

Registration number: 02617988

# Cardiff Gate Business Park Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 October 2021

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# **Cardiff Gate Business Park Limited**

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# **Cardiff Gate Business Park Limited**

## **Company Information**

**Directors**                      Andrew R Bolt BA, FCMA  
                                        Robert J W Wotherspoon B.Eng., ACA

**Company secretary**        Kevin J Pearson BSc., ACA

**Registered office**            Eaton Court  
                                        Maylands Avenue  
                                        Hemel Hempstead  
                                        Hertfordshire  
                                        HP2 7TR  
                                        United Kingdom

## **Cardiff Gate Business Park Limited**

### **Directors' Report for the Year Ended 31 October 2021**

The Directors present their report and the financial statements for the year ended 31 October 2021.

#### **Directors of the Company**

The Directors who held office during the year and up to the date of this report, unless otherwise stated were as follows:

Andrew R Bolt BA, FCMA

Robert J W Wotherspoon B.Eng., ACA

#### **Principal activity and future developments**

The principal activity of the company is property development and property rentals on the Cardiff Gate Business Park in Cardiff.

#### **Dividends**

Interim dividends of £4,750,000 were paid during the year (2020: £nil). The Directors do not recommend the payment of a final dividend (2020: £nil).

#### **Going concern**

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policies note in the financial statements.

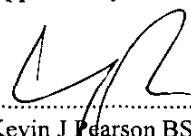
#### **Directors' liabilities**

Third party indemnity provisions made by the ultimate parent company on behalf of all Directors within the Newarthill Limited group were in force for the entire financial year.

#### **Small companies provision statement**

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 16.6.22 and signed on its behalf by:

  
.....  
Kevin J Pearson BSc., ACA  
Company Secretary

## **Cardiff Gate Business Park Limited**

### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom 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 and then apply them consistently;
- make judgements 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 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.

# Cardiff Gate Business Park Limited

## Profit and Loss Account and Statement of Other Comprehensive Income for the Year Ended 31 October 2021

	2021 £	2020 £
Turnover	1,841,126	11,325,895
Cost of sales	<u>(1,266,018)</u>	<u>(9,743,081)</u>
Gross profit	575,108	1,582,814
Administrative expenses	<u>(174,548)</u>	<u>(222,618)</u>
Operating profit	<u>400,560</u>	<u>1,360,196</u>
Other interest receivable and similar income	-	13,960
Interest payable and similar expenses	<u>(35,645)</u>	<u>(162,649)</u>
	<u>(35,645)</u>	<u>(148,689)</u>
Profit before tax	364,915	1,211,507
Taxation	<u>(93,506)</u>	<u>(19,182)</u>
Total comprehensive income for the financial year	<u><u>271,409</u></u>	<u><u>1,192,325</u></u>

The above results were derived from continuing operations.

The notes on pages 7 to 12 form an integral part of these financial statements.

# Cardiff Gate Business Park Limited

(Registration number: 02617988)  
Balance Sheet as at 31 October 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investment properties	3	8,971,669	8,007,469
Investments	4	<u>1</u>	<u>1</u>
		<u>8,971,670</u>	<u>8,007,470</u>
<b>Current assets</b>			
Stocks	5	5,642,586	6,063,035
Debtors	6	154,576	439,619
Cash and cash equivalents		<u>1,172,151</u>	<u>5,964,241</u>
		6,969,313	12,466,895
<b>Creditors: Amounts falling due within one year</b>	7	<u>(12,719,803)</u>	<u>(8,884,702)</u>
<b>Net current (liabilities)/assets</b>		<u>(5,750,490)</u>	<u>3,582,193</u>
<b>Total assets less current liabilities</b>		3,221,180	11,589,663
<b>Creditors: Amounts falling due after more than one year</b>	7	-	(3,960,619)
<b>Provisions for liabilities</b>		<u>(418,699)</u>	<u>(347,972)</u>
<b>Net assets</b>		<u>2,802,481</u>	<u>7,281,072</u>
<b>Capital and reserves</b>			
Called up share capital		400,000	400,000
Profit and loss account		<u>2,402,481</u>	<u>6,881,072</u>
<b>Total equity</b>		<u>2,802,481</u>	<u>7,281,072</u>

