

## **RAVENSWORTH PROPERTIES LIMITED**

### **Report and Financial Statements For the year ended 31st December 2021**

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## **RAVENSWORTH PROPERTIES LIMITED**

Annual report and financial statements for the year ended 31st December 2021

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**RAVENSWORTH PROPERTIES LIMITED**

Directors, Secretary and Registered Office

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Directors

P. W. Webster

M. D. Overton

Secretary

M. D. Overton

Registered Office

Ravensthorth House  
5th Avenue Business Park  
Team Valley  
Gateshead  
Tyne and Wear  
NE11 0HF

Registered in England : Company Number - 01744165

## **RAVENSWORTH PROPERTIES LIMITED**

### Report of the directors for the year ended 31st December 2021

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The directors present their report together with the audited financial statements for the year ended 31st December 2021.

#### **1. Principal activities and business review**

*The company's principal activity is that of a holding company for investment properties.*

The space available to let during the year was 40,000 sq. ft. No properties were acquired during 2021. The occupancy rate for 2021 was 89% (2020 - 88%). One unit (2 lettable areas) on the Team Valley Industrial Estate has been successfully leased in the year. All properties are currently let.

One property was in the process of being disposed of at the year end.

The directors considered the result for the year to be satisfactory with a good level of occupancy. It is envisaged 2022 will consolidate the trading position.

#### **2. Results**

The statement of comprehensive income is set out on page 9 and shows the result for the year.

The retained result has been transferred to profit and loss account reserves.

#### **3. Business environment and strategy**

Ravensworth operates in the office letting market where office space is continually being improved in terms of refurbished offices and new offices in both city centre locations and out of town office parks. Ravensworth's properties are all in purpose built office parks. The office rental market in the geographical locations of the company's properties is currently very competitive with a surplus of office space available. The company continually reviews the standards being offered in the market place and makes improvements where considered necessary to the property stock. The strategy is to secure tenants with a good covenant strength for lease periods in excess of three years.

The company does not intend to expand the property base. However any opportunities to acquire or dispose of properties will be considered in line with the company's and Tolent PLC's requirements.

#### **4. Principal risks and uncertainties**

The management of the business and the execution of the company's strategy are subject to a number of risks.

The key business risks affecting the company are set out below.

Risks are formally reviewed by the board and appropriate processes put in place to monitor and mitigate them. If more than one event occurs, it is possible that the overall effect of such events would compound the possible adverse effects on the company.

##### **Covid 19 and Brexit**

The Covid 19 pandemic continues to have an impact, although to a lesser extent than in 2021, with the commercial consequences being reflected in all negotiations and tenders. The Group continues to implement Covid safe protocols in accordance with Government advice.

The initial consequences of the Brexit process, completed on 31st December 2020 were successfully managed by the Group and the industry as a whole. The more significant consequences for the industry, including labour and material shortages, led to significant price inflation which continues to require careful planning and management.

##### **Going concern conclusion**

On the basis of the forward projections prepared by the company and the support provided by the parent company Tolent Construction Ltd, the Directors confirm that, after due consideration they have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

## **RAVENSWORTH PROPERTIES LIMITED**

Report of the directors for the year ended 31st December 2021 (continued)

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### **Property risks**

The property market can be very volatile in terms of market values, rental incomes and occupancy rates. Risk analysis has been built into any asset/project appraisal, including greater sensitivity analysis around market values, rental streams, interest rates and yield factors.

### **Competition**

As noted above the current market is very competitive which requires constant monitoring to ensure continued occupancy is achieved.

## **5. Directors**

The directors in office at the end of the year were Messrs P.W. Webster and A. D. Clark. The directors at the date of this report are Messrs P. W. Webster and M. D. Overton, both of whom are also directors of the ultimate parent company and their interests in the shares of the ultimate parent company are disclosed in that company's financial statements. Mr. A. I. McLeod resigned on 19th November 2021 and Mr. A. D. Clark resigned on 9th February 2022. Mr. M. D. Overton was appointed on 1st February 2022.

## **6. Statement of directors' responsibilities**

The directors are responsible for preparing the Report of the directors 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 laws, 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 profit or loss of the company for that period. In preparing these financial statements, the directors are required to select suitable accounting policies and then apply them consistently, to make judgements and accounting estimates that are reasonable and prudent and to 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 confirm that so far as each director is aware there is no relevant audit information of which the company's auditor is unaware and the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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.

