

G.A.D. ESTATES LIMITED

**Report and Financial Statements
YEAR ENDED 31 MARCH 2019**

Company Registration No. 01703423

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G.A.D. ESTATES LIMITED

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2019

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G.A.D. ESTATES LIMITED

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2019

OFFICERS AND PROFESSIONAL ADVISORS

DIRECTORS

D C Clowes
I D Dickinson
P Shanley

SECRETARY

I D Dickinson

REGISTERED OFFICE

Ednaston Park
Painters Lane
Ednaston
Derbyshire
DE6 3FA

AUDITOR

Grant Thornton UK LLP
Chartered Accountants and Statutory Auditor
Regent House
80 Regent Road
Leicester
LE1 7NH

BANKERS

The Royal Bank of Scotland plc
PO Box 39952
2 ½ Devonshire Square
London
EC2M 4XJ

G.A.D. ESTATES LIMITED

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2019

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2019. This directors' report has been prepared in accordance with the provisions applicable to companies subject to the small companies exemption, provided by Section 415A of the Companies Act 2006.

BUSINESS REVIEW

The company's principal activities are the acquisition of land, buildings and property to achieve development sales. There have not been any significant changes in the company's principal activities in the year under review. The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

As shown in the company's profit and loss account on page 6, the company has made no development sales in the year. The turnover is derived from ground rent, and profit before tax is minimal.

The balance sheet on page 7 of the financial statements shows that the company's financial position at the year end, in net asset terms, has improved by 0.75% due to the profit realised in the year.

At 31 March 2019, the value of work in progress and properties held for resale and development has remained the same at £131,568 (2018: £131,568).

PRINCIPAL RISKS AND UNCERTAINTIES

Competitive pressure in the UK is a continuing risk for the company, which could result in it losing sales to its key competitors. The company manages this risk by providing added value services to its tenants, and by maintaining strong relationships with agents, solicitors, other developers and support companies.

The financial statements have been prepared on the going concern basis as the directors consider the company has sufficient cash resources through the parent company overdraft facility to continue to operate for the foreseeable future. In reaching this view, the directors have reviewed the group and company's cash flow forecasts and ensured that adequate committed lending facilities will be available to meet all reasonable cash requirements.

The directors of Clowes Developments (UK) Limited, who are also directors of this company, have confirmed that group support will be made available to this company if so required to meet its liabilities as they fall due.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The company has no third party debt and therefore has no interest rate exposure. There are no significant levels of bad debt in the company and as such the credit risk is not considered by the directors to be significant.

RESULTS AND DIVIDENDS

The results of the company for the year are detailed on page 6 of these financial statements. The directors do not recommend the payment of a dividend (2018: £nil).

DIRECTORS

The directors who served during the year and subsequently were as follows:

D C Clowes
I D Dickinson
P Shanley

G.A.D. ESTATES LIMITED

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2019

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' RESPONSIBILITIES STATEMENT

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 including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITOR

In the case of each of the persons who are directors of the company at the date when this report was approved:

- so far as each director is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditor is unaware; and
- each director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Grant Thornton UK LLP have expressed their willingness to continue in office as auditor of the company and a resolution for that reappointment will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



I D Dickinson
Secretary
16 August 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF G.A.D. ESTATES LIMITED

Opinion

We have audited the financial statements of G.A.D. Estates Limited (the 'company') for the year ended 31 March 2019 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position, 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 Financial Reporting Standard 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 31 March 2019 and of its profit 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 Directors' Report, but does not include 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.

Opinions 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.

Matter on which we are required to report under the Companies Act 2006

In the 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF G.A.D. ESTATES LIMITED (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report or from the requirements to prepare a strategic report.

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement 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.

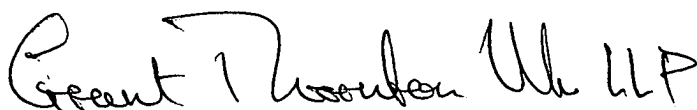
Auditor's responsibilities for the audit of the financial statements

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 our 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.



