

**Esh Developments Limited**  
**Annual report and financial statements**  
**for the year ended 31 December 2021**

**Registered Number 02820731**

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**Esh Developments Limited**  
**Annual report and financial statements**  
**for the year ended 31 December 2021**

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# **Esh Developments Limited**

## **Directors' report**

The directors present their directors' report and audited financial statements for the year ended 31 December 2021.

### **Principal activities**

The principal activity of the company is land and property development.

### **Business review**

The results for the year are presented on page 6.

### **Proposed dividends**

The directors recommend the payment of a dividend of £nil (2020: £nil).

### **Directors**

The directors who were in office during the year and up to the date of signing the financial statements were as follows:

M F Hogan

D Horrocks

A E Radcliffe

M A Sowerby (Resigned 31<sup>st</sup> Jan 21)

### **Political contributions**

The company made no political donations or incurred any political expenditure during the year.

### **Going concern**

The company meets its financing requirements through balances with other companies in the group headed by Esh Holdings Limited. The company has received assurances that group funding will continue to be made available for the foreseeable future.

### **Statement of director's responsibilities in respect of the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

## **Esh Developments Limited**

### **Directors' report (continued)**

#### **Statement of director's responsibilities in respect of the financial statements (continued)**

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.

The directors 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.

#### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and the director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **Independent auditors**

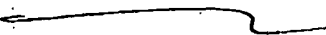
The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

#### **Small company provisions**

In preparing this report, the directors have taken advantage of the small company's exemptions provided by section 415A of the Companies Act 2006.

The directors have also taken advantage of the small company exemptions provided by section 414B of the Companies Act 2006 and have not prepared a strategic report.

On behalf of the board



A E Radcliffe  
Director  
29 September 2022

Esh House  
Bowburn North Industrial Estate  
Bowburn  
Durham  
DH6 5PF

## **Esh Developments Limited**

# **Independent auditors' report to the directors of Esh Developments Limited**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion, Esh Developments Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: Balance sheet as at 31 December 2021; Statement of income and retained earnings for the year then ended; the Statement of accounting policies; and the notes to the financial statements.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions relating to going concern**

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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

## **Esh Developments Limited**

# **Independent auditors' report to the directors of Esh Developments Limited (continued)**

### **Reporting on other information (continued)**

With respect to the Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Directors' report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' report.

### **Responsibilities for the financial statements and the audit**

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

As explained more fully in the Statement of director's responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase the company's profitability or reduce any loss. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Review of board minutes;
- Review of legal expenditure in the year to identify potential non-compliance with laws and regulation;

## **Esh Developments Limited**

# **Independent auditors' report to the directors of Esh Developments Limited (continued)**

### **Auditors' responsibilities for the audit of the financial statements (continued)**

- Challenging assumptions and judgements made by management in their significant accounting estimates and forecasts;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### **Use of this report**

This report, including the opinions, has been prepared for and only for the company's directors as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Jonathan Greenaway (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Newcastle upon Tyne  
29 September 2022

## Esh Developments Limited

### Statement of income and retained earnings for the year ended 31 December 2021

	Note	2021 £	2020 £
<b>Turnover</b>	1	<b>393,997</b>	-
Cost of sales		(396,102)	(4,516)
<b>Gross loss</b>		<b>(2,105)</b>	<b>(4,516)</b>
Administrative expenses		(5,033)	(3,883)
<b>Operating loss</b>		<b>(7,138)</b>	<b>(8,399)</b>
Income from shares in group undertakings		600,000	200,000
Other interest receivable and similar income	4	-	360
Interest payable and similar expenses	5	-	(9,203)
Amounts written off investments and inter-company loans		(590,096)	(370,647)
<b>Profit/(loss) before taxation</b>	6	<b>2,766</b>	<b>(187,889)</b>
Tax on profit/(loss)	7	(174,990)	130,058
<b>Profit/(loss) for the financial year</b>		<b>(172,224)</b>	<b>(57,831)</b>
Accumulated losses brought forward		(819,183)	(761,352)
Dividends paid		-	-
<b>Accumulated losses carried forward</b>		<b>(991,407)</b>	<b>(819,183)</b>

All results derive from continuing operations.

The company had no other comprehensive income during the current year or preceding year other than that reflected in the profit and loss account.