## **7. Financial risk management objectives and policies**

The company uses cash, borrowings and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main purpose of these items is to finance the company's operations. The main risk arising from the above is liquidity risk. The directors review and agree the policy for managing this risk, which is summarised below. The policy remains unchanged from previous periods.

### *Liquidity risk*

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Primarily this is achieved through inter-company accounts or through loans arranged at Group level.

## **RAVENSWORTH PROPERTIES LIMITED**

Report of the directors for the year ended 31st December 2021 (continued)

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### **8. Auditor**

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

In preparing this report the directors have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

### **BY ORDER OF THE BOARD**

*Mark Overton*

M. D. Overton  
Secretary  
28th June 2022

## **RAVENSWORTH PROPERTIES LIMITED**

Independent auditor's report to the members of Ravensworth Properties Limited

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### **Opinion**

We have audited the financial statements of Ravensworth Properties Limited (the 'company') for the year ended 31 December 2021 which comprise the Statement of comprehensive income, Statement of financial position, 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 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 December 2021 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 are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, 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.

## **RAVENSWORTH PROPERTIES LIMITED**

Independent auditor's report to the members of Ravensworth Properties Limited (continued)

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.

### **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 Report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the directors has been prepared in accordance with applicable legal requirements.

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

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Report of the directors.

### **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; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the Report of the directors and from the requirement to prepare a Strategic report.

### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement, 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



## **RAVENSWORTH PROPERTIES LIMITED**

Independent auditor's report to the members of Ravensworth Properties Limited (continued)

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### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud. We corroborate our enquiries through direct confirmation with those charged with governance.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting frameworks (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the jurisdictions in which the Company operates.
- In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements and those laws and regulations relating to health and safety, employee matters, data protection, environmental, and bribery and corruption practices.
- We assessed the susceptibility of the entity's Financial Statements to material misstatement, including how fraud might occur by inquiring of management where they considered there was a susceptibility to fraud.

Audit procedures performed by the engagement team included:

- Evaluation of the programmes and controls established to address the risks related to irregularities and fraud;
- Testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions;
- Identifying and testing related party transactions;
- Review of board minutes from planning up until the date of signing
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - Knowledge of the industry in which the client operates
  - Understanding of the legal and regulatory requirements specific to the entity

We did not identify any matters relating to non-compliance with laws and regulation or relating to fraud.

In assessing the potential risks of material misstatement, we obtained an understanding of:

- The entity's operations, including the nature of its revenue sources, products and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
- The applicable statutory provisions
- The entity's control environment, including the policies and procedures implemented to comply with the requirements of its regulator.

## **RAVENSWORTH PROPERTIES LIMITED**

Independent auditor's report to the members of Ravensworth Properties Limited (continued)

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These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

### **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.

*Grant Thornton UK LLP*  
Donna Steel  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Sheffield  
28th June 2022

**RAVENSWORTH PROPERTIES LIMITED**

Statement of comprehensive income for the year ended 31st December 2021

	Note	2021 £	2020 £
Turnover	5	341,792	264,129
Other operating charges		<u>(236,376)</u>	<u>(169,906)</u>
		105,416	94,223
Fair value loss on investment property	9	(15,000)	(235,000)
Fair value gain on investment property	9	65,000	0
Fair value loss on asset held for sale	10	<u>(45,000)</u>	<u>0</u>
Operating profit/(loss)		110,416	(140,777)
Net interest	7	<u>(66,920)</u>	<u>(78,592)</u>
<b>Profit/(loss) on ordinary activities before taxation</b>	5	43,496	(219,369)
Tax on profit/(loss) on ordinary activities	8	<u>(10,057)</u>	<u>(1,003)</u>
<b>Profit/(loss) on ordinary activities after taxation and total comprehensive loss for the year</b>		<u><u>33,439</u></u>	<u><u>(220,372)</u></u>
 <b>Profit/(loss) after taxation and total comprehensive loss attributable to equity shareholders of Ravensworth Properties Limited</b>		 <u><u>33,439</u></u>	 <u><u>(220,372)</u></u>

All the above transactions relate to continuing activities.

