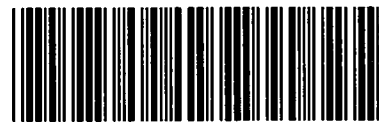


Summerfield Estates Limited

Annual Report and Financial Statements Year Ended 31 December 2022

Registration number: 02882080

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COMPANIES HOUSE

Summerfield Estates Limited

Balance Sheet

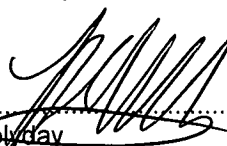
31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Investment property	4	13,195,000	13,873,000
Investments	5	<u>766,020</u>	<u>766,020</u>
		<u>13,961,020</u>	<u>14,639,020</u>
Current assets			
Stocks	6	239,551	167,800
Debtors	7	5,832,525	5,546,575
Cash at bank and in hand		<u>617,124</u>	<u>1,082,176</u>
		6,689,200	6,796,551
Creditors: Amounts falling due within one year	8	<u>(11,761,399)</u>	<u>(2,296,102)</u>
Net current (liabilities)/assets		<u>(5,072,199)</u>	<u>4,500,449</u>
Total assets less current liabilities		8,888,821	19,139,469
Creditors: Amounts falling due after more than one year	8	<u>-</u>	<u>(9,900,000)</u>
Net assets		<u>8,888,821</u>	<u>9,239,469</u>
Capital and reserves			
Called up share capital		764,020	764,020
Profit and loss account		<u>8,124,801</u>	<u>8,475,449</u>
Shareholders' funds		<u>8,888,821</u>	<u>9,239,469</u>

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 19 April 2023 and signed on its behalf by:


.....
R D A Lloyd
Director


.....
J E Holyday
Director

Company Registration Number: 02882080

Summerfield Estates Limited

Notes to the Financial Statements

Year Ended 31 December 2022

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Tauntonfield
South Road
Taunton
Somerset
TA1 3ND

These financial statements were authorised for issue by the Board on 19 April 2023.

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' and the Companies Act 2006.

Basis of preparation

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

The functional currency of the company is considered to be pound sterling because that is the currency of the primary economic environment in which the company operates.

Group accounts not prepared

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has not exercised the option to prepare group accounts provided by Section 398 of the Companies Act 2006.

Going concern

As at the balance sheet date, the company and group had net current liabilities as a result of the company's loan facilities becoming repayable in 2023. Post year end, these facilities are in the process of being renewed on similar terms and have been credit approved.

In light of the above, the directors have reviewed and considered the company's rental and other income streams and have reviewed the level of core overheads of the business, to determine if there is sufficient working capital to meet these requirements, along with scheduled borrowing repayments, for a period of at least twelve months from the date of approval of these financial statements. Following this review, and based on the information available to date, the directors are satisfied that the company has sufficient cash balances and facilities available to meet these requirements and, accordingly, the directors continue to adopt the going concern basis of presentation.

Summerfield Estates Limited

Notes to the Financial Statements

Year Ended 31 December 2022

Revenue recognition

Turnover is stated net of VAT and is recognised when the significant risks and rewards are considered to have been transferred to the buyer.

Turnover from the sale of land is recognised on legal completion.

Rental income is recognised on a straight line basis over the lease term, even if amounts are not received on such a basis. Incentives provided to tenants to sign a lease, including rent free periods, are similarly spread on a straight line basis over the lease term.

Inventories

Development WIP is stated at the lower of cost and net realisable value. Cost comprises direct expenditure, less relevant income. Net realisable value is the estimated proceeds from the sale of developments and land bank less all costs to completion, marketing and selling costs related to the item in question.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation 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 taxable income.

Investment property

Investment properties are measured at fair value annually with any change recognised in the profit and loss account.

Investments

Investments in subsidiaries are measured at cost less impairment.

Summerfield Estates Limited

Notes to the Financial Statements

Year Ended 31 December 2022

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Bank loans; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for bank loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Bank loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 6 (2021 - 6).

Summerfield Estates Limited

Notes to the Financial Statements

Year Ended 31 December 2022

4 Investment properties

	2022 £
At 1 January	13,873,000
Additions	85,677
Fair value adjustments	<u>(763,677)</u>
At 31 December	<u><u>13,195,000</u></u>

The investment properties are included at fair value and are based on directors' valuations as at 31 December 2022. The valuations represent open market values and are calculated with regard to the net present value of future rental income streams with discount rates reflecting such variables as the length of the lease, strength of covenant and the nature and location of the properties. The movement in fair value is recognised through profit and loss.

One of the properties included in the balance sheet of the group is held by Summerfield Developments (SW) Limited as custodial trustee.

There has been no valuation of investment property by an independent valuer.

5 Investments

	2022 £	2021 £
Investments in subsidiaries	<u>766,020</u>	<u>766,020</u>
Subsidiaries		£
Cost or valuation		
At 1 January 2022		<u>766,020</u>
Provision		
Carrying amount		
At 31 December 2022		<u><u>766,020</u></u>
At 31 December 2021		<u><u>766,020</u></u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Summerfield Estates Limited

Notes to the Financial Statements

Year Ended 31 December 2022

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2022	2021
Subsidiary undertakings				
Summerfield Developments Limited			100%	100%
Summerfield Properties Limited			100%	100%
Blackdown Estates Limited			100%	100%

The principal activity of Summerfield Properties Ltd is commercial property management.

The Principal activity of Blackdown Estates Ltd is commercial property management.

The registered office of all subsidiaries is Tauntfield, South Road, Taunton, Somerset, TA1 3ND.

6 Stocks

	2022 £	2021 £
Work in progress	<u>239,551</u>	<u>167,800</u>

7 Debtors

	Note	2022 £	2021 £
Trade debtors		298,268	258,128
Amounts owed by group undertakings and undertakings in which the company has a participating interest	10	4,995,593	5,007,414
Prepayments		14,087	23,221
Other debtors		<u>524,577</u>	<u>257,812</u>
		<u>5,832,525</u>	<u>5,546,575</u>

Summerfield Estates Limited

Notes to the Financial Statements

Year Ended 31 December 2022

8 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Due within one year			
Loans and borrowings	9	9,900,000	-
Trade creditors		20,184	29,552
Amounts owed to group undertakings		809,148	807,212
Corporation tax		-	347,868
Taxation and social security		42,024	72,032
Other creditors		448,198	506,555
Accruals and deferred income		541,845	532,883
		<u>11,761,399</u>	<u>2,296,102</u>

Creditors: amounts falling due after more than one year

	Note	2022 £	2021 £
Due after one year			
Loans and borrowings	9	<u>-</u>	<u>9,900,000</u>

9 Loans and borrowings

	2022 £	2021 £
Loans and borrowings due after one year		
Bank borrowings	<u>-</u>	<u>9,900,000</u>

The loan is secured by a mortgage over the investment property of the group.

	2022 £	2021 £
Current loans and borrowings		
Bank borrowings	<u>9,900,000</u>	<u>-</u>

Summerfield Estates Limited

Notes to the Financial Statements

Year Ended 31 December 2022

10 Related party transactions

Summary of transactions with other related parties

During the year the company was recharged overheads of £130,000 (2021: £126,000) and interest rate swap interest of £238,962 (2021: £336,511) by a company with directors in common. At the year end the group owed £170,095 to the company with directors in common (2021: £193,501 owed to the company with directors in common).

11 Audit report

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Glenn Nicol, who signed for and on behalf of PKF Francis Clark on

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19 April 2023