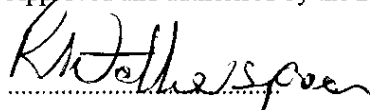
For the financial year ending 31 October 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The ultimate parent company has provided a guarantee to Cardiff Gate Business Park Limited in compliance with Section 479C of the Companies Act 2006.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 16.6.22 and signed on its behalf by:



Robert J W Wotherspoon B.Eng., ACA

Director

The notes on pages 7 to 12 form an integral part of these financial statements.

# Cardiff Gate Business Park Limited

## Statement of Changes in Equity for the Year Ended 31 October 2021

	Share capital £	Profit and loss account £	Total £
At 1 November 2019	400,000	5,688,747	6,088,747
Profit for the year	-	1,192,325	1,192,325
Total comprehensive income	-	1,192,325	1,192,325
At 31 October 2020	400,000	6,881,072	7,281,072

	Share capital £	Profit and loss account £	Total £
At 1 November 2020	400,000	6,881,072	7,281,072
Profit for the year	-	271,409	271,409
Total comprehensive income	-	271,409	271,409
Dividends	-	(4,750,000)	(4,750,000)
At 31 October 2021	400,000	2,402,481	2,802,481

The notes on pages 7 to 12 form an integral part of these financial statements.



# **Cardiff Gate Business Park Limited**

## **Notes to the Financial Statements for the Year Ended 31 October 2021**

### **1 General information**

The company is a private company limited by share capital, incorporated in United Kingdom.

The address of its registered office is:

Eaton Court  
Maylands Avenue  
Hemel Hempstead  
Hertfordshire  
HP2 7TR  
United Kingdom

Authorised for issue date

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except, as disclosed in the accounting policies, certain items are shown at fair value.

#### **Departure from requirements of FRS 102**

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in these separate company financial statements in relation to financial instruments and presentation of a cash flow statement.

#### **Going concern**

The Company's business activities are set out in the Directors Report. The financial position of the Company is set out in the balance sheet and the accompanying notes to the financial statements.

The Company has net liabilities as at 31 October 2021 and is reliant on the support of its parent company, Sir Robert McAlpine Enterprises Limited, to be able to meet its liabilities as they fall due. However, the Directors consider that the Company is an integral part of Newarthill Limited Group's structure and strategy and this is evidenced by the guarantee provided by the ultimate parent company in accordance with Section 479C of the Companies Act 2006, as noted on the Balance Sheet. After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of financial statements. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and financial statements.

## **Cardiff Gate Business Park Limited**

### **Notes to the Financial Statements for the Year Ended 31 October 2021**

#### **Key sources of estimation uncertainty and judgements**

There are no key sources of estimation uncertainty or critical accounting judgements.

#### **Turnover**

Turnover consists of rents receivable and property development sales during the year and is stated net of VAT. Turnover is recognised on an accruals basis.

#### **Cost of sales**

These comprise the direct costs of the work carried out during the year and include any provisions for expected future losses and contingencies on contracts.

#### **Tax**

Tax for the year comprises current tax and deferred tax. Tax is recognised in the profit and loss account, except where an item of income or expense is recognised within other comprehensive income, in which case the related tax is also recognised within other comprehensive income.

The current 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 group operates and generates taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and on unused tax losses or tax credits in the Group. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### **Investment properties**

Investment properties are carried at their fair values based upon the current market prices for comparable real estate and are determined annually. Valuations consider available market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

#### **Stocks**

Stocks include properties held for development or resale and are stated at the lower of cost and net realisable value. Capitalised costs consist of purchase costs, construction costs and costs specifically related to the development other than interest payable which is written off to the profit and loss account.

Any amounts written off or written back on these properties are charged/credited against cost of sales.