The notes 1 to 18 form part of these financial statements.

**RAVENSWORTH PROPERTIES LIMITED**

Statement of financial position as at 31st December 2021

	Note	<u>2021</u>		<u>2020</u>	
		£	£	£	£
Fixed assets					
Investment property	9		2,820,000		2,770,000
Current assets					
Asset held for sale	10	655,000		700,000	
Debtors	11	206,561		120,386	
Cash at bank and in hand		<u>184,533</u>		<u>79,186</u>	
		1,046,094		899,572	
Creditors: amounts falling due within one year	12	<u>(2,620,365)</u>		<u>(2,095,094)</u>	
Net current liabilities			<u>(1,574,271)</u>		<u>(1,195,522)</u>
Total assets less current liabilities			1,245,729		1,574,478
Creditors: amounts falling due after more than one year	13	<u>0</u>		<u>(362,188)</u>	
			<u>0</u>		<u>(362,188)</u>
			<u>1,245,729</u>		<u>1,212,290</u>
Capital and reserves					
Called up share capital	14		20,100		20,100
Profit and loss account	15		<u>1,225,629</u>		<u>1,192,190</u>
Shareholders' funds			<u>1,245,729</u>		<u>1,212,290</u>

The financial statements were approved and authorised by the Board of Directors on 28th June 2022.

*Paul Webster*

P. W. WEBSTER Director

*Mark Overton*

M. D. OVERTON Director

Company number 01744165

The notes 1 to 18 form part of these financial statements.

**RAVENSWORTH PROPERTIES LIMITED***Statement of changes in equity for the year ended 31st December 2021*

	Share Capital	Profit and loss account	Total Equity
	£	£	£
<b>At 1st January 2020</b>	20,100	1,412,562	1,432,662
Loss on ordinary activities after taxation and total comprehensive loss for the year		(220,372)	(220,372)
<b>At 31st December 2020</b>	20,100	1,192,190	1,212,290
<b>At 1st January 2021</b>	20,100	1,192,190	1,212,290
Profit on ordinary activities after taxation and total comprehensive loss for the year	0	33,439	33,439
<b>At 31st December 2021</b>	20,100	1,225,629	1,245,729

The notes 1 to 18 form part of these financial statements.

## **RAVENSWORTH PROPERTIES LIMITED**

Notes forming part of the financial statements for the year ended 31st December 2021

### **1. Company information**

Ravensworth Properties Limited is a private limited company incorporated in England and Wales. The registered office is Ravensworth House, 5th Avenue Business Park, Team Valley, Gateshead, Tyne and Wear, NE11 0HF.

### **2. Basis of preparation**

These 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 Republic of Ireland' ('FRS102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for the revaluation of all properties.

The financial statements are presented in Sterling (£).

The company has adopted the following disclosure exemptions:

- financial instrument disclosures, including:

categories of financial instruments

items of income, expenses, gains or losses relating to financial instruments, and

exposure to and management of financial risks

- the requirement to disclose the total compensation of key management

- the requirement to disclose transactions within the Group headed by Tolent PLC.

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

#### **Going concern**

The financial statements have been prepared on a going concern basis. Each year management produces a year ahead detailed budget and a second year operational projection which includes secured lease rental income, any projected new leases, overhead costings, projected income statements, cash flow summaries and statements of financial position. Management accounts are produced monthly, with year end forecast updated quarterly. These form the basis of the monthly management accounts and board pack reviewed by the board.

The Covid 19 pandemic continues to have an impact, although to a lesser extent than in 2020, with the commercial consequences being reflected in all negotiations and tenders. The Group continues to implement Covid safe protocols across all of its sites and offices.

The initial consequences of the Brexit process, completed on 31st December 2020 were successfully managed by the company and the industry as a whole. The more significant consequences for the industry, including labour and material shortages, led to significant price inflation which has and continues to require careful planning and management.

The company does not have any finance facilities directly but it relies on financial support when required from its parent company Tolent Construction Ltd and the wider Tolent Group. Tolent Construction Ltd has provided a letter of financial support for the 12 month period following the date of signing of these accounts.

