

COMPANY REGISTRATION NUMBER: 02635632

Parkhill Estates Limited

Filleted Financial Statements

31 March 2020

Parkhill Estates Limited
Statement of Financial Position
31 March 2020

		2020	2019
	Note	£	£
Fixed assets			
Tangible assets	5	2,004,274	1,705,771
Current assets			
Stocks		2,334,704	2,232,233
Debtors	6	8,854,906	9,773,969
Cash at bank and in hand		470,456	1,142,720
		11,660,066	13,148,922
Creditors: amounts falling due within one year	7	6,129,361	6,871,540
Net current assets		5,530,705	6,277,382
Total assets less current liabilities		7,534,979	7,983,153
Provisions		29,000	29,000
Net assets		7,505,979	7,954,153
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		7,504,979	7,953,153
Shareholders funds		7,505,979	7,954,153

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 10 September 2020 , and are signed on behalf of the board by:

Mr D Mullinder

Director

Company registration number: 02635632

Parkhill Estates Limited

Notes to the Financial Statements

Year ended 31 March 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Fernhill Estate Office, Fernhill Road, Sutton, Newport, TF10 8DJ.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss. The financial statements are prepared in sterling, which is the functional currency of the entity. The financial statements are rounded to the nearest £1.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for the sale of land and services rendered, stated net of discounts and of Value Added Tax.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	20%-33% Straight line
Motor vehicles	-	20%-33% Straight line
Equipment	-	20%-33% Straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are in relation to land held for development and are measured at cost. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the land to their present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 7 (2019: 8).

5. Tangible assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 April 2019	1,705,616	20,972	13,700	19,224	1,759,512
Additions	294,967	—	—	3,689	298,656
At 31 March 2020	2,000,583	20,972	13,700	22,913	2,058,168
Depreciation					
At 1 April 2019	—	20,972	13,700	19,069	53,741
Charge for the year	—	—	—	153	153
At 31 March 2020	—	20,972	13,700	19,222	53,894
Carrying amount					
At 31 March 2020	2,000,583	—	—	3,691	2,004,274
At 31 March 2019	1,705,616	—	—	155	1,705,771

6. Debtors

	2020	2019
	£	£
Trade debtors	26,113	284,455
Amounts owed by group undertakings and undertakings in which the company has a participating interest	8,770,692	9,445,968
Other debtors	58,101	43,546
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	8,854,906	9,773,969
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7. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	109,682	55,973
Amounts owed to group undertakings and undertakings in which the company has a participating interest	5,612,817	6,271,793
Social security and other taxes	—	1,819
Other creditors	406,862	541,955
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	6,129,361	6,871,540
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8. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2020	2019
	£	£
Included in provisions	29,000	29,000
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The deferred tax account consists of the tax effect of timing differences in respect of:

	2020	2019
	£	£
Accelerated capital allowances	29,000	29,000
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9. Consolidated accounts

The ultimate parent company that produces consolidated accounts is Parkhill 2000 Limited whose registered office is Fernhill Estate Office, Fernhill Road, Sutton, Newport, Shropshire, TF10 8DJ.

10. Charges on assets

At the balance sheet date there were various charges against the company assets in respect of Lloyds Bank delivered in March 1998 and September 2000.

In addition there was a fixed charge on land at Brymbo dated 12th February 2016 which has been released in August 2020.

11. Summary audit opinion

The auditor's report for the year dated 10 September 2020 was unqualified, however, the auditor drew attention to the following by way of emphasis.

Included within debtors is an amount due from a connected party totalling £5,938,872 which we have some concern over the recoverability of the debts. However, the majority of this balance, the company in question holds land held for development where planning permission is actively being sought. Even without planning, this land will generate income from a sale in the future which would allow it to settle its debts. If the company was not able to repay this debt, this would not prevent Parkhill Estates Limited from continuing its current activities. Also included in debtors is an amount £26,141 owed by a fellow subsidiary of Parkhill Estates Limited which we have doubt over the recoverability. If this debt was not recovered, it would not have an impact on the company's ability to continue as a going concern.

The senior statutory auditor was Lyndsay Nicholson ACA , for and on behalf of Paul Clegg & Company .

12. Related party transactions

Included within debtors are amounts due from connected parties of £8,772,592 (2019 - £9,447,968) Included within creditors are amounts due to connected parties of £5,612,817 (2019 - £6,391,843)

13. Controlling party

The immediate parent company is Parkhill 2000 Limited , a company registered in England and Wales. The ultimate controlling party is the C Cornes Discretionary Trust .

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