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Noble House Holdings Limited

Unaudited Financial Statements

Year Ended

31 January 2021

Company Number 02678686

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Noble House Holdings Limited
Registered number:02678686

Statement of Financial Position
As at 31 January 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	5	75,000	75,000
Investment property	6	21,946,873	21,707,510
		<u>22,021,873</u>	<u>21,782,510</u>
Current assets			
Debtors: amounts falling due within one year	7	14,994,182	17,249,559
Cash at bank and in hand	8	172,364	67,052
		<u>15,166,546</u>	<u>17,316,611</u>
Creditors: amounts falling due within one year	9	(1,097,373)	(1,078,343)
Net current assets		<u>14,069,173</u>	<u>16,238,268</u>
Total assets less current liabilities		<u>36,091,046</u>	<u>38,020,778</u>
Creditors: amounts falling due after more than one year	10	(23,050,000)	(25,000,000)
Provisions for liabilities			
Deferred tax	12	(2,641,390)	(2,641,390)
Net assets		<u><u>10,399,656</u></u>	<u><u>10,379,388</u></u>
Capital and reserves			
Called up share capital		99	99
Profit and loss account	13	10,399,557	10,379,289
		<u><u>10,399,656</u></u>	<u><u>10,379,388</u></u>

Noble House Holdings Limited

Registered number:02678686

Statement of Financial Position (continued) As at 31 January 2021

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:



F Montanaro
Director

Date: 12 October 2021

The notes on pages 4 to 12 form part of these financial statements.

Noble House Holdings Limited

Statement of Changes in Equity For the Year Ended 31 January 2021

	Called up share capital £	Profit and loss account £	Total equity £
At 1 February 2019	99	10,352,532	10,352,631
Comprehensive income for the year			
Profit for the year	-	26,757	26,757
At 1 February 2020	99	10,379,289	10,379,388
Comprehensive loss for the year			
Profit for the year	-	20,268	20,268
At 31 January 2021	99	10,399,557	10,399,656

Noble House Holdings Limited

Notes to the Financial Statements For the Year Ended 31 January 2021

1. General information

These financial statements are presented in Pounds (GBP), as that is the currency in which all of the Company's transactions are denominated. They comprise the financial statements of the Company for the year ended 31 January 2021 and presented to the nearest Pound.

The principal activity of the Company during the year was that of investment, development and resale of property.

The Company is a United Kingdom company limited by shares. It is both incorporated and domiciled in England and Wales. The registered office address is 55 Baker Street, London, United Kingdom, W1U 7EU.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The director of the Company is currently assessing the impact of COVID-19. The situation is evolving rapidly and it is not possible at this stage to determine with any certainty the impact on the Company, its customers, employees and suppliers. The director is continually reviewing his plans and forecasts and believes that the going concern basis is appropriate in the short term, however depending on the severity and length of the crisis, there is a risk that the Company could require further funding or support. The director's current assessment is that this is unlikely and accordingly these accounts have been prepared on the Company's ability to continue as a going concern.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Rendering of services

Turnover 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 turnover 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.

Noble House Holdings Limited

Notes to the Financial Statements For the Year Ended 31 January 2021

2. Accounting policies (continued)

2.4 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	- Not depreciated
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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.

2.5 Investment property

Investment property is carried at fair value determined annually 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.

2.6 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.

2.7 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.

2.8 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.

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.

Noble House Holdings Limited

Notes to the Financial Statements For the Year Ended 31 January 2021

2. Accounting policies (continued)

2.8 Financial instruments (continued)

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 reporting date.

2.9 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.

2.10 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 the Statement of Comprehensive Income 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.

2.11 Interest income

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

2.12 Borrowing costs

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

Noble House Holdings Limited

Notes to the Financial Statements For the Year Ended 31 January 2021

2. Accounting policies (continued)

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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 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. Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The key estimate in use in the year relates to the valuation of investment properties.

4. Employees

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

Noble House Holdings Limited

Notes to the Financial Statements For the Year Ended 31 January 2021

5. Tangible fixed assets

	Freehold property £
Cost or valuation	
At 1 February 2020	75,000
At 31 January 2021	<u>75,000</u>
Net book value	
At 31 January 2021	<u>75,000</u>
At 31 January 2020	<u>75,000</u>

6. Investment property

	Freehold investment property £
Valuation	
At 1 February 2020	21,707,510
Additions at cost	239,363
At 31 January 2021	<u>21,946,873</u>
Comprising	
Cost	6,618,331
Annual revaluation surplus:	
2014	7,266,400
2015	3,436,076
2016	4,626,066
At 31 January 2021	<u>21,946,873</u>

The investment property has been valued by the director based on external advice.

