

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021

SUNLEY HOLDINGS LIMITED

MENZIES

SUNLEY HOLDINGS LIMITED

COMPANY INFORMATION

Directors	James B Sunley Rory W M Gleeson Laura Stradling (appointed 12 January 2021) Lisa H Sunley
Company secretary	Sunley Securities Limited
Registered number	01458205
Registered office	7-8 Stratford Place London W1C 1AY
Accountants	Menzies LLP Chartered Accountants Lynton House 7-12 Tavistock Square London WC1H 9LT

SUNLEY HOLDINGS LIMITED

REGISTERED NUMBER:01458205

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	33,619	19,458
Investments	5	37,506,186	37,195,516
		<u>37,539,805</u>	<u>37,214,974</u>
Current assets			
Stocks	6	2,847,188	2,554,330
Debtors: amounts falling due after more than one year	7	2,680,662	2,680,662
Debtors: amounts falling due within one year	7	3,168,643	3,273,156
Cash at bank and in hand		806,172	10,113
		<u>9,502,665</u>	<u>8,518,261</u>
Creditors: amounts falling due within one year	8	(28,644,341)	(28,059,570)
Net current liabilities		<u>(19,141,676)</u>	<u>(19,541,309)</u>
Total assets less current liabilities		<u>18,398,129</u>	<u>17,673,665</u>
Provisions for liabilities			
Deferred tax		(887,329)	(239,550)
		<u>(887,329)</u>	<u>(239,550)</u>
Net assets		<u><u>17,510,800</u></u>	<u><u>17,434,115</u></u>
Capital and reserves			
Called up share capital		4,150,000	4,150,000
Share premium account		250,000	250,000
Profit and loss account		13,110,800	13,034,115
		<u><u>17,510,800</u></u>	<u><u>17,434,115</u></u>

SUNLEY HOLDINGS LIMITED

REGISTERED NUMBER:01458205

STATEMENT OF FINANCIAL POSITION (CONTINUED) AS AT 31 DECEMBER 2021

The directors consider 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 directors acknowledge their 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 income and retained earnings 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:

James B Sunley
Director

Date: 26 September 2022

The notes on pages 3 to 10 form part of these financial statements.

SUNLEY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Sunley Holdings Limited is a private company limited by shares incorporated in England and Wales. The address of the registered office is disclosed on the company information page.

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 Revenue

Revenue comprises of rental income, management fee income and property and land sales recognised by the company in respect of the year.

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

Rental income is recognised on a straight line basis over the term of the lease. Amounts invoiced in advance are deferred accordingly and recognised in the period to which they relate.

Management fees and other income are recognised when the management services are provided, in the period to which they relate.

The following criteria must be met before revenue is recognised:

Sale of properties classified as stock

It is company policy to recognise sold properties previously recognised as stock in turnover if the contracts are exchanged before the year end, providing completion takes place not more than one month after the year end.

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive consideration due to the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.4 Finance costs

Finance costs are charged to profit or loss 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.

SUNLEY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.6 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 profit or loss 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.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting 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.

2.8 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.9 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.

SUNLEY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

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:

Other fixed assets	-
	3 years

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 profit or loss.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Statement of Income and Retained Earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 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.

2.13 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.

2.14 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.

SUNLEY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.16 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 (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 Income and Retained Earnings.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when 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. Employees

The average monthly number of employees, including directors, during the year was 8 (2020 - 8).

SUNLEY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

4. Tangible fixed assets

	Other fixed assets £
Cost or valuation	
At 1 January 2021	158,513
Additions	33,112
At 31 December 2021	<u>191,625</u>
Depreciation	
At 1 January 2021	139,055
Charge for the year on owned assets	18,951
At 31 December 2021	<u>158,006</u>
Net book value	
At 31 December 2021	<u><u>33,619</u></u>
<i>At 31 December 2020</i>	<u><u>19,458</u></u>

SUNLEY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

5. Fixed asset investments

	Investments in subsidiary companies	Other fixed asset investments	Total
	£	£	£
Cost or valuation			
At 1 January 2021	30,248,005	6,947,511	37,195,516
Additions	-	1,320,577	1,320,577
Disposals	-	(1,114,644)	(1,114,644)
Revaluations	(2,008,000)	2,112,737	104,737
At 31 December 2021	<u>28,240,005</u>	<u>9,266,181</u>	<u>37,506,186</u>

SUNLEY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

6. Stocks

	2021 £	2020 £
Work in progress	2,847,188	2,554,330
	<u>2,847,188</u>	<u>2,554,330</u>

Included within work in progress at 31 December 2021 are borrowing costs of £106,392 (2020: £41,616).

7. Debtors

	2021 £	2020 £
Due after more than one year		
Other debtors	2,680,662	2,680,662
	<u>2,680,662</u>	<u>2,680,662</u>

	2021 £	2020 £
Due within one year		
Trade debtors	176,846	46,248
Amounts owed by group undertakings	930,960	1,149,006
Other debtors	1,992,626	2,054,935
Prepayments and accrued income	68,211	22,967
	<u>3,168,643</u>	<u>3,273,156</u>

8. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	1,430,000	1,430,000
Trade creditors	39,066	76,067
Amounts owed to group undertakings	26,141,015	26,320,226
Other taxation and social security	140,988	115,672
Other creditors	762,196	89,552
Accruals and deferred income	131,076	28,053
	<u>28,644,341</u>	<u>28,059,570</u>

SUNLEY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

9. Secured Creditors

The bank loans are secured by a first charge over the property and a debenture over the company.

10. Controlling party

The ultimate parent company is Sunley Family Holding Limited, a company registered in England and Wales.

The company is exempt from preparing consolidated accounts on the grounds that it is part of a small group.

The directors do not consider there to be an ultimate controlling party.

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.