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Registration number: 00396956

Cutlers Holdings Limited (formerly Sheffield United Limited)

Annual Report and Financial Statements

for the Year Ended 30 June 2020



Cutlers Holdings Limited (formerly Sheffield United Limited)

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Cutlers Holdings Limited (formerly Sheffield United Limited)

Company Information

Directors	K C McCabe S R McCabe S C McCabe J J Tutton
Company secretary	Esplanade Secretarial Services Limited
Registered office	Europa House 20 Esplanade Scarborough YO11 2AQ
Registrars	Link Asset Services at PXS 34 Beckenham Road Beckenham Kent BR3 4TU
Auditors	Mazars LLP 5th Floor 3 Wellington Place Leeds LS1 4AP

Cutlers Holdings Limited (formerly Sheffield United Limited)

Directors' Report for the Year Ended 30 June 2020

The Directors present their report and the financial statements for the year ended 30 June 2020.

Directors of the Company

The directors who held office during the year were as follows:

K C McCabe

S R McCabe

S C McCabe

J J Tutton

Change of name

The company changed its name on 13 September 2020 from Sheffield United Limited to Cutlers Holdings Limited.

Dividends

The directors recommend a final dividend payment of £Nil be made in respect of the financial year ended 30 June 2020 (2019: £Nil).

Impact of Brexit upon the Company

The Directors have considered the uncertainties regarding the withdrawal from the EU, however they do not believe that there will be a material impact as a result of this.

Impact of Covid-19 Coronavirus upon the Company

The Directors have considered the impact of the Covid-19 virus upon the company and don't expect there to be any material impact.

Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Going Concern

The Directors consider the company to be a going concern. The Directors' assessment of the going concern status of the company is detailed in note 2 of these financial statements.

Reappointment of Auditors

Mazars LLP continue in office in accordance with section 487(2) Companies Act 2006.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 29/3/2021 and signed on its behalf by:

.....
J J Tutton
Director



Cutlers Holdings Limited (formerly Sheffield United Limited)

Statement of Directors' Responsibilities

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 of 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

Cutlers Holdings Limited (formerly Sheffield United Limited)

Independent Auditor's Report to the members of Sheffield United Limited

Opinion

We have audited the financial statements of Cutlers Holdings Limited (formerly Sheffield United Limited) (the 'Company') for the year ended 30 June 2020 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, 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 30 June 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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.

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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. 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.

Cutlers Holdings Limited (formerly Sheffield United Limited)

Independent Auditor's Report to the members of Sheffield United Limited

Opinion 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.

Matters on which we are required to report by exception

In 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 where 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 take advantage of the small companies' exemption from the requirement to prepare a Strategic report

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit 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.

Cutlers Holdings Limited (formerly Sheffield United Limited)

Independent Auditor's Report to the members of Sheffield United Limited



David Smithson (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor

5th Floor
3 Wellington Place
Leeds
LS1 4AP

Date: 24 March 2021

Cutlers Holdings Limited (formerly Sheffield United Limited)

Profit and Loss Account for the Year Ended 30 June 2020

	Note	2020 £	2019 £
Turnover	3	332,969	331,790
Cost of sales		<u>(3,168)</u>	<u>(313)</u>
Gross profit		329,801	331,477
Administrative expenses		<u>(7,303,945)</u>	<u>(944,195)</u>
Operating loss	4	(6,974,144)	(612,718)
Interest receivable from group undertakings	5	-	153,719
Other interest receivable and similar income	5	1,528	-
Investment property written up		-	352,975
Interest payable and similar charges	6	<u>(992,293)</u>	<u>(953,663)</u>
Loss before tax		(7,964,909)	(1,059,687)
Taxation	9	<u>-</u>	<u>-</u>
Loss for the financial year		<u><u>(7,964,909)</u></u>	<u><u>(1,059,687)</u></u>

The above results were derived from continuing operations.

Cutlers Holdings Limited (formerly Sheffield United Limited)

Statement of Comprehensive Income for the Year Ended 30 June 2020

	2020	2019
	£	£
Loss for the year	<u>(7,964,909)</u>	<u>(1,059,687)</u>
Total comprehensive loss for the year	<u><u>(7,964,909)</u></u>	<u><u>(1,059,687)</u></u>

The notes on pages 11 to 22 form an integral part of these financial statements.