Christopher Frostwick
(Senior Statutory Auditor)
for and on behalf of

Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants
East Midlands
16 August 2019

G.A.D. ESTATES LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
TURNOVER	4	5,982	5,982
Cost of sales		(140)	(210)
GROSS PROFIT		<u>5,842</u>	<u>5,772</u>
Administrative expenses		(632)	(773)
OPERATING PROFIT	6	<u>5,210</u>	<u>4,999</u>
Interest receivable	7	3,054	640
Interest payable and similar charges		-	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>8,264</u>	<u>5,639</u>
Tax on profit on ordinary activities	8	(1,570)	(1,071)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	15	<u>6,694</u>	<u>4,568</u>
Retained profits at 1 April		896,847	892,279
Retained profits at 31 March		<u><u>903,541</u></u>	<u><u>896,847</u></u>

Turnover and operating profit are derived from continuing operations.

All activities are classed as continuing activities.

There is no other comprehensive income for the year (2018 : £nil).

The notes on pages 8 to 11 form part of these financial statements.

G.A.D. ESTATES LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019


	Note	2019 £	2018 £
CURRENT ASSETS			
Stock and work-in-progress	9	131,568	131,568
Debtors	10	278	178
Cash at bank and in hand	11	775,750	768,658
		<u>907,596</u>	<u>900,404</u>
CREDITORS: amounts falling due within one year	12	(3,955)	(3,457)
NET CURRENT ASSETS		<u>903,641</u>	<u>896,947</u>
TOTAL ASSETS LESS CURRENT LIABILITIES: being net assets		<u>903,641</u>	<u>896,947</u>
CAPITAL AND RESERVES			
Called up share capital	14	100	100
Profit and loss account	15	903,541	896,847
SHAREHOLDERS' FUNDS		<u>903,641</u>	<u>896,947</u>

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

These financial statements were approved by the Board of Directors and authorised for issue on 16 August 2019.

Signed on behalf of the Board of Directors

P SHANLEY
Director



Company Registration Number: 01703423

The notes on pages 8 to 11 form part of these financial statements.



G.A.D. ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2019

1 COMPANY INFORMATION

G.A.D. Estates Limited is a private company limited by shares, incorporated in England and Wales. Its registered office is Ednaston Park, Painters Lane, Ednaston, Derbyshire DE6 3FA.

The company's principal activities are as disclosed in the Directors' Report on page 2 of these Financial Statements.

2 BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Sterling (£).

Going Concern

The financial statements are prepared on a going concern basis following consideration of the related principal risks and uncertainties as disclosed in the Directors' Report.

3 SIGNIFICANT JUDGEMENTS AND ESTIMATES

Preparation of the financial statements can require management to make significant judgements and estimates. In preparing the financial statements for G.A.D. Estates Limited, the directors consider that the only significant judgements or estimates that have been made relate to the carrying values of work-in-progress and properties held for resale to ensure that they are at the lower of cost and net realisable value.

4 PRINCIPAL ACCOUNTING POLICIES

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Clowes Developments (UK) Limited as at 31 March 2019 and these financial statements may be obtained from Companies House.

Stocks and work-in-progress

Stocks and work-in-progress are stated at the lower of cost and net realisable value.

Debtors

Debtors are measured at transaction price, less any impairment.

Creditors

Creditors are measured at transaction price.

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.

G.A.D. ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2019

4 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Turnover

Turnover shown in the statement of income and retained earnings represents amounts chargeable during the period exclusive of value added tax. Turnover derived from management charges is recognised on an accruals basis.

Turnover is wholly attributable to the principal activities of the company and arises solely within the United Kingdom.

Operating leases: Lessor

Rentals receivable under operating leases are credited to the profit or loss on a straight line basis over the period of the lease.

Taxation

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only 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. Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Dividends

The company does not pay dividends currently and re-invests any cash surpluses in re-developing existing properties and purchasing new properties.

5 INFORMATION REGARDING DIRECTORS

Directors emoluments for services to the company are borne by Clowes Developments (UK) Limited, a related party of this company. It is not practicable to split their remuneration between the services provided to G.A.D. Estates Limited and other group companies. Their remuneration is fully disclosed in the accounts of Clowes Developments (UK) Limited.

