

Goadsby & Harding (Holdings) Limited

Registered number: 2446167

Directors' report and financial statements

For the year ended 30 June 2019



GOADSBY & HARDING (HOLDINGS) LIMITED

COMPANY INFORMATION

Directors

R D N Craven
D Errington
N Price
D N Huck

Company secretary

D Errington

Registered number

2446167

Registered office

99 Holdenhurst Road
Bournemouth
Dorset
BH8 8DY

Independent auditor

Mazars LLP
Chartered Accountants & Statutory Auditor
5th Floor
Merck House
Seldown Lane
Poole
BH15 1TW

GOADSBY & HARDING (HOLDINGS) LIMITED

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GOADSBY & HARDING (HOLDINGS) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2019

Business review

The principal activity of the Company was acting as a holding company for its trading subsidiaries and providing management services.

The audited financial statements for the year ended 30 June 2019 are set out on pages 7 to 22. The results before taxation was £nil (2018: £568,644 profit).

Principal risks and uncertainties

Overview

The company uses financial instruments, other than derivatives, comprising borrowings, cash 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 financial instruments is to raise finance for the company's operations. The directors review and agree policies for managing each of the risks as summarised below:

Credit risk

All financial assets of the Company, except cash in hand, are subject to credit risk. In order to manage credit risk, where appropriate, credit limits are set for customers based upon a combination of payment history and third party credit references. Credit limits are reviewed on a regular basis.

Interest rate risk

The Company finances its operations through a mixture of retained profits, bank borrowings, inter-company accounts and finance leases. The company's exposure to interest rate fluctuations on its borrowings is managed on a group basis by the use of both fixed and floating facilities.

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. Short term flexibility is achieved by overdraft facilities.

Political climate, Brexit and COVID19

Political policies outside of the company's control can impact the housing market which directly impacts the trading performance of the business. This includes the uncertainty surrounding Brexit and COVID19 and its impact on the trading within the Company. Notwithstanding the directors consider the company have sufficient resources and prompt reporting mechanisms to identify such that they can act upon political changes as required.

Financial and other key performance indicators

Due to the company being a holding company, the directors do not consider any performance indicators applicable.

GOADSBY & HARDING (HOLDINGS) LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2019

This report was approved by the board and signed on its behalf.



David Errington (Jun 25, 2020 10:55 GMT+1)

D Errington
Director

Date: Jun 25, 2020

GOADSBY & HARDING (HOLDINGS) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2019

The directors present their report and the financial statements for the year ended 30 June 2019.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to 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.

Principal activity

The principal activity of the Company was acting as a holding company for its trading subsidiaries and providing management services.

Going concern

In the normal course of events, the directors prepare regular forecasts and monitor performance of KPIs on a monthly basis and having extrapolated forward on a business as usual basis concluded that there were no material uncertainties that cast doubt on the Group's ability to continue as a going concern. The circumstances surrounding the rapid escalation of the coronavirus and the response of governments in the UK and abroad have added an additional element of uncertainty. At the time of approval of these accounts, the crisis is expected to be temporary and relatively short-lived.

The business forecasts and projections, taking account of reasonably possible changes in trading performance and the potential impact of the COVID-19 coronavirus, show that the company should be able to operate within the level of its current cash resources and facilities.

The St Gresham Board was in place during the deep recession of 2008/9 and are experienced in managing the business through challenging economic circumstances. The Board keeps tight control on costs and will introduce proportionate cost controls and other measures as necessary. It will take advantage of numerous avenues available to direct the business based on its prudent forecasting and accounting and fiscally efficient principles. Accordingly the Directors have revisited their previous assessment and have concluded that there are no material uncertainties that cast doubt on the Group's ability to continue as a going concern.

GOADSBY & HARDING (HOLDINGS) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2019

Results and dividends

The profit for the year, after taxation, amounted to £NIL (2018 - £568,644).

Dividends of £nil (2018: £676,209) were declared and paid during the year.

Directors

The directors who served during the year were:

R D N Craven
D Errington
N Price
D N Huck

Future developments

The company intends to continue in its operations as a holding company for its subsidiary companies.

Employees and employment practice

The company pursues an employment policy of equal opportunity and strives to follow best practice in recruitment and selection. It does not discriminate on the grounds of race, nationality, sex, marital status, disability, religious or political beliefs.

Matters covered in the strategic report

Key performance indicators and a business review for the year ended 30 June 2018 are disclosed in the Strategic Report as required by s414C(11) of the Companies Act 2006.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

The directors have considered the events after the year end. COVID-19 is the only event to affect the company since the year end and after due consideration is considered to be a non-adjusting post balance sheet event as detailed in note 25.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

GOADSBY & HARDING (HOLDINGS) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2019

This report was approved by the board and signed on its behalf.