Noble House Holdings Limited

Notes to the Financial Statements For the Year Ended 31 January 2021

7. Debtors

	2021 £	2020 £
Trade debtors	875	600
Amounts owed by group undertakings	12,229,698	14,779,945
Amounts owed by related undertakings (note 15)	2,451,144	2,376,470
Other debtors	109,900	65,900
Prepayments and accrued income	202,565	26,644
	<u>14,994,182</u>	<u>17,249,559</u>

All of the above financial assets are held at amortised cost.

8. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<u>172,364</u>	<u>67,052</u>

The above cash balance is held at fair value.

9. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	40,162	610
Amounts owed to group undertakings	495,500	455,136
Amounts owed to related undertakings (note 15)	323,974	339,974
Corporation tax	-	11,455
Other taxation and social security	14,098	13,383
Other creditors (note 15)	194,560	180,744
Accruals and deferred income	29,079	77,041
	<u>1,097,373</u>	<u>1,078,343</u>

All of the above financial liabilities are held at amortised cost.

Noble House Holdings Limited

Notes to the Financial Statements For the Year Ended 31 January 2021

10. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans	<u>23,050,000</u>	<u>25,000,000</u>

The revolving bank loan facility of £26.5m was renewed on 4 December 2020. There are now two bank loans being a £22,375,000 term loan and a £675,000 revolving credit facility (RCF), in total an available loan facility of £23,050,000.

The 4 year term loan is interest only for the first 3 years from 4 December 2020 and then reverts to a repayment loan. The RCF has a repayment date of 30 months from 4 December 2020. Interest is charged at a margin of 2.35% on the term loan and a margin of 2.2% on the RCF loan, both being above the Sterling Overnight Index Average (SONIA) interest rate.

Both loans are secured by fixed and floating debentures over the company assets, mortgage charges against the investment properties and through cross guarantees from fellow subsidiary undertakings 5-9 City Garden Row Limited and Reco Investments and immediate parent undertaking Noble House Group Limited.

11. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due 2-5 years		
Bank loans	<u>23,050,000</u>	<u>25,000,000</u>

12. Deferred taxation

	2021 £
At beginning of year	(2,641,390)
At end of year	<u>(2,641,390)</u>

Noble House Holdings Limited

Notes to the Financial Statements For the Year Ended 31 January 2021

12. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(56,680)	(56,680)
Tax on revaluation	(2,584,710)	(2,584,710)
	<u>(2,641,390)</u>	<u>(2,641,390)</u>

13. Reserves

	2021 £	2020 £
Investment property reserves	15,204,174	15,204,174
Retained distributable reserves	(4,804,617)	(4,824,885)
	<u>10,399,557</u>	<u>10,379,289</u>

14. Contingent liabilities

The Company is party to a cross guarantee in respect of certain bank facilities extended to members of the group. At 31 January 2021 the amount outstanding under these guarantees was £23,050,000 (2020: £25,000,000) for the Group.

15. Related party transactions

The Company has taken advantage of the exemption available under FRS102 in relation to the disclosure of transaction with wholly owned group members.

Amounts owed by related undertakings include amounts of £2,475,453 (2020: £2,376,470) due from companies owned and controlled by the director and shareholders of this group but which are not members of this group.

Creditors include amounts of £323,974 (2020: £339,974) due to companies owned and controlled by the director and shareholders of this group but which are not members of this group.

Other creditors includes an amount of £157,156 (2020: £148,990) due to F Montanaro, sole director of the Company.

All balances are interest free unsecured and repayable on demand.

Noble House Holdings Limited

Notes to the Financial Statements For the Year Ended 31 January 2021

16. Controlling party

The ultimate parent company is Noble House Investments Limited, a company registered in England and Wales, which held 100% of the issued share capital.

The Company's financial statements are included in the consolidated financial statements of the parent company. These are publicly available and copies can be obtained from the registered office.

Frank and Jai Montanaro are the Company's ultimate controlling parties by virtue of their shareholdings in Noble House Investments Limited.