

COMPANY REGISTRATION NUMBER: 4069698

The Development Company UK Limited

Filleted Unaudited Financial Statements

30 September 2020

The Development Company UK Limited

Financial Statements

Year ended 30 September 2020

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The Development Company UK Limited

Statement of Financial Position

30 September 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	6	247,074	191,462
Current assets			
Debtors	7	116,607	102,384
Cash at bank and in hand		174,779	50,590
		291,386	152,974
Creditors: amounts falling due within one year	8	(142,015)	(137,578)
Net current assets		149,371	15,396
Total assets less current liabilities		396,445	206,858
Creditors: amounts falling due after more than one year	9	(206,607)	(6,974)
Net assets		189,838	199,884
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account		189,836	199,882
Shareholders funds		189,838	199,884

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.

For the year ending 30 September 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;

- The directors acknowledge their responsibilities for complying with the requirements of the Act 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 29 June 2021 , and are signed on behalf of the board by:

Mr MJ Hopkins

Director

Company registration number: 4069698

The Development Company UK Limited

Notes to the Financial Statements

Year ended 30 September 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 Tower Hill, Haverfordwest, Pembrokeshire, Wales, SA61 1SR, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in accordance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Companies Act 2006.

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.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

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.

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:

Property Improvements	-	2% straight line
Fixtures & Fittings	-	25% reducing balance
Motor Vehicles	-	25% reducing balance
Office Equipment	-	25% reducing balance

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.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

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.

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 10 (2019: 13).

5. Tax on profit

Major components of tax expense

	2020	2019
	£	£
Current tax:		
UK current tax expense	5,720	18,767
Deferred tax:		
Origination and reversal of timing differences	(1,633)	35
Tax on profit	4,087	18,802

6. Tangible assets

	<i>Property Improvements</i>	<i>Fixtures & Fittings</i>	<i>Motor Vehicles</i>	<i>Office Equipment</i>	Total
	£	£	£	£	£
Cost					
At 1 October 2019	185,355	26,450	15,195	61,485	288,485
Additions	19,504	—	58,750	—	78,254
Disposals	—	—	—	(112)	(112)
At 30 September 2020	204,859	26,450	73,945	61,373	366,627
Depreciation					
At 1 October 2019	9,068	20,009	11,896	56,050	97,023
Charge for the year	4,097	1,611	15,512	1,338	22,558
Disposals	—	—	—	(28)	(28)
At 30 September 2020	13,165	21,620	27,408	57,360	119,553
Carrying amount					
At 30 September 2020	191,694	4,830	46,537	4,013	247,074
At 30 September 2019	176,287	6,441	3,299	5,435	191,462

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	<i>Motor Vehicles</i>
	£
At 30 September 2020	41,887
At 30 September 2019	—

7. Debtors

	2020	2019
	£	£
Trade debtors	51,945	43,648
Amounts owed by group undertakings and undertakings in which the company has a participating interest	58,566	58,566
Other debtors	6,096	170
	116,607	102,384

Other debtors include an amount of £Nil (2019 - £Nil) falling due after more than one year.

8. Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts (secured)	4,000	—
Trade creditors	3,955	6,697
Corporation tax	24,644	18,766
Social security and other taxes	43,612	45,196
Obligations under finance leases and hire purchase contracts	9,932	—
Finance Wales loan (secured)	3,914	11,450
Funding Circle loan	37,009	38,349

Other creditors	14,949	17,120
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	142,015	137,578
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Finance Wales Investments (10) Ltd hold a fixed and floating charge over the assets of the company. Barclays Bank PLC hold a fixed and floating charge over the assets of the company. The hire purchase agreements are secured over the assets to which they relate.

9. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts (secured)	76,000	—
Obligations under finance leases and hire purchase contracts	32,526	—
Finance Wales loan (secured)	—	991
Funding Circle loan	98,081	5,983
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	206,607	6,974
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Included within creditors: amounts falling due after more than one year is an amount of £12,000 (2019: £Nil) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

10. Deferred tax

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

	2020	2019
	£	£
Included in debtors (note 7)	1,803	170
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The deferred tax account consists of the tax effect of timing differences in respect of:

	2020	2019
	£	£
Accelerated capital allowances	(1,803)	(170)
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11. Called up share capital**Issued, called up and fully paid**

	2020		2019	
	No.	£	No.	£
Ordinary shares of £ 1 each	2	2	2	2
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12. Related party transactions

The company is a 100% subsidiary of Captiva Holdings Limited, a company registered in England and Wales. During the year dividends to the value of £19,000 (2019 - £31,500) were paid to Captiva Holdings Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.