David Errington (Jun 25, 2020 10:55 GMT+1)

D Errington
Director

Date: Jun 25, 2020

GOADSBY & HARDING (HOLDINGS) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOADSBY & HARDING (HOLDINGS) LIMITED

Opinion

We have audited the financial statements of Goadsby & Harding (Holdings) Limited (the 'Company') for the year ended 30 June 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2019 and of its results 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.

Emphasis of matter – Impact of the outbreak of COVID-19 on the financial statements

In forming our opinion on the company financial statements, which is not modified, we draw your attention to the directors' view on the impact of the COVID-19 as disclosed on page 1, and the consideration in the going concern basis of preparation on page 11 and non- adjusting post balance sheet events on page 23.

Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK.

The full impact following the recent emergence of the COVID-19 is still unknown. It is therefore not currently possible to evaluate all the potential implications to the company's trade, customers, suppliers and the wider economy.

GOADSBY & HARDING (HOLDINGS) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOADSBY & HARDING (HOLDINGS) LIMITED

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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.

GOADSBY & HARDING (HOLDINGS) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOADSBY & HARDING (HOLDINGS) LIMITED

Responsibilities of Directors

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 intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Stephen Mills

Stephen Mills (Jun 26, 2020 13:52 GMT+1)

Stephen Mills (Senior statutory auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

5th Floor
Merck House
Seldown Lane
Poole
BH15 1TW

Date: Jun 26, 2020

GOADSBY & HARDING (HOLDINGS) LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 £	2018 £
Turnover	4	1,377,807	1,367,122
Gross profit		<u>1,377,807</u>	<u>1,367,122</u>
Administrative expenses		(1,310,595)	(1,298,807)
Other operating income	5	-	182,478
Operating profit	6	<u>67,212</u>	<u>250,793</u>
Income from shares in group undertakings		-	400,000
Interest receivable and similar income		13,034	8,157
Interest payable and expenses	10	(80,246)	(58,946)
Profit before tax		<u>-</u>	<u>600,004</u>
Tax on profit	11	-	(31,360)
Profit after tax		<u>-</u>	<u>568,644</u>
Retained earnings at the beginning of the year		149,808	257,373
		<u>149,808</u>	<u>257,373</u>
(Loss)/profit for the year		-	568,644
Dividends declared and paid		-	(676,209)
Retained earnings at the end of the year		<u>149,808</u>	<u>149,808</u>

The notes on pages 11 to 24 form part of these financial statements.

GOADSBY & HARDING (HOLDINGS) LIMITED
REGISTERED NUMBER: 2446167

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	13	93,575	149,502
Investments	14	3,741,569	3,741,569
		<u>3,835,144</u>	<u>3,891,071</u>
Current assets			
Debtors: amounts falling due within one year	15	3,987,599	3,567,155
Cash at bank and in hand	16	4,217	32,477
		<u>3,991,816</u>	<u>3,599,632</u>
Creditors: amounts falling due within one year	17	(5,389,000)	(5,052,743)
Net current liabilities		<u>(1,397,184)</u>	<u>(1,453,111)</u>
Total assets less current liabilities		<u>2,437,960</u>	<u>2,437,960</u>
Creditors: amounts falling due after more than one year	18	(1,620,244)	(1,620,244)
Net assets		<u><u>817,716</u></u>	<u><u>817,716</u></u>
Capital and reserves			
Called up share capital	19	173,667	173,667
Share premium account	20	392,878	392,878
Capital redemption reserve	20	101,363	101,363
Profit and loss account	20	149,808	149,808
		<u>817,716</u>	<u>817,716</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



David Errington (Jun 25, 2020 10:55 GMT+1)

D Errington
Director

Date: Jun 25, 2020

The notes on pages 11 to 24 form part of these financial statements.

GOADSBY & HARDING (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

1. General information

Goadsby & Harding (Holdings) Limited is a private company limited by shares, registered in England and Wales. The registered office is 99 Holdenhurst Road, Bournemouth, Dorset, BH8 8DY.

The principal activity of the Company is acting as a holding company for its trading subsidiaries and providing management services.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The financial statements are presented in Pound Sterling.

The following principal accounting policies have been applied:

2.2 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 the 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 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A.

This information is included in the consolidated financial statements of St Gresham Limited as at 30 June 2019 and these financial statements may be obtained from the registered office address of the Company.

GOADSBY & HARDING (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.3 Going concern

The directors have made an assessment in preparing these financial statements as to whether the Company is a going concern and have concluded that there are no material uncertainties that may cast doubt on the Company's ability to continue as a going concern.