Cutlers Holdings Limited (formerly Sheffield United Limited)

(Registration number: 00396956)

Balance Sheet as at 30 June 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	23,899,847	24,352,975
Investments	11	<u>100</u>	<u>5,000,101</u>
		<u>23,899,947</u>	<u>29,353,076</u>
Current assets			
Debtors	12	245,905	3,461,518
Cash at bank and in hand	13	<u>446,217</u>	<u>3,701</u>
		692,122	3,465,219
Creditors: Amounts falling due within one year	14	<u>(48,870,607)</u>	<u>(49,097,977)</u>
Net current liabilities		<u>(48,178,485)</u>	<u>(45,632,758)</u>
Total assets less current liabilities		(24,278,538)	(16,279,682)
Creditors: Amounts falling due after more than one year	14	<u>(58,447)</u>	<u>(92,394)</u>
Net liabilities		<u>(24,336,985)</u>	<u>(16,372,076)</u>
Capital and reserves			
Called up share capital	15	8,452,670	8,452,670
Share premium reserve	16	247,500	247,500
Profit and loss account	16	<u>(33,037,155)</u>	<u>(25,072,246)</u>
Total equity		<u>(24,336,985)</u>	<u>(16,372,076)</u>

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

Approved and authorised by the Board on 24/3/2021 and signed on its behalf by:



.....
J J Tutton
Director

The notes on pages 11 to 22 form an integral part of these financial statements.

Cutlers Holdings Limited (formerly Sheffield United Limited)

Statement of Changes in Equity for the Year Ended 30 June 2020

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 July 2019	8,452,670	247,500	(25,072,246)	(16,372,076)
Loss for the year	-	-	(7,964,909)	(7,964,909)
Total comprehensive loss	-	-	(7,964,909)	(7,964,909)
At 30 June 2020	8,452,670	247,500	(33,037,155)	(24,336,985)

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 July 2018	8,452,670	247,500	(24,012,559)	(15,312,389)
Loss for the year	-	-	(1,059,687)	(1,059,687)
Total comprehensive loss	-	-	(1,059,687)	(1,059,687)
At 30 June 2019	8,452,670	247,500	(25,072,246)	(16,372,076)

Cutlers Holdings Limited (formerly Sheffield United Limited)

Notes to the Financial Statements for the Year Ended 30 June 2020

1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

Europa House
20 Esplanade
Scarborough
YO11 2AQ

The principal place of business is:

2nd Floor Left Hand Side
Building 3125
Century Way
Thorpe Park
Leeds
LS15 8ZB

Registrar:

Link Asset Services at PXS
34 Beckenham Road
Beckenham
Kent
BR3 4TU

The principal activity of the company is property ownership.

Authorised for issue date

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Summary of disclosure exemptions

The Company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Scarborough Group International limited, includes the Company's cash flows in its own consolidated financial statements.

The company has taken the exemption under FRS102 paragraph 1.12(c), from disclosing the carrying value of financial instruments not measured at fair value on the basis that it is a qualifying entity and its ultimate parent company, Scarborough Group International Limited, discloses the carrying value of financial instruments in its own consolidated financial statements..

Cutlers Holdings Limited (formerly Sheffield United Limited)

Notes to the Financial Statements for the Year Ended 30 June 2020

Group accounts not prepared

The company has taken advantage of the exemption with Chapter 4 of Part 15 of the Companies Act 2006 not to prepare group accounts. Accordingly, these accounts present information about the company as an individual undertaking and not about its group.

Going concern

These financial statements have been prepared on a going concern basis as the immediate parent company has confirmed that it will continue to provide financial support for the foreseeable future to the company and will not seek repayment of amounts due from the company unless it is able to do so. The directors have assessed that Covid-19 will not have a material impact on the ability of the company to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Critical accounting estimates and assumptions

(i) Impairment of investments

The carrying value of the Company's investments in subsidiaries is affected by market conditions which may impact on the value of the assets of those subsidiaries together with the trading performance of those subsidiaries. During the preparation of these financial statements, key management have given consideration to the carrying value of the investments in subsidiaries to determine if any impairment provision is required. When making this judgement, key management have referred to a mixture of independent, external property valuation reports and internally prepared management accounts for the subsidiaries.

