

Registered number: 01997221

HAMMOND HOLDINGS LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

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HAMMOND HOLDINGS LTD**BALANCE SHEET
AS AT 30 JUNE 2020**

	Note	2020 £	2019 £
Fixed assets			
Investment property	4	1,604,300	1,984,300
		<u>1,604,300</u>	<u>1,984,300</u>
Current assets			
Debtors: amounts falling due within one year	5	-	1,212
Cash at bank and in hand	6	3	3
		<u>3</u>	<u>1,215</u>
Creditors: amounts falling due within one year	7	(111,032)	(39,087)
Net current liabilities		<u>(111,029)</u>	<u>(37,872)</u>
Total assets less current liabilities		<u>1,493,271</u>	<u>1,946,428</u>
Creditors: amounts falling due after more than one year	8	(238,827)	(315,843)
Provisions for liabilities			
Deferred tax	10	(167,802)	(185,246)
		<u>(167,802)</u>	<u>(185,246)</u>
Net assets		<u>1,086,642</u>	<u>1,445,339</u>
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account		1,086,640	1,445,337
Total equity		<u>1,086,642</u>	<u>1,445,339</u>

HAMMOND HOLDINGS LTD

BALANCE SHEET (CONTINUED) AS AT 30 JUNE 2020

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

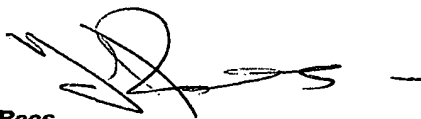
The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of 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:



J F Rees
Director

Date: 15/02/2021

The notes on pages 3 to 9 form part of these financial statements.

HAMMOND HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

1. General information

Hammond Holdings Ltd is a private company limited by shares incorporated in England and Wales. Its registered office is Palladium House, 1-4 Argyll Street, London, W1F 7LD.

The financial statements are presented in Sterling and rounded to nearest £.

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 Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.3 Turnover

Turnover represents amounts receivable for rent and is recognised when it is due. It 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. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.4 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the Statement of income and retained earnings. Any gains or losses on the sale of investment properties are also recognised in the Statement of income and retained earnings.

2.5 Financial instruments

The Company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

The Company's policies for its major classes of financial assets and financial liabilities are set out below.

HAMMOND HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

2. Accounting policies (continued)

Financial instruments (continued)

Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances, intercompany working capital balances, and intercompany financing are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Impairment of financial assets

Financial assets 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 profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

HAMMOND HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

2. Accounting policies (continued)

Financial instruments (continued)

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet 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.

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, 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 balance sheet 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 Balance sheet 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 balance sheet date.

2.7 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.

HAMMOND HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

2. Accounting policies (continued)

2.8 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.

2.9 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 1 (2019 - 1).

4. Investment property

	Short term leasehold investment property £
Valuation	
At 1 July 2019	1,984,300
Disposals	(380,000)
At 30 June 2020	1,604,300

The 2020 valuations were made by the director, on an open market value for existing use basis.

HAMMOND HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

5. Debtors

	2020 £	2019 £
Trade debtors	-	1,212
	<u>-</u>	<u>1,212</u>

6. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	3	3
Less: bank overdrafts	(7,303)	(1,190)
	<u>(7,300)</u>	<u>(1,187)</u>

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	7,303	1,190
Bank loans	77,000	-
Trade creditors	880	210
Corporation tax	6,656	3,053
Other creditors	15,893	32,234
Accruals	3,300	2,400
	<u>111,032</u>	<u>39,087</u>

8. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	238,827	315,843
	<u>238,827</u>	<u>315,843</u>

The bank loans included within short term and long term creditors are secured against the assets of the company.

HAMMOND HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

9. Loans

	2020 £	2019 £
Amounts falling due within one year		
Bank loans	77,000	-
	<u>77,000</u>	<u>-</u>
Amounts falling due 1-2 years		
Bank loans	-	77,000
	<u>-</u>	<u>77,000</u>
Amounts falling due after more than 5 years		
Bank loans	238,827	238,843
	<u>238,827</u>	<u>238,843</u>
	<u>315,827</u>	<u>315,843</u>

10. Deferred taxation

	2020 £
At beginning of year	(185,246)
Charged to profit or loss	17,444
At end of year	<u>(167,802)</u>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Fair value movements	<u>(167,802)</u>	<u>(185,246)</u>

HAMMOND HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

11. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
2 (2019 - 2) Ordinary Shares shares of £1.00 each	<u>2</u>	<u>2</u>

12. Non-distributable profits reserve

At the year end included within retained earnings is an amount of £715,364 (2019: £1,049,726) related to investment property revaluations, which is not distributable.

13. Other financial commitments

After the reporting date, the company took out a mortgage for £130,000.

14. Directors' transactions

Dividends totalling £11,500 (2019 - £nil) were paid in the year in respect of shares held by the company's director.

Included within other creditors is an amount of £4,411 (2019: £32,262) owed to the director. The loan is provided interest free and is unsecured. There are no formal terms and conditions regarding repayment of the loan.