When determining whether the Company's financial statements can be prepared on a going concern basis, the directors considered the business activities, together with the factors likely to affect its future development, performance and position; these are set out in the Strategic Report and Directors' Report, this includes the impact of COVID-19.

As at the date of this report, the directors have a reasonable expectation that the Company has adequate resources to continue in business for a period of at least twelve months following signing of these financial statements. The Company continues to have the support of the wider St Gresham group. Thus, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.4 Revenue

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. Turnover comprises of management charges receivable and rental income.

2.5 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following basis.

Freehold property	- 2% straight-line
Motor vehicles	- 25% reducing balance
Furniture, fittings & equipment	- 10-20% straight-line

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 the Statement of Income and Retained Earnings.

GOADSBY & HARDING (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard, being 01 July 2015, to continue to be charged over the period to the first market rent review rather than the term of the lease

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 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.

2.9 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.

2.10 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

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 payables or receivables, 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 financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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.

GOADSBY & HARDING (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.10 Financial instruments (continued)

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a 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.

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

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.

2.11 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.

2.12 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings 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.

2.13 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.

2.14 Finance leases

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Income and Retained Earnings so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

GOADSBY & HARDING (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.15 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 payments obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings 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.

2.16 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

2.17 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

2.18 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

GOADSBY & HARDING (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.19 Taxation

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 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 Statement of Financial Position 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.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The Company's significant accounting policies are stated in Note 2.

The directors do not consider there to be any material judgements or estimates.

4. Turnover

The whole of the turnover is attributable to the principal activity of the business.

All turnover arose within the United Kingdom.

5. Other operating income

	2019 £	2018 £
Bank charges refunded	-	182,478

Bank charges refunded related to amounts returned by the Company's banker, in relation to disputed fees paid while part of an equity participation arrangement with that bank during the period 2008 - 2013.

GOADSBY & HARDING (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

6. Operating profit

The operating profit is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	45,453	62,683
Operating lease rentals	35,584	34,148
Defined contribution pension cost	66,879	66,381
	<u> </u>	<u> </u>

7. Auditor's remuneration

	2019 £	2018 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	3,014	2,955
Fees payable to the Company's auditor in respect of tax compliance services	1,260	1,235

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

8. Employees

	2019 £	2018 £
Wages and salaries	662,762	610,286
Social security costs	80,054	69,282
Cost of defined contribution scheme	66,879	66,381
	<u>809,695</u>	<u>745,949</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2019 No.	2018 No.
Total employees	<u>30</u>	<u>31</u>

GOADSBY & HARDING (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

9. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	193,167	210,968
Company contributions to defined contribution pension schemes	49,383	50,842
	<u>242,550</u>	<u>261,810</u>

During the year retirement benefits were accruing to 2 directors (2018 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £175,024 (2018 - £156,108).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £39,978 (2018 - £42,526).

10. Interest payable and similar expenses

	2019 £	2018 £
Bank interest payable	80,243	58,658
Finance leases and hire purchase contracts	3	288
	<u>80,246</u>	<u>58,946</u>

11. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	-	31,360

GOADSBY & HARDING (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	-	600,004
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	-	114,001
Effects of:		
Expenses not deductible for tax purposes	-	3,967
Capital allowances for year in excess of depreciation	8,636	1,369
Loss on disposal of fixed assets	6,265	-
Other timing differences leading to an increase (decrease) in taxation	(14,901)	-
Dividends from UK companies	-	(76,000)
Group relief claimed	-	(14,883)
Deferred tax not recognised	-	2,906
Total tax charge for the year	-	31,360

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

12. Dividends

	2019 £	2018 £
Dividend in specie	-	676,209

The dividend in specie related to freehold property transferred to St Gresham Limited, the Company's parent.

GOADSBY & HARDING (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

13. Tangible fixed assets

	Motor vehicles £	Furniture, fittings & equipment £	Total £
Cost or valuation			
At 1 July 2018	188,710	202,677	391,387
Additions	-	22,500	22,500
Disposals	(104,218)	(8,533)	(112,751)
At 30 June 2019	84,492	216,644	301,136
Depreciation			
At 1 July 2018	119,153	122,732	241,885
Charge for the year on owned assets	9,147	36,306	45,453
Disposals	(71,244)	(8,533)	(79,777)
At 30 June 2019	57,056	150,505	207,561
Net book value			
At 30 June 2019	27,436	66,139	93,575
At 30 June 2018	69,557	79,945	149,502

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Motor vehicles	14,144	18,859

GOADSBY & HARDING (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

14. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 July 2018	3,741,569
At 30 June 2019	<u>3,741,569</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Goadsby & Harding (Residential) Limited	England & Wales	Ordinary	100%
Goadsby & Harding (Commercial) Limited	England & Wales	Ordinary	100%
Goadsby & Harding (Survey and Valuation) Limited	England & Wales	Ordinary	100%
St Manor Limited	England & Wales	Ordinary	100%
Goadsby & Harding Limited	England & Wales	Ordinary	100%

The details of dormant subsidiaries have not been disclosed as these are not material to the results or net assets of the group.

