sector and the wider macro-economic environment. However, based on a review of the activities of the Company to date and the current working capital position of the Company, the directors currently believe that this risk can be managed for the year ahead. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

A. W. Champion Properties Limited

Directors' Report

Year ended 31 December 2019

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

This report was approved by the board of directors on ~~29 October 2020~~ 29 October 2020 and signed on behalf of the board by:



S.P. Bowden
Company Secretary

Registered office:
Champion House
Burlington Road
New Malden
Surrey
KT3 4NB

A. W. Champion Properties Limited

Independent Auditor's Report to the Members of A. W. Champion Properties Limited

Year ended 31 December 2019

Opinion

We have audited the financial statements of A. W. Champion Properties Limited (the 'company') for the year ended 31 December 2019 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.

A. W. Champion Properties Limited

Independent Auditor's Report to the Members of A. W. Champion Properties Limited *(continued)*

Year ended 31 December 2019

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

In our evaluation of the directors' conclusions, we considered the risks associated with the company's business, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

A. W. Champion Properties Limited

Independent Auditor's Report to the Members of A. W. Champion Properties Limited (continued)

Year ended 31 December 2019

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

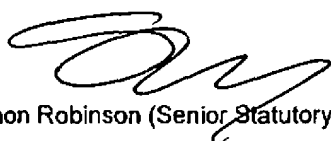
A. W. Champion Properties Limited

Independent Auditor's Report to the Members of A. W. Champion Properties Limited *(continued)*

Year ended 31 December 2019

Use of our report

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. *To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.*



Simon Robinson (Senior Statutory Auditor)

2/11/20

For and on behalf of
Shipleys LLP
Chartered accountants & statutory auditor
10 Orange Street
Haymarket
London
WC2H 7DQ

A. W. Champion Properties Limited

Statement of Comprehensive Income

Year ended 31 December 2019

	Note	2019 £	2018 £
Turnover		577,575	562,728
Gross profit		577,575	562,728
Administrative expenses		(242,043)	(242,044)
Operating profit		335,532	320,684
Gain on financial assets at fair value through profit or loss		140,646	138,295
Other interest receivable and similar income		4,024	2,528
Profit before taxation		480,202	461,507
Tax on profit	7	(110,898)	(75,044)
Profit for the financial year and total comprehensive income		369,304	386,463

All the activities of the company are from continuing operations.

The notes on pages 11 to 17 form part of these financial statements.

A. W. Champion Properties Limited

Statement of Financial Position

31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	8	8,413,941	8,273,295
Current assets			
Debtors	9	187,945	131,974
Cash at bank and in hand		358,957	357,459
		<u>546,902</u>	<u>489,433</u>
Creditors: amounts falling due within one year	10	<u>(69,205)</u>	<u>(64,237)</u>
Net current assets		<u>477,697</u>	<u>425,196</u>
Total assets less current liabilities		<u>8,891,638</u>	<u>8,698,491</u>
Provisions			
Taxation including deferred tax		<u>(308,435)</u>	<u>(261,846)</u>
Net assets		<u><u>8,583,203</u></u>	<u><u>8,436,645</u></u>
Capital and reserves			
Called up share capital		652	652
Share premium account		4,134,097	4,134,097
Fair value reserve		3,861,711	3,767,654
Profit and loss account		<u>586,743</u>	<u>534,242</u>
Shareholders' funds		<u><u>8,583,203</u></u>	<u><u>8,436,645</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 30 August 2020, and are signed on behalf of the board by:
19 October 2020



P.W.A. Champion
Director

Company registration number: 04851162

The notes on pages 11 to 17 form part of these financial statements.

A. W. Champion Properties Limited

Statement of Changes in Equity

Year ended 31 December 2019

	Called up share capital £	Share premium account £	Fair value reserve £	Profit and loss account £	Total £
At 1 January 2018	652	4,134,097	3,643,245	473,409	8,251,403
Profit for the year				386,463	386,463
Other comprehensive income for the year:					
Reclassification from fair value reserve to profit and loss account	—	—	124,409	(124,409)	—
Total comprehensive income for the year	—	—	124,409	262,054	386,463
Dividends paid and payable	—	—	—	(201,221)	(201,221)
Total investments by and distributions to owners	—	—	—	(201,221)	(201,221)
At 31 December 2018	652	4,134,097	3,767,654	534,242	8,436,645
Profit for the year				369,304	369,304
Other comprehensive income for the year:					
Reclassification from fair value reserve to profit and loss account	—	—	94,057	(94,057)	—
Total comprehensive income for the year	—	—	94,057	275,247	369,304
Dividends paid and payable	—	—	—	(222,746)	(222,746)
Total investments by and distributions to owners	—	—	—	(222,746)	(222,746)
At 31 December 2019	<u>652</u>	<u>4,134,097</u>	<u>3,861,711</u>	<u>586,743</u>	<u>8,583,203</u>

The notes on pages 11 to 17 form part of these financial statements.

A. W. Champion Properties Limited

Notes to the Financial Statements

Year ended 31 December 2019

1. General information

A.W. Champion Properties Limited is a private limited company incorporated in the United Kingdom under the Companies Act. The address of the registered office and principal place of business is Champion House, Burlington Road, New Malden, Surrey, KT3 4NB.

The principal activity of the company during the year was that of property investment and management.