The directors consider the economic uncertainty arising as a consequence of the Covid 19 pandemic has reduced significantly now that the Country has emerged from the numerous lockdowns. Having reviewed the most recent projections alongside the support from its parent company Tolent Construction Ltd, the directors firmly believe that it is appropriate to prepare the financial statements on the going concern basis.

### **3. Significant judgements and estimates**

The company carries its investment property at fair value, with changes in fair value being recognised in profit and loss. The company engaged an independent valuation specialist to determine the fair value at the reporting date. The valuer used a recognised valuation technique. The determined fair value of the investment property is sensitive to the estimated yield and the occupancy rate.

## **RAVENSWORTH PROPERTIES LIMITED**

Notes forming part of the financial statements for the year ended 31st December 2021 (continued)

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### **4. Principal accounting policies**

The principal accounting policies of the company are stated below.

#### **4(a) Turnover**

Turnover is measured at the fair value of the rental income and service recharges received or receivable, net of discounts and value added taxes. The aggregate benefit of lease incentives relating to leases entered into after 1st January 2014 are recognised as a reduction to the income recognised over the lease term on a straight line basis.

#### **4(b) Investment properties**

The company's properties are held for long term investment, which includes properties used by other Group companies and properties leased to third parties. Investment properties are initially recognised at cost which includes purchase cost and any directly attributable expenditure. Investment properties whose fair value can be measured reliably are measured at fair value. The surplus or deficit on revaluation is recognised in profit and loss account.

#### **4(c) Assets held for sale**

The assets held for sale relate to properties previously held as investment properties. Assets held for sales whose fair value can be measured reliably are measured at fair value. The surplus or deficit on revaluation is recognised in profit and loss account.

#### **4(d) Debtors**

Short term debtors are measured at transaction price, less any impairment.

#### **4(e) 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 measured subsequently at amortised cost using the effective interest method.

#### **4(f) Taxation**

Current tax is recognised for the amount of income 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. The tax expense is presented in the statement of comprehensive income or equity depending on the transaction that resulted in the tax expense.

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the reporting date. 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 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. Deferred tax assets and liabilities are not discounted.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

The tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and liabilities are offset only if:

- the company has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

**RAVENSWORTH PROPERTIES LIMITED**

Notes forming part of the financial statements for the year ended 31st December 2021 (continued)

**5. Turnover and profit/(loss) on ordinary activities before taxation**

All the company's turnover and result are derived from its principal activity of a holding company for investment properties, and its turnover is all from the United Kingdom.

Profit/(loss) on ordinary activities is stated after:

	2021	2020
	£	£
Fair value loss on investment property	(15,000)	(235,000)
Fair value gain on investment property	65,000	0
Fair value loss on asset held for sale	(45,000)	0
Auditor's remuneration: fees for the company's audit	<u>7,000</u>	<u>5,500</u>

Fees paid to the company's auditor, Grant Thornton UK LLP, and its associates for services other than the statutory audit of the company are not disclosed in the company's accounts as this information is included in the consolidated financial statements of the ultimate parent, Tolent PLC.

**6. Directors and employees**

The average number of employees of the company during the year was 3 (2020 - 3). Directors' emoluments and accruing retirement benefits were £nil (2020 - £nil).

**7. Net interest**

	2021	2020
	£	£
Payable on bank overdraft and other loans repayable:		
within five years, otherwise than by instalments	<u>66,920</u>	<u>78,592</u>
	<u>66,920</u>	<u>78,592</u>

**8. Tax on profit/(loss) on ordinary activities**

The tax charge represents:

	2021	2020
	£	£
Current tax on profit/(loss) for the year at 19% (2020 - 19%)	<u>10,057</u>	<u>1,003</u>
Current tax charge for year	<u>10,057</u>	<u>1,003</u>
Tax on profit/(loss) on ordinary activities	<u>10,057</u>	<u>1,003</u>

The tax assessed for the year differs from the standard rate of corporation tax in the United Kingdom of 19% (2020 - 19%). The differences are explained as follows:

	2021	2020
	£	£
Profit/(loss) on ordinary activities before tax	<u>43,496</u>	<u>(219,369)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 19% (2020 - 19%)	8,264	(41,680)
Effects of:		
expenses not deductible for tax purposes	3,406	44,650
deferred tax not provided	<u>(1,613)</u>	<u>(1,967)</u>
Total tax charge for year	<u>10,057</u>	<u>1,003</u>

The UK Government has announced the prevailing rate of Corporation Tax will increase from 19% to 25% in April 2023.



