

Company registration number 02678694 (England and Wales)

BRITANNIC COMMERCIAL LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023
PAGES FOR FILING WITH REGISTRAR

BRITANNIC COMMERCIAL LIMITED

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BRITANNIC COMMERCIAL LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 JANUARY 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Investment properties	3		4,790,000		5,375,000
Investments	4		555,102		555,102
			<u>5,345,102</u>		<u>5,930,102</u>
Current assets					
Trade and other receivables	5	112,931		25,391	
Cash and cash equivalents		746,669		993,117	
		<u>859,600</u>		<u>1,018,508</u>	
Current liabilities	6	(2,304,401)		(132,509)	
Net current (liabilities)/assets			<u>(1,444,801)</u>		<u>885,999</u>
Total assets less current liabilities			3,900,301		6,816,101
Non-current liabilities	7		-		(2,250,000)
Provisions for liabilities	8		(364,196)		(526,816)
Net assets			<u>3,536,105</u>		<u>4,039,285</u>
Equity					
Called up share capital	9		100		100
Retained earnings - non distributable			1,912,256		2,430,165
Retained earnings - distributable			1,623,749		1,609,020
Total equity			<u>3,536,105</u>		<u>4,039,285</u>

The director of the company have elected not to include a copy of the income statement within the financial statements in accordance with section 444 (5A) of the Companies Act 2006.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 26 January 2024 and are signed on its behalf by:

B Bhundia
Director

Company Registration No. 02678694

BRITANNIC COMMERCIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting policies

Company information

Britannic Commercial Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1-8 Kensington Garden Square, London, W2 4BH.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Directors are committed to carrying out regular reviews of the Company's income and cash flows. They are confident that the guaranteed income generated from property assets is sufficient to meet its normal obligations as they fall due for a period of at least twelve months from the date of approval of these financial statements. The £2.25m bank loan was settled in full in January 2024 being replaced with two new loans. It is disclosed as a current liability as a consequence leading to the net current liabilities position which is temporary. The two new loans will be in place for a 5 year period on an interest only basis. The directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. The company, therefore, continues to adopt the going concern basis in preparing the financial statements.

1.3 Revenue

Revenue represents rental income receivable on investment properties.

1.4 Investment properties

Investment property, which is property held to earn rentals and for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the income statement.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as property, plant and equipment.

1.5 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

BRITANNIC COMMERCIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting policies

(Continued)

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

BRITANNIC COMMERCIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

2023 Number	2022 Number
2	3

3 Investment property

	2023 £
Fair value	
At 1 February 2022	5,375,000
Additions	95,528
Revaluations	(680,528)
At 31 January 2023	4,790,000

The company's investment properties were valued on 31 January 2023 by the director at £4,790,000.

4 Fixed asset investments

	2023 £	2022 £
Loan notes	555,102	555,102

BRITANNIC COMMERCIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

4 Fixed asset investments (Continued)

	Loan notes £
Cost or valuation	
At 1 February 2022 & 31 January 2023	780,102
Impairment	
At 1 February 2022 & 31 January 2023	225,000
Carrying amount	
At 31 January 2023	555,102
At 31 January 2022	555,102

The rate of interest earned on loan notes is 3.0% per annum.

5 Trade and other receivables

	2023 £	2022 £
Amounts falling due within one year:		
Trade receivables	378	378
Other receivables	112,553	25,013
	112,931	25,391

6 Current liabilities

	2023 £	2022 £
Bank loans	2,250,000	-
Trade payables	-	7,560
Corporation tax	3,453	26,696
Other payables	50,948	98,253
	2,304,401	132,509

The bank loans are secured on the investment properties.

7 Non-current liabilities

	2023 £	2022 £
Bank loans	-	2,250,000

BRITANNIC COMMERCIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

7 Non-current liabilities

(Continued)

The bank loans are secured on the investment properties.

8 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2023 £	Liabilities 2022 £
Balances:		
Revaluations	364,196	526,816
Movements in the year:		2023 £
Liability at 1 February 2022		526,816
Credit to other comprehensive income		(162,620)
Liability at 31 January 2023		364,196

The deferred tax liability set out above relates to the expected gains on the revaluation of investment properties. A liability is expected to crystallise only if investment property is sold.

9 Called up share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	100	100	100	100

10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Senior Statutory Auditor:
Statutory Auditor:

Sarf Malik
Goodman Jones LLP

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.