(ii) Investment property

Freehold and leasehold properties held as investment properties are accounted for in accordance with the accounting principles set out in section 16 of FRS102. Valuation gains or losses are recognised in the profit and loss account. The Directors apply judgement regarding the condition of the property and the likely impact of external factors which may affect the value of the property.

(iii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers the ageing profile of debtors, historical experience and knowledge of any other specific factors affecting a debtor's ability to pay.

Turnover

Turnover represents amounts invoiced, net of value added tax, in respect of rental income from let properties, management fees and proceeds from sale of properties. Rental income accrues on a daily basis.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation 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 taxable income.

Investment property

Freehold and leasehold properties held as investment properties are accounted for in accordance with the accounting principles set out in section 16 of FRS102.

Investments

Investments in subsidiary undertakings are held at cost less any provision for impairment. Investments in joint ventures and associates are held at cost less any provision for impairment.

Cutlers Holdings Limited (formerly Sheffield United Limited)

Notes to the Financial Statements for the Year Ended 30 June 2020

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for rent billed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Cutlers Holdings Limited (formerly Sheffield United Limited)

Notes to the Financial Statements for the Year Ended 30 June 2020

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2020 £	2019 £
Rental income	310,000	310,000
Other income	22,969	21,790
	<u>332,969</u>	<u>331,790</u>

The Company's rental income is derived from operating leases that are in place with tenants who occupy the portfolio of properties that are held for resale. The Company has the following future minimum lease payments receivable under non-cancellable operating leases expiring for each of the following periods:

	2020 £	2019 £
Within 1 year	-	310,000
Between 1 and 5 years	-	981,808
After 5 years	-	-
	<u>-</u>	<u>1,291,808</u>

The Company's operating leases typically require the tenants to be responsible for paying for repairing and insuring the property and include clauses allowing for rent reviews at certain points during the lease. The leases do not contain contingent rents.

4 Operating loss

Arrived at after (crediting)/charging

	2020 £	2019 £
Reversal of provision against joint venture investment	-	(5,000,000)
Provision against amount due from group undertaking	1,879,423	148,140
Exceptional legal fees in connection with court case	4,779,872	5,648,649
	<u>4,779,872</u>	<u>5,648,649</u>

5 Other interest receivable and similar income

	2020 £	2019 £
Other finance income	1,528	-
Interest receivable from group undertakings	-	153,719
	<u>1,528</u>	<u>153,719</u>

Cutlers Holdings Limited (formerly Sheffield United Limited)

Notes to the Financial Statements for the Year Ended 30 June 2020

6 Interest payable and similar charges

	2020	2019
	£	£
Interest payable to group undertakings	983,930	935,870
Interest on other loans	<u>8,363</u>	<u>17,793</u>
	<u><u>992,293</u></u>	<u><u>953,663</u></u>

7 Staff costs

The average number of employees (excluding directors) during the year was nil (2019: nil).

No emoluments were paid to the directors during the year (2019: £nil).

8 Auditor's remuneration

	2020	2019
	£	£
Audit of the financial statements	<u>9,600</u>	<u>6,825</u>
Other fees to auditors		
All other non-audit services	<u><u>3,600</u></u>	<u><u>3,465</u></u>

Auditor's remuneration, in respect of audit services includes the fee payable on behalf of John Street Developments Limited of £3,600 (2019: £2,000).

Cutlers Holdings Limited (formerly Sheffield United Limited)

Notes to the Financial Statements for the Year Ended 30 June 2020

9 Taxation

Tax charged in the profit and loss account

	2020 £	2019 £
Current taxation	<u>-</u>	<u>-</u>

The tax on loss before tax for the year is different from the standard rate of corporation tax the UK of 19% (2019: 19%).