2. Statement of compliance

The financial statements have been prepared in accordance with FRS 102 Section 1A - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The amounts in the financial statements have been presented to the nearest £, unless otherwise stated.

The financial statements have been prepared using the going concern basis of accounting.

Going concern

The directors have considered the basis of preparation of the financial statements and have concluded that it is appropriate to prepare these on the going concern basis. This assessment is based on the company's position and performance and its forecasts showing sufficient funds in the Company to enable the Company to manage its liabilities as they fall due for a period of not less than 12 months of the approval of the financial statements.

The directors have considered and will continue to monitor the threat and implications of the COVID-19 pandemic, but it is too early to fully understand the impact that the virus will have on our business sector and the wider macro-economic environment. However, based on a review of the activities of the Company to date and the current working capital position of the Company, the directors currently believe that this risk can be managed for the year ahead. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying small entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under section 1A of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.
- (c) No disclosure has been given for the aggregate remuneration of key management personnel.

A. W. Champion Properties Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are occasionally required to make judgements, estimates and assumptions where the carrying amounts of assets and liabilities are not otherwise readily apparent. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

There are no areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial information.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and comprises rents and fees for management services receivable during the period net of value added tax.

Turnover arises wholly in the United Kingdom and is received quarterly in arrears.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Investment Properties

Investment properties for which fair value can be measured reliably without undue cost or effort on an ongoing basis are measured at fair value annually with any change recognised in the profit and loss account.

The fair value adjustment, net of any tax impact, is transferred to a fair value reserve, which is a non distributable reserve.

A. W. Champion Properties Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Motor Vehicles - 25% straight line

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset.

A. W. Champion Properties Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

3. Accounting policies *(continued)*

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

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 Group after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Auditor's remuneration

	2019	2018
	£	£
Fees payable for the audit of the financial statements	<u>4,900</u>	<u>4,438</u>

5. Employee numbers

The average number of persons employed by the company during the year including the directors and key management personnel amounted to 4 (2018: 4).

A. W. Champion Properties Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

6. Dividends

Dividends paid during the year

	2019	2018
	£	£
Equity dividends on ordinary shares	<u>222,746</u>	<u>201,221</u>

7. Tax on profit

	2019	2018
	£	£
Corporation tax	64,309	61,158
Deferred tax	46,589	13,886

8. Tangible assets

The investment properties are recognised in the financial statements at fair value.

The investment properties were revalued on 29 September 2017 by professional chartered surveyors, Bruton Knowles.

A deferred taxation charge of £46,589 (2018: £13,886) has arisen on the fair value reserve during the year.

	Freehold investment property £	Motor vehicles £	Total £
Cost or valuation			
At 1 January 2019	8,273,295	20,512	8,293,807
Revaluations	140,646	—	140,646
At 31 December 2019	<u>8,413,941</u>	<u>20,512</u>	<u>8,434,453</u>
Depreciation			
At 1 January 2019 and 31 December 2019	—	20,512	20,512
Carrying amount			
At 31 December 2019	<u>8,413,941</u>	<u>—</u>	<u>8,413,941</u>
At 31 December 2018	<u>8,273,295</u>	<u>—</u>	<u>8,273,295</u>

A. W. Champion Properties Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

8. Tangible assets *(continued)*

Tangible assets held at valuation

In respect of certain fixed assets stated at valuations, the comparable historic cost and depreciation values are as follows;

	Freehold Investment Property £	Leasehold Investment Property £	Total £
Historical cost	<u>4,727,650</u>	<u>525,903</u>	<u>5,253,553</u>
Depreciation			
At 1 January 2019	2,305,902	525,903	2,831,805
Charge for the year	<u>94,553</u>	<u>-</u>	<u>94,553</u>
At 31 December 2019	<u>2,400,455</u>	<u>525,903</u>	<u>2,926,358</u>
Net historical cost value			
At 31 December 2019	<u>2,327,195</u>	<u>-</u>	<u>2,327,195</u>
	£	£	£
At 31 December 2018	<u>2,421,748</u>	<u>-</u>	<u>2,421,748</u>

9. Debtors

	2019 £	2018 £
Other debtors	<u>187,945</u>	<u>131,974</u>

10. Creditors: amounts falling due within one year

	2019 £	2018 £
Corporation tax	64,309	61,158
Other creditors	<u>4,896</u>	<u>3,079</u>
	<u>69,205</u>	<u>64,237</u>

11. Other financial commitments

As at the reporting date, the company had no capital or other commitments or contracts for capital expenditure in place (2019: £nil).

A. W. Champion Properties Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

12. Related party transactions

The company is under the control of the Trustees of The Champion Discretionary Trust.

Rents receivable include £495,700 (2018: £495,700) in respect of the year which has been charged to A.W. Champion Limited, a related company of which P.W.A. Champion and S.B.L. Lister are also directors. This rent was received during the year. Monies held on behalf of the company by A.W. Champion Limited at 31 December 2019 amounted to £176,154 (2018: £120,280).

Included in administration expenses is £8,580 (2018: £7,361) for professional fees which has been invoiced by S B L Lister a director of the company, the outstanding balance at the year-end was £nil (2018: £nil).

Included in administration expenses is £9,148 (2018: £8,968) for administration charges which have been invoiced by A W Champion Limited, a related company of which P.W.A. Champion and S.B.L. Lister are also directors. The amount outstanding at year end was £nil (2018: £nil).

The total remuneration of directors and other key members of management for the year totalled £90,434 (2018: £88,080).