## Esh Developments Limited

### Balance sheet as at 31 December 2021

	Note	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Investments	8		7,890,021		8,095,931
			7,890,021		8,095,931
<b>Current assets</b>					
Stocks	9	215,225		609,222	
Debtors	10	242,730		871,799	
Cash		2,853		244,513	
		460,808		1,725,534	
<b>Creditors: amounts falling due within one year</b>	11	(9,342,234)		(10,640,646)	
<b>Net current liabilities</b>			(8,881,426)		(8,915,112)
<b>Total assets less current liabilities</b>			(991,405)		(819,181)
<b>Net liabilities</b>			(991,405)		(819,181)
<b>Capital and reserves</b>					
Called up share capital	13		2		2
Profit and loss account	14		(991,407)		(819,183)
<b>Total shareholders' deficit</b>			(991,405)		(819,181)

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

The financial statements on pages 6 to 18 were approved by the board of directors on 29 September 2022 and were signed on its behalf by:

  
A E Radcliffe  
Director

Company registered number: 02820731

## **Esh Developments Limited**

### **Statement of accounting policies**

#### **Statement of compliance and general information**

The Company is limited by shares and is incorporated in England and Wales. The registered address is Esh House, Bowburn North Industrial Estate, Durham, DH6 5PF. The financial statements of Esh Developments Limited have been prepared in compliance with the United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

#### **Basis of preparation**

The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

As the company is a wholly owned subsidiary of Esh Holdings Limited, the company has taken advantage of the exemption contained in paragraph 33.1A of FRS 102 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

#### **Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with.

The Company has taken advantage of the following exemptions:

- (i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company's cash flows;
- (ii) from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the period as required by paragraph 4.12(a)(iv);
- (iii) from disclosing the company's key management personnel compensation, as required by FRS 102 paragraph 33.7.

#### **Going concern**

The company meets its financing requirements through balances with other companies in the group headed by Esh Holdings Limited. The company has received assurances that group funding will continue to be made available for the foreseeable future.

The company is subject to a cross guarantee banking arrangement with its parent undertaking, Esh Holdings Limited, and certain other group undertakings.

The group headed by Esh Holdings Limited has substantial net assets. Detailed information regarding the financial position of the group headed by Esh Holdings Limited, its cash flows, liquidity position and borrowing facilities are included in the financial statements of Esh Holdings Limited, which can be obtained from Companies House.

After making detailed enquiries and taking into account the factors discussed above, the Board is confident that the company has adequate resources to continue in operational existence for the foreseeable future and accordingly continues to prepare the financial statements on a going concern basis.

## **Esh Developments Limited**

### **Statement of accounting policies (continued)**

#### **Going concern (continued)**

In light of the COVID-19 pandemic, the directors of the parent, Esh Holdings Limited, have performed an assessment to determine whether there are any material uncertainties arising that could cast significant doubt on its ability to continue to support the company. This assessment, which included stress testing the Group's cashflow forecasts and revenue generation, did not highlight any concern Esh Holdings Limited's ability to provide continued support. Further information can be found in Esh Holdings Limited consolidated financial statements, which can be obtained from the Company Secretary, Esh House, Bowburn North Industrial Estate, Bowburn, Durham, DH6 5PF.

#### **Tangible fixed assets and depreciation**

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by instalments over their estimated useful economic lives as follows:

- Motor vehicles - 30% reducing balance
- Office equipment - 33% straight line

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. For work in progress cost includes an appropriate proportion of attributable overheads.

#### **Leases**

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors.

#### **Taxation**

The charge for taxation is based on the result for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by section 29 of FRS 102.

#### **Classification of financial instruments issued by the company**

Financial instruments issued by the company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

## **Esh Developments Limited**

### **Statement of accounting policies (continued)**

#### **Classification of financial instruments issued by the company (continued)**

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations.

#### **Dividends**

Dividends are only recognised as a liability at that date to the extent that they are declared prior to the year end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

#### **Turnover**

Turnover is measured at the fair value of consideration receivable net of discounts and VAT. Revenue is generated from property and land sales and is recognised upon legal completion of title to the customer.

#### **Investments**

Investments in subsidiary undertakings are stated at cost less amounts written off.

#### **Critical judgements and estimates in applying the accounting policies**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The directors consider the only critical judgements to be the recoverability of the stock balances, for which estimates as to the profitability of the development sites are produced.

## **Esh Developments Limited**

### **Notes to the financial statements for the year ended 31 December 2021**

#### **Turnover**

The turnover of the company for the year has been derived entirely from its principal activity, wholly undertaken in the United Kingdom.

#### **1 Remuneration of directors**

	2021 £	2020 £
Directors' emoluments	-	-
Company contributions to money purchase pension schemes	-	-

Retirement benefits are accruing to no director (2020: no) under money purchase pension schemes.

The aggregate of emoluments of the highest paid director were £nil (2020: £nil) and company pension contributions of £nil (2020: £nil) were made to a money purchase scheme on his behalf.

#### **3 Staff numbers and costs**

The monthly average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2021	2020
Management and administration	-	-

The aggregate payroll costs of these persons were as follows:

	2021 £	2020 £
Wages and salaries	-	-
Social security costs	-	-
Other pension costs (note 16)	-	-

Included in staff costs are redundancy payments of £nil (2020: £nil).