The registered office of each of the subsidiaries is 99 Holdenhurst Road, Bournemouth, Dorset, BH88DY.

15. Debtors

	2019 £	2018 £
Trade debtors	3,090	90
Amounts owed by group undertakings	3,829,089	3,433,454
Other debtors	14,105	15,136
Prepayments and accrued income	141,315	118,475
	<u>3,987,599</u>	<u>3,567,155</u>

GOADSBY & HARDING (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

16. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	4,217	32,477
Less: bank overdrafts	(427,986)	-
	<u>(423,769)</u>	<u>32,477</u>

17. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank overdrafts	427,986	-
Trade creditors	182,460	126,877
Amounts owed to group undertakings	4,702,812	4,788,456
Corporation tax	31,360	31,360
Other taxation and social security	20,067	24,081
Obligations under finance lease and hire purchase contracts	-	706
Other creditors	12,052	11,408
Accruals and deferred income	12,263	69,855
	<u>5,389,000</u>	<u>5,052,743</u>

Included with other creditors are unpaid pension contributions of £8,263 (2018: £7,619).

Secured loans

The bank facilities are secured by fixed and floating charges over the assets of the company and by unlimited cross-guarantees between the company and certain fellow group undertakings.

The finance lease and hire purchase liabilities are secured by the specific fixed assets to which they relate.

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

	2019 £	2018 £
Amounts owed to group undertakings	<u>1,620,244</u>	<u>1,620,244</u>

GOADSBY & HARDING (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

19. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
173,667 (2018 - 173,667) Ordinary shares shares of £1.00 each	173,667	173,667

Summary of class rights

Ordinary shares are entitled pari pasu to dividend payments or any other distributions. These shares are entitled to the balance of the surplus assets on liquidation. Each ordinary share is entitled to one vote in any circumstance.

20. Reserves

Share premium account

The share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Capital redemption reserve

The capital redemption reserve represents the nominal value of shares repurchased by the company.

Profit & loss account

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

21. Contingent liabilities

Bank facilities of the company and certain of its subsidiaries are secured by fixed and floating charges over the assets of the company and guarantees between the company and certain other group companies.

The bank has first legal charge over the freehold property in Winchester.

There were no other contingent liabilities at 30 June 2019 or 30 June 2018.

22. Pension commitments

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contribution payable are charged to the Statement of Income and Retained Earnings.

GOADSBY & HARDING (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

23. Commitments under operating leases

At 30 June 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	-	35,523

24. Related party transactions

As a wholly owned subsidiary of St Gresham Limited, the company is exempt from the requirements of FRS 102 to disclose transactions with other wholly owned members of the group headed by St Gresham Limited.

During the year the company paid rent of £nil (2018: £nil) and provided management services of £4,000 (2018: £4,000) to St Peters Limited, a company in which D Errington and D N Huck are directors.

During the year the company paid rent of £71,045 (2018: £71,131) and provided management services of £6,668 (2018: £6,668) to St Giles (2016) Limited, a company in which D Errington and D N Huck are directors. At the year end the company owed £42,187 (2018: £21,118) in respect of rent.

25. Post balance sheet events

Since the Balance Sheet date there has been a global outbreak of a novel strain of coronavirus (COVID-19). On 12 March 2020 the World Health Organisation declared the outbreak a pandemic. Many countries, including the UK have reacted to contain and delay the spread of the virus, which included extensive social distancing, business closures and travel bans. The Directors considered the financial impact of this pandemic and have concluded that the matter is a non-adjusting post balance sheet event. See the "Principal Risks and Uncertainties" in the Strategic Report on page 1.

26. Controlling party

The company is a wholly owned subsidiary of St Gresham Limited. St Gresham Limited is therefore the ultimate parent undertaking. The directors are of the view that there is no ultimate controlling party.

The largest and smallest group of undertakings, for which group accounts for the year ended 30 June 2019 have been drawn up, is that headed by St Gresham Limited. Copies of the group accounts can be obtained from the registered office, 99 Holdenhurst Road, Bournemouth, Dorset, BH8 8DY.