**RAVENSWORTH PROPERTIES LIMITED**

Notes forming part of the financial statements for the year ended 31st December 2021 (continued)

**9. Tangible fixed assets****Investment Property - Long leasehold land and buildings**

Valuation	£
At 1st January 2021	2,770,000
Fair value losses	(15,000)
Fair value gains	65,000
At 31st December 2021	<u>2,820,000</u>

The long leasehold investment properties were revalued in December 2021 by Naylor's Gavin Black (chartered surveyors), an independent valuer with a recognised and relevant professional qualification and with recent experience in the location of the investment property being valued. The valuer was not an officer or an employee of the company. The basis of the fair value valuation was on open market value in accordance with the Appraisal and Valuation Manual of The Royal Institution of Chartered Surveyors. The directors consider that these amounts continue to reflect their value at the balance sheet date.

If the long leasehold investment properties had not been revalued they would have been included on a historical cost basis with a net book value of £3,845,761 (2020 - £3,845,761). The investment properties are pledged as security for the Group's bank loan.

**10. Asset held for sale**

Valuation	£
At 1st January 2021	700,000
Fair value losses	(45,000)
At 31st December 2021	<u>655,000</u>

One property was held for sale at the year end which was revalued in December 2021 by Naylor's Gavin Black (chartered surveyors), as noted above at note 9. The directors consider that these amounts continue to reflect their value at the balance sheet date.

**11. Debtors**

	2021	2020
	£	£
Trade debtors	119,544	32,206
Prepayments and accrued income	60,156	67,886
Other Debtors	8,381	0
Amounts owed by group undertakings	<u>18,480</u>	<u>20,294</u>
	<u>206,561</u>	<u>120,386</u>

The amounts owed by group undertakings are interest free and repayable on demand.

**RAVENSWORTH PROPERTIES LIMITED**

Notes forming part of the financial statements for the year ended 31st December 2021 (continued)

**12. Creditors: amounts falling due within one year**

	<u>2021</u>	<u>2020</u>
	£	£
Trade creditors	20,938	21,701
Amounts owed to group undertakings	2,499,805	1,711,115
Social security and other taxes	12,601	7,681
Bank Loan	0	282,099
Accruals and deferred income	76,964	71,495
Corporation tax	<u>10,057</u>	<u>1,003</u>
	<u>2,620,365</u>	<u>2,095,094</u>

The amounts owed to group undertakings are repayable on demand with interest being charged at between nil and 3.25% over the Bank of England base rate.

**13. Creditors: amounts falling due after more than one year**

	<u>2021</u>	<u>2020</u>
	£	£
Bank Loan	<u>0</u>	<u>362,188</u>
Aggregate amounts repayable by instalments:		
within one year	0	272,099
between one and two years	<u>0</u>	<u>362,188</u>
	<u>0</u>	<u>634,287</u>

The bank loan was secured over the properties included within investment property and asset held for sale. The loan was repaid during 2021.

**14. Called up share capital**

	<u>2021</u>	<u>2020</u>
	£	£
Allotted, called up and fully paid ordinary shares of £1 each	<u>20,100</u>	<u>20,100</u>

**15. Reserves**

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

Profit and loss account - includes all current and prior period retained profits and losses.

**16. Contingent liabilities**

The company is party to cross guarantees for the bank borrowings of Tolent PLC, Tolent Corporation Limited, Tolent Construction Limited, Tolent Homes Limited, T Holdings Limited, Tolent Living Limited and Tolent Solutions Limited.

At 31 December 2021 this amounted to nil (2020 - £nil).

**17. Ultimate parent undertaking**

The immediate parent undertaking of this company is Tolent Construction Limited. The ultimate parent undertaking/controlling related party of this company is Tolent PLC, which is registered in England and Wales. Consolidated accounts have been by Tolent Construction Limited and Tolent PLC. Further details relating to this matter are disclosed in those companies financial statements, copies of which can be obtained from their Registered Offices.

**18. Events after the balance sheet date**

There were no significant post balance sheet events