## Esh Developments Limited

### Notes to the financial statements for the year ended 31 December 2021 (continued)

#### Other interest receivable and similar income

	2021 £	2020 £
4 Receivable from group undertakings	-	360

#### Interest payable and similar expenses

	2021 £	2020 £
5 Payable to group undertakings	-	9,203

#### Profit/(loss) before taxation

	2021 £	2020 £
6 Profit/(loss) on before taxation is stated after charging:		
Depreciation of tangible assets:		
Owned assets	-	-
Leased assets	-	-

#### Auditors' remuneration

	2021 £	2020 £
Audit of these financial statements	6,000	2,500

## Esh Developments Limited

### Notes to the financial statements for the year ended 31 December 2021 (continued)

#### Tax on profit/(loss)

Analysis of credit in year:

	2021 £	2020 £
UK corporation tax		
Adjustments in respect of prior years	28,448	-
Total current tax	28,448	-
<b>Deferred tax (see note 17)</b>		
Origination/reversal of timing differences	87,514	(3,237)
Effects of changes in tax rates	(24,057)	(39,596)
Adjustments in respect of prior years	83,085	(87,225)
Total deferred tax	146,542	(130,058)
<b>Tax on (loss)/profit</b>	<b>174,990</b>	<b>(130,058)</b>

#### Reconciliation of tax credit

The tax assessed for the year is higher (2020: lower) than the standard rate of corporation tax in the UK 19% (2020: 19%). The differences are explained below:

	2021 £	2020 £
<b>Tax reconciliation</b>		
Profit/(loss) before taxation	2,766	(187,890)
Current tax at 19% (2020: 19 %)	525	(35,699)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	112,118	70,462
Unrecognised deferred tax movement	-	-
Income not subject to UK corporation tax	(114,000)	(38,000)
Group relief surrendered at less than full UK tax rate	88,871	-
Tax rate changes	(24,057)	(39,596)
Adjustments from previous periods	111,533	(87,225)
<b>Total tax credit</b>	<b>174,990</b>	<b>(130,058)</b>

#### Tax rate changes

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Its effects are included in these financial statements.

## Esh Developments Limited

### Notes to the financial statements for the year ended 31 December 2021 (continued)

#### Investments

8

	Loans to subsidiaries £	Loans to participating interest £	Shares in participating interest £	Shares in group companies £	Shares in joint ventures £	Total £
<b>Cost</b>						
At 1 January 2021	164,025	9,091,863	120,595	229,278	87,376	9,693,137
Acquisitions	-	14,090	-	-	-	14,090
Transfer	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
<b>At 31 December 2021</b>	<b>164,025</b>	<b>9,105,953</b>	<b>120,595</b>	<b>229,278</b>	<b>87,376</b>	<b>9,707,227</b>
<b>Provisions</b>						
At 1 January 2021	-	(1,509,831)	-	-	(87,375)	(1,597,206)
Disposals	-	-	-	-	-	-
Impairment	-	-	(120,000)	(100,000)	-	(220,000)
<b>At 31 December 2021</b>	<b>-</b>	<b>(1,509,831)</b>	<b>(120,000)</b>	<b>(100,000)</b>	<b>(87,375)</b>	<b>(1,877,206)</b>
<b>Net book value</b>						
<b>At 31 December 2021</b>	<b>164,025</b>	<b>7,596,122</b>	<b>595</b>	<b>129,278</b>	<b>1</b>	<b>7,890,021</b>
At 31 December 2020	164,025	7,582,032	120,595	229,278	1	8,095,931

The principal undertakings in which the company's interest at the year-end is more than 10% are as follows:

Subsidiary undertakings	Proportion of voting rights and shares held %	Nature of business	Registered address
ABC Rental Properties Limited	100%	Property letting	Esh House, Bowburn North Industrial Estate, Bowburn, Durham DH6 5PF
Boathouse Lane Projects Limited	100%	Non-trading	Esh House, Bowburn North Industrial Estate, Bowburn, Durham DH6 5PF
Dunelm Homes (Seaham) Limited	100%	Housebuilder	Esh House, Bowburn North Industrial Estate, Bowburn, Durham DH6 5PF
Esh Acorn Homes Limited	100%	Housebuilder	Esh House, Bowburn North Industrial Estate, Bowburn, Durham DH6 5PF
Tursdale Business Park Limited	41% +12.5%*	Property letting	Esh House, Bowburn North Industrial Estate, Bowburn, Durham DH6 5PF
Boathouse Lane (Freehold) Limited	50%	Non-trading	Esh House, Bowburn North Industrial Estate, Bowburn, Durham DH6 5PF
Esh Salutation Road	50%	Housebuilder	Esh House, Bowburn North Industrial Estate, Bowburn, Durham DH6 5PF
M62 Developments Limited	43%	Non-trading	Esh House, Bowburn North Industrial Estate, Bowburn, Durham DH6 5PF



