
WGC MHA DEVELOPMENTS LTD

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2019

WGC MHA DEVELOPMENTS LTD
REGISTERED NUMBER: 09315602

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Investment property	5		5,809,903		5,800,000
			<u>5,809,903</u>		<u>5,800,000</u>
Current assets					
Debtors: amounts falling due within one year	6	304,789		426,096	
Cash at bank and in hand	7	127		471	
		<u>304,916</u>		<u>426,567</u>	
Creditors: amounts falling due within one year	8	(2,643,332)		(2,855,267)	
Net current liabilities			<u>(2,338,416)</u>		<u>(2,428,700)</u>
Total assets less current liabilities			<u>3,471,487</u>		<u>3,371,300</u>
Creditors: amounts falling due after more than one year	9		(3,250,000)		(3,250,000)
Net assets			<u><u>221,487</u></u>		<u><u>121,300</u></u>
Capital and reserves					
Called up share capital			10,000		10,000
Revaluation reserve	10		104,035		104,035
Profit and loss account	10		107,452		7,265
			<u><u>221,487</u></u>		<u><u>121,300</u></u>

WGC MHA DEVELOPMENTS LTD
REGISTERED NUMBER: 09315602

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2019

The director considers 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 director acknowledges his 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 by:

M H Abedinzadeh
Director

Date: 25 September 2020

The notes on pages 4 to 8 form part of these financial statements.

WGC MHA DEVELOPMENTS LTD

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 January 2018	10,000	698,120	(331)	707,789
Comprehensive income for the year				
Loss for the year	-	-	(586,489)	(586,489)
Total comprehensive income for the year	-	-	(586,489)	(586,489)
Transfer to/from profit and loss account	-	(594,085)	594,085	-
At 1 January 2019	10,000	104,035	7,265	121,300
Comprehensive income for the year				
Profit for the year	-	-	100,187	100,187
Total comprehensive income for the year	-	-	100,187	100,187
At 31 December 2019	<u>10,000</u>	<u>104,035</u>	<u>107,452</u>	<u>221,487</u>

The notes on pages 4 to 8 form part of these financial statements.

WGC MHA DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

WGC MHA Developments Ltd ("the Company") is a private company limited by shares and is incorporated in England and Wales. The address of its registered office is 6 Bloomsbury Square, London, WC1A 2LP.

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

After making enquiries, the director has a reasonable expectation that the Company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date of these financial statements were approved. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.3 Turnover

Turnover comprises rental income and other recoveries from tenants of the Company's investment property net of value added tax. Rental income is recognised on an accruals basis in the period in which it is earned, in accordance with the terms of the lease.

2.4 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.5 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.

2.6 **Borrowing costs**
Apache

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

WGC MHA DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.7 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.

2.8 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 the Statement of Comprehensive Income.

The director has elected to maintain a revaluation reserve. At the end of each financial period the net amount of the investment property fair value adjustment and the related deferred tax liability are transferred to the revaluation reserve.

2.9 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.

2.10 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.

2.11 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.

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

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.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when

WGC MHA DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.12 Financial instruments (continued)

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. Judgments in applying accounting policies and key sources of estimation uncertainty

Property valuations

Valuation of property is a central component of the business. In estimating the fair value, the Company engage a third party qualified valuer to assist the director in performing the valuation. There is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested on the market itself.

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2018 - £NIL).

5. Investment property

**Freehold
investment
property**
£

Valuation

At 1 January 2019	5,800,000
Additions at cost	9,903
At 31 December 2019	<u>5,809,903</u>

The investment property has been valued at £5,809,903 on an open market value as at the balance sheet date. The valuation has been performed by the director.

WGC MHA DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

6. Debtors

	2019 £	2018 £
Trade debtors	26,914	47,636
Other debtors	276,135	378,456
Prepayments and accrued income	1,740	-
	<u>304,789</u>	<u>426,096</u>

7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	127	471
	<u>127</u>	<u>471</u>

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	34,095	17,732
Corporation tax	21,445	2,110
Other taxation and social security	16,047	22,502
Other creditors	2,418,468	2,629,726
Accruals and deferred income	153,277	183,195
	<u>2,643,332</u>	<u>2,855,267</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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

	2019 £	2018 £
Commercial loan	3,250,000	3,250,000
	<u>3,250,000</u>	<u>3,250,000</u>

The principal amount of the commercial loan is due for repayment on 15 July 2025.

Secured loans

The commercial loan is secured by a fixed charge over the investment property and a floating charge over all of the property and undertakings of the Company.

10. Reserves

Investment property revaluation reserve

Unrealised capital surpluses and deficits on the investment property are taken to the revaluation reserve after taking into account deferred tax.

11. Contingent liabilities

The Company has given a joint guarantee in respect of a loan facility taken by the Company and other companies which the director has an interest. The outstanding principal as at 31 December 2019 was £14,625,000.