6 OPERATING PROFIT

	2019 £	2018 £
a) Operating profit is stated after charging:		
Auditor's remuneration	<u>540</u>	<u>540</u>
b) The analysis of the auditor's remuneration is as follows:		
	2019 £	2018 £
Fees payable to the company's auditor for the audit of the company's annual accounts	360	360
Fees payable to the company's auditor and their associates for the provision of tax services	180	180
	<u>540</u>	<u>540</u>

7 INTEREST RECEIVABLE

	2019 £	2018 £
Interest receivable from group undertakings	<u>3,054</u>	<u>640</u>

G.A.D. ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2019

8 TAX ON PROFIT ON ORDINARY ACTIVITIES

a) Analysis of charge for the year	2019 £	2018 £
Current tax		
UK corporation tax at 19% (2018: 19%) based on the profit for the year	1,570	1,071
Total current tax	<u>1,570</u>	<u>1,071</u>
Tax on profit on ordinary activities (see note 8b)	<u>1,570</u>	<u>1,071</u>

b) Factors affecting the tax charge for the year

The tax assessed for the year is equal to the standard rate of corporation tax in the UK of 19% (2018: 19%). This is calculated as follows:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>8,264</u>	<u>5,639</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK at 19% (2018: 19%)	1,570	1,071
Tax on profit on ordinary activities (see note 8a)	<u>1,570</u>	<u>1,071</u>

Deferred tax assets and liabilities are measured at the standard corporation tax rate of 19% at 31 March 2019.

9 STOCK AND WORK-IN-PROGRESS

	2019 £	2018 £
Work in progress and properties held for resale and development	<u>131,568</u>	<u>131,568</u>

There is no material difference between the balance sheet value of stocks and work-in-progress and their replacement value.

Stock recognised in cost of sales during the year as an expense was £nil (2018: £nil).

10 DEBTORS

	2019 £	2018 £
Trade debtors	99	-
Prepayments	71	70
Other taxation and social security	108	108
	<u>278</u>	<u>178</u>

All debtors are due within one year.

11 CASH AND CASH EQUIVALENTS

	At 1 April 2018 £	Cash flows £	At 31 March 2019 £
Cash at bank	<u>768,658</u>	<u>7,092</u>	<u>775,750</u>

G.A.D. ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2019

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Corporation tax	1,568	1,070
Accruals and deferred income	2,387	2,387
	<u>3,955</u>	<u>3,457</u>

Amounts owed to group and related undertakings have no security, no interest and are due within 1 year.

13 CONTINGENT LIABILITIES

The company, together with certain other companies under common ultimate ownership, has entered into an agreement with its bankers whereby an overall facility is available and the bank has a right to offset balances amongst all of the companies who are party to the agreement. Hence all companies within the agreement have joint and several liability for any net borrowings that remain. At 31 March 2019, the net bank balances of the companies who were party to the agreement is £485,729 (2018 : net bank overdrafts of £2,403,534). The combined net assets of the companies who were party to the agreement substantially exceeds these amounts.

14 CALLED UP SHARE CAPITAL

	2019 £	2018 £
Called up, allotted and fully paid		
50 ordinary shares of £1 each	50	50
50 ordinary class 2 shares of £1 each	50	50
	<u>100</u>	<u>100</u>

Called up share capital represents the nominal value of shares that have been issued.

All shares rank pari passu.

15 RESERVES

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

16 OPERATING LEASE AGREEMENTS WHERE THE COMPANY IS A LESSOR

Future minimum rentals receivable under non-cancellable operating leases are as follows:

	2019 £	2018 £
Within one year	4,590	1,782
In two to five years	7,128	7,128
In over five years	77,876	79,658
	<u>89,594</u>	<u>88,568</u>

17 TRANSACTIONS WITH RELATED PARTIES

As a wholly owned subsidiary of Clowes Developments (UK) Limited, the company is exempt from the requirements of FRS 102 to disclose transactions with other members of the group headed by Clowes Developments (UK) Limited.

The company's immediate and ultimate parent undertaking is Clowes Developments (UK) Limited. Group accounts have been prepared for Clowes Developments (UK) Limited and its subsidiary undertakings. Copies of the group accounts can be obtained from Companies House, Crown Way, Cardiff CF14 3UZ.

The Clowes Trust 2014 is the controlling party by virtue of its controlling interest in the equity capital of Clowes Developments (UK) Limited.