## Esh Developments Limited

### Notes to the financial statements for the year ended 31 December 2021 (continued)

#### Investments (continued)

8	Subsidiary undertakings	Proportion of voting rights and shares held %	Nature of business	Registered address
	Prestige Exclusive Homes Limited	50%	Housebuilder	Esh House, Bowburn North Industrial Estate, Bowburn, Durham DH6 5PF
	Esh Space The Park Limited	15%	Property development	The Farm House, Hedley Hill Farm, Cornsay Colliery, Durham, DH7 9EX
	Philadelphia Estates Limited	30%	Property letting	Esh House, Bowburn North Industrial Estate, Bowburn, Durham DH6 5PF

\*Held indirectly +Equity

All holdings represent ordinary share capital and all companies are incorporated in England and Wales. Income from shares in group undertakings comprises dividend income from subsidiary companies.

The directors believe that the carrying value of the investments is supported by their underlying net assets.

9	Stocks	2021 £	2020 £
	Work in progress	61,290	61,290
	Land	153,935	547,931
	<b>Total</b>	<b>215,225</b>	<b>609,221</b>

10	Debtors	2021 £	2020 £
	Trade debtors	-	-
	Amounts owed by group undertakings	9,871	196,720
	Amounts owed by undertakings in which the entity has a participating interest	-	295,678
	Other debtors	-	-
	Prepayments and accrued income	-	-
	VAT receivable	-	-
	Deferred tax asset (note 12)	232,859	379,401
	Corporation tax	-	-
	<b>Total</b>	<b>242,730</b>	<b>871,799</b>

## Esh Developments Limited

### Notes to the financial statements for the year ended 31 December 2021 (continued)

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

	2021 £	2020 £
11 VAT Payable	76,434	1,234
Trade creditors	16,810	5,819
Amounts owed to undertakings in which the entity has a participating interest	497	225
Amounts owed to group undertakings	9,239,993	10,622,344
Taxation and social security	-	-
Other creditors	-	1,274
Accruals and deferred income	8,500	9,750
	<b>9,342,234</b>	<b>10,640,646</b>

Amounts owed to group undertakings are unsecured and interest free.

#### 12 Deferred taxation

	2021 £	2020 £
At beginning of year – asset	379,401	249,343
Credit/(debit) to the profit and loss for the year	(63,457)	42,833
Adjustment from previous periods	(83,083)	87,227
<b>At end of year - asset</b>	<b>232,859</b>	<b>379,401</b>

The elements of deferred taxation are as follows:

	2021 £	2020 £
Difference between accumulated depreciation and capital allowances	2,003	1,846
Losses	230,856	377,555
<b>Deferred tax asset</b>	<b>232,859</b>	<b>379,401</b>

## **Esh Developments Limited**

### **Notes to the financial statements for the year ended 31 December 2021 (continued)**

#### **Called up share capital**

	2021 £	2020 £
13 <b>Authorised, allotted, called up and fully paid</b>		
2 (2020: 2) ordinary shares of £1 each	2	2

#### **Profit and loss account**

	£
14 <b>At 1 January 2021</b>	(819,183)
<b>Profit for the financial year</b>	(172,224)
<b>At 31 December 2021</b>	<b>(991,407)</b>

#### **Dividends paid**

	2021 £	2020 £
15 <b>Ordinary shares</b>		
£nil (2021: £nil) per £1 share	-	-

#### **Pension scheme**

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £nil (2020: £nil).

At 31 December 2021 contributions amounting to £nil (2020: £nil) were payable to the scheme and are included in creditors.

## **Esh Developments Limited**

### **Notes to the financial statements for the year ended 31 December 2021 (continued)**

#### **Related party transactions**

At the year end the company had a balance of £nil (2020: £295,678) due from its joint venture, Prestige Exclusive Homes Limited.

- 17 The breakdown of the balance due from Prestige Exclusive Homes Limited in the current year can be analysed as follows:

	2021 £	2020 £
Intercompany loan	300,000	290,000
Current debtor	-	5,678
Current creditor	-	-
Impairment	(300,000)	-
	-	295,678

#### **18 Contingent liabilities**

There are no known contingent liabilities.

#### **19 Ultimate parent company and parent undertaking of larger group of which the company is a member**

The company is a subsidiary undertaking of Esh Investments Limited, the ultimate parent company incorporated in England and Wales. The immediate parent company is Esh Holdings Limited.

The largest group in which results of the company are consolidated is that headed by Esh Investments Limited and the smallest group is that headed by Esh Holdings Limited. The consolidated financial statements of this company are available to the public and may be obtained from Companies House.

The directors do not consider there to be any individual ultimate controlling party.