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents can include cash in hand, call deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## Cardiff Gate Business Park Limited

### Notes to the Financial Statements for the Year Ended 31 October 2021

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

#### Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

### 3 Investment properties

	2021 £
At 1 November 2020	8,007,469
Additions	<u>964,200</u>
At 31 October 2021	<u><u>8,971,669</u></u>

All investment properties are freehold. The comparable historical cost of the investment properties is £6,512,615 (2020 - £6,686,758) and the comparable historical depreciation of the investment properties is £1,136,030 (2020 - £1,005,778).

The wholly-owned investment properties, which are situated in the United Kingdom, were revalued by the Directors based upon internal recommendations made by qualified Chartered Surveyors and based on market values in both the current year and prior year.

There is no fixed and floating charge on these investment properties (2020: £8.007m of freehold investment property had a charge against them).

## Cardiff Gate Business Park Limited

### Notes to the Financial Statements for the Year Ended 31 October 2021

#### 4 Investments

<b>Unlisted investments</b>	<b>£</b>
<b>Cost and carrying amount</b>	
At 1 November 2020 and 31 October 2021	<u>1</u>

#### Unlisted investment

The company's unlisted investments relate to 1.0% (2020 - 1.0%) of the ordinary share capital of Cardiff Gate Management Limited, a company registered in England and Wales, whose principal activity is that of a service charge company. Cardiff Gate Business Park Limited and Cardiff Gate Management Limited are related parties (see note 11) due to a number of directors being involved in both companies.

#### 5 Stocks

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Properties held for development and sale	<u>5,642,586</u>	<u>6,063,035</u>

#### 6 Debtors

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade debtors	107,061	357,360
Other debtors	<u>47,515</u>	<u>82,259</u>
	<u>154,576</u>	<u>439,619</u>

# Cardiff Gate Business Park Limited

## Notes to the Financial Statements for the Year Ended 31 October 2021

### 7 Creditors

#### Creditors: amounts falling due within one year

	2021 £	2020 £
<b>Due within one year</b>		
Trade creditors	-	823
Amounts owed to related parties	11,784,155	7,784,155
Taxation and social security	12,158	-
Accruals and deferred income	105,550	304,563
Other creditors	817,940	795,161
	<u>12,719,803</u>	<u>8,884,702</u>

#### Creditors: amounts falling due after more than one year

	Note	2021 £	2020 £
<b>Due after one year</b>			
Loans and borrowings		<u>-</u>	<u>3,960,619</u>

### 8 Share capital

#### Allotted, called up and fully paid shares

	No.	2021 £	No.	2020 £
Ordinary shares of £1 each	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>

### 9 Dividends

#### Interim dividends paid

	2021 £	2020 £
Interim dividend of £11.875 (2020 - £Nil) per each Ordinary shares share	<u>4,750,000</u>	<u>-</u>

## **Cardiff Gate Business Park Limited**

### **Notes to the Financial Statements for the Year Ended 31 October 2021**

#### **10 Related party transactions**

The Company has taken advantage of the exemption available in accordance with section 33.1A of FRS 102 not to disclose transactions entered into between two or more members of a group where any subsidiary party to the transaction is wholly-owned by such a member. The company has therefore not disclosed transactions with members of the Newarthill Limited group.

During the year the company made the following related party transactions:

The company pays some costs on behalf of Cardiff Gate Management Limited which are then recovered. At the balance sheet date the amount due from Cardiff Gate Management Limited was £47,515 (2020 - £48,145). The Company owns 1% of Cardiff Gate Management Limited.

Management fees of £156,524 (2020 - £165,258) were paid to Tand Advisory Corporation Limited during the year. At the balance sheet date the amount due to Tand Advisory Corporation Limited was £Nil (2020 - £Nil). There were common directors between the two companies.

#### **11 Parent and ultimate parent undertaking**

The company's immediate parent is Sir Robert McAlpine Enterprises Limited, incorporated in the United Kingdom.

The ultimate parent is Newarthill Limited, incorporated in the United Kingdom.

The most senior parent entity producing publicly available financial statements is Newarthill Limited. These financial statements are available upon request from Eaton Court, Maylands Avenue, Hemel Hempstead, Hertfordshire, HP2 7TR, United Kingdom.