The differences are reconciled below:

	2020 £	2019 £
Loss before tax	<u>(7,964,909)</u>	<u>(1,059,687)</u>
Corporation tax at standard rate	(1,513,333)	(201,341)
Effect of revenues exempt from taxation	(102,465)	-
Effect of expense not deductible in determining taxable profit (tax loss)	1,431,824	1,073,870
Tax (decrease) from effect of capital allowances and depreciation	(64,093)	(3,989)
Tax increase from effect of unrelieved tax losses carried forward	612,897	148,524
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>(364,830)</u>	<u>(1,017,064)</u>
Total tax charge	<u>-</u>	<u>-</u>

The company has an unrecognised deferred tax asset of £3,713,954 (2019: £4,112,744) which has not been recognised due to uncertainty over the asset's recoverability.

Factors that may affect future tax charges

The Finance Act 2020 enacted that the main rate of corporation tax would remain at 19% for the tax years starting 1 April 2020 and 1 April 2021 and this has therefore been considered when calculating tax and any deferred tax balances at the reporting date.

Cutlers Holdings Limited (formerly Sheffield United Limited)

Notes to the Financial Statements for the Year Ended 30 June 2020

10 Tangible assets

	Investment property £	Total £
Cost		
At 1 July 2019	24,352,975	24,352,975
Deficit on revaluation	(337,331)	(337,331)
Additions	<u>(115,797)</u>	<u>(115,797)</u>
At 30 June 2020	<u>23,899,847</u>	<u>23,899,847</u>
Carrying amount		
At 30 June 2020	<u>23,899,847</u>	<u>23,899,847</u>
At 30 June 2019	<u>24,352,975</u>	<u>24,352,975</u>

The directors have considered the valuation of the property at 30 June 2020 and deemed that no further adjustment is required at this time.

Cutlers Holdings Limited (formerly Sheffield United Limited)

Notes to the Financial Statements for the Year Ended 30 June 2020

11 Investments in subsidiaries, joint ventures and associates

	2020 £	2019 £
Investments in subsidiaries	100	101
Investments in joint ventures	-	5,000,000
	<u>100</u>	<u>5,000,101</u>
Subsidiaries		£
Cost or valuation		
At 1 July 2019		101
Disposals		<u>(1)</u>
At 30 June 2020		<u>100</u>
Provision		
Carrying amount		
At 30 June 2020		<u>100</u>
At 30 June 2019		<u>101</u>
Joint ventures		£
Cost		
At 1 July 2019		44,095,641
Disposals		<u>(44,095,641)</u>
At 30 June 2020		<u>-</u>
Provision		
At 1 July 2019		39,095,641
Eliminated on disposals		<u>(39,095,641)</u>
At 30 June 2020		<u>-</u>
Carrying amount		
At 30 June 2020		<u>-</u>
At 30 June 2019		<u>5,000,000</u>

Cutlers Holdings Limited (formerly Sheffield United Limited)

Notes to the Financial Statements for the Year Ended 30 June 2020

Details of undertakings

As at 30 June 2020 the following were the subsidiaries of the Company and were held indirectly by the Company unless indicated by *.

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		
			2020	2019	
Subsidiary undertakings					
Bramall 1885 Holdings Ltd (formerly Sheffield United Holdings Limited) *	England and Wales	Ordinary	100%	100%	
Bramall Lane Real Estate Limited (formerly Sheffield United Real Estate Limited)	England and Wales	Ordinary	100%	100%	
Bramall 1885 Limited (formerly Sheffield United Ventures Limited)	England and Wales	Ordinary	100%	100%	
Bramall Lane Stadium Limited (formerly Sheffield United Bramall Lane Limited)	England and Wales	Ordinary	100%	100%	
Shirecliffe Real Estate Limited (formerly Sheffield United Shirecliffe Limited)	England & Wales	Ordinary	100%	100%	

12 Debtors

	Note	2020 £	2019 £
Amounts owed by group undertakings	18	-	3,106,404
Other debtors		202,048	306,322
Prepayments		38,910	39,226
Accrued income		4,947	9,566
		<u>245,905</u>	<u>3,461,518</u>

13 Cash and cash equivalents

	2020 £	2019 £
Cash at bank	<u>446,217</u>	<u>3,701</u>

Cutlers Holdings Limited (formerly Sheffield United Limited)

Notes to the Financial Statements for the Year Ended 30 June 2020

14 Creditors

	Note	2020 £	2019 £
Due within one year			
Finance lease liabilities due within 1 year		33,947	31,650
Trade creditors		224,263	3,810
Amounts due to related parties	18	22,401,772	21,617,504
Other creditors		158,358	217,172
Accrued expenses		3,581,074	2,789,472
Amounts owed to group undertakings		<u>22,471,193</u>	<u>24,438,369</u>
		<u>48,870,607</u>	<u>49,097,977</u>
Due after one year			
Finance lease liabilities due after 1 year		<u>58,447</u>	<u>92,394</u>

Obligations under hire purchase contracts are secured against the asset to which they relate.

Finance leases

The total of future minimum lease payments is as follows:

	2020 £	2019 £
Within 1 year	33,947	31,650
Between 1 and 5 years	<u>58,447</u>	<u>92,394</u>
	<u>92,394</u>	<u>124,044</u>

Cutlers Holdings Limited (formerly Sheffield United Limited)

Notes to the Financial Statements for the Year Ended 30 June 2020

15 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £0.001 each	452,670,114	452,670	452,670,114	452,670
Preference shares of £1 each	8,000,000	8,000,000	8,000,000	8,000,000
	<u>460,670,114</u>	<u>8,452,670</u>	<u>460,670,114</u>	<u>8,452,670</u>

Each ordinary share is entitle to one vote. Each share is entitled pari passu to dividend payments or any other distribution arising from a winding up order of the company subject to the rights of the preference shares. None of the shares are redeemable.

The preference shares have no voting rights. Each preference share is entitled to a fixed preferential dividend of 6% per annum on the subscription price for such share. Each preference share is entitled to priority over any other class of shares in repayment of subscription price and all arrears in a distribution arising from winding up of the company.

16 Reserves

The profit and loss account reserve represents accumulated losses after tax.

The share premium reserve arises from the historical purchase of shares above par value.

17 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2019: £Nil).

Cutlers Holdings Limited (formerly Sheffield United Limited)

Notes to the Financial Statements for the Year Ended 30 June 2020

18 Related party transactions

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

Scarborough Luxembourg Sarl

(A company in which K C McCabe, S R McCabe and S C McCabe are directors)

A loan on which no interest is charged. At the balance sheet date the amount due to Scarborough Luxembourg Sarl was £22,401,772 (2019: £23,367,504).

Scarborough United Group Limited

(Immediate parent owning 87.5% of the company)

A loan on which interest is charged at 4.5%, the amount charged during the year was £983,930 (2019: £935,870). At the balance sheet date the amount due to Scarborough United Group Limited was £22,471,092 (2019: £24,438,269).

Scarborough Management Limited

(member of wider group)

During the year the company incurred management fees of £240,000 (2019: £240,000) from Scarborough Management Limited, included within prepayments at the balance sheet date the amount due to Scarborough Management Limited was £40,000 (2019: £40,000) and within trade creditors was £nil (2019: £nil).

19 Parent and ultimate parent undertaking

The company is controlled by Scarborough United Group Limited, a company registered in England and Wales, which owns 87.5% of the company. The ultimate parent undertaking is Scarborough Group International Limited a company registered in Scotland.

Scarborough Group International Limited is also the parent undertaking of the largest and smallest group for which group accounts are to be drawn up and of which the company is a member. Copies of the accounts of Scarborough Group International Limited can be obtained from; C/O Pinsent Masons, 13 Queens Road, Aberdeen, Scotland AB15 4YL.

The ultimate controlling party is K C McCabe.

20 Non adjusting events after the financial period

Subsequent to the year end, coronavirus Covid-19 has resulted in a global pandemic affecting economies globally. The speed and severity of the impact has been unprecedented but many governments, including within the UK, have introduced considerable measures to help businesses through this extremely challenging time. At the time of the approval of these accounts, the full effect of the pandemic is uncertain, but as noted in note 2, the directors consider that the company remains a going concern.

21 Post balance sheet event

Subsequent to the balance sheet date the Bramall Lane Football Stadium and Shirecliffe Academy, were sold on 1 July 2020. The funds generated from the sale of the properties were utilised to repay the loan due to Scarborough United Group Limited settling the liability in full.