

STOCKBOURNE GROUP LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 OCTOBER 2020

STOCKBOURNE GROUP LIMITED
REGISTERED NUMBER: 04210084

CONSOLIDATED BALANCE SHEET
AS AT 31 OCTOBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	18,678	33,556
Investment property	6	3,700,000	3,790,000
		<u>3,718,678</u>	<u>3,823,556</u>
Current assets			
Stocks	7	15,074,019	10,959,284
Debtors: amounts falling due within one year	8	205,434	228,450
Cash at bank and in hand		2,259,420	1,614,445
		<u>17,538,873</u>	<u>12,802,179</u>
Creditors: amounts falling due within one year	9	(1,409,711)	(1,021,618)
Net current assets		<u>16,129,162</u>	<u>11,780,561</u>
Total assets less current liabilities		<u>19,847,840</u>	<u>15,604,117</u>
Creditors: amounts falling due after more than one year	10	(12,063,213)	(7,883,137)
Provisions for liabilities			
Deferred tax	11	(73,120)	(121,886)
		<u>(73,120)</u>	<u>(121,886)</u>
Net assets		<u><u>7,711,507</u></u>	<u><u>7,599,094</u></u>
Capital and reserves			
Called up share capital	12	156	156
Revaluation reserve	13	1,351,370	1,415,089
Other reserves	13	(178,844)	(83,939)
Profit and loss account	13	6,538,825	6,267,788
Shareholders' funds		<u><u>7,711,507</u></u>	<u><u>7,599,094</u></u>

STOCKBOURNE GROUP LIMITED
REGISTERED NUMBER: 04210084

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 OCTOBER 2020

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the consolidated statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 July 2021.

M J Rickards FRICS
Director

STOCKBOURNE GROUP LIMITED
REGISTERED NUMBER: 04210084

COMPANY BALANCE SHEET
AS AT 31 OCTOBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	18,678	33,556
Investments	5	3,330,207	3,330,207
		<u>3,348,885</u>	<u>3,363,763</u>
Current assets			
Debtors: amounts falling due within one year	8	12,395,202	12,641,486
Cash at bank and in hand		272,334	13,145
		<u>12,667,536</u>	<u>12,654,631</u>
Creditors: amounts falling due within one year	9	(15,944,368)	(15,945,468)
Net current liabilities		<u>(3,276,832)</u>	<u>(3,290,837)</u>
Total assets less current liabilities		<u>72,053</u>	<u>72,926</u>
Creditors: amounts falling due after more than one year	10	(14,418)	(18,426)
Net assets		<u><u>57,635</u></u>	<u><u>54,500</u></u>
Capital and reserves			
Called up share capital	12	156	156
Profit and loss account brought forward		54,344	53,541
Profit for the year		743,135	1,023,803
Other changes in the profit and loss account		<u>(740,000)</u>	<u>(1,023,000)</u>
Profit and loss account carried forward	13	<u>57,479</u>	<u>54,344</u>
Shareholders' funds		<u><u>57,635</u></u>	<u><u>54,500</u></u>

The directors consider that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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.

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

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

The Company has opted not to file the consolidated statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 July 2021.

STOCKBOURNE GROUP LIMITED
REGISTERED NUMBER: 04210084

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 OCTOBER 2020

M J Rickards FRICS
Director

The notes on pages 5 to 16 form part of these financial statements.

STOCKBOURNE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

1. General information

Stockbourne Group Limited is a private company, limited by shares, and incorporated in England and Wales, registered number 04210084. The registered office is: Suite 1, Silwood Business Centre, Silwood Park, Buckhurst Road, Ascot, Berkshire, SL5 7PW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements.

The financial statements are presented in sterling which is the functional currency of the entity and rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Compliance with accounting standards

The financial statements have been prepared using FRS102, the financial reporting standard applicable in the UK and Republic of Ireland, including the disclosure and presentation requirements of Section 1A, applicable to small companies. There were no material departures from that standard.

2.3 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.4 Going concern

The financial statements have been prepared on a going concern basis because the Group continues to meet its obligations as and when they arise.

The financial statements have been prepared on a going concern basis as the directors believe that the Group will continue to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements.

In assessing the appropriateness of the going concern basis of preparation the directors have taken into account the key uncertainty surrounding the Covid-19 pandemic. In doing so the directors have considered the Group's business model and availability of cash resources. The directors consider it appropriate therefore to prepare the financial statements on a going concern basis.

STOCKBOURNE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

2. Accounting policies (continued)

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rental income and ground rent is recognised over the period income is earned.

Property sale revenue is recognised at completion date.

2.6 Operating leases: the Group as lessor

Rental income from operating leases is credited to the statement of comprehensive income on a straight line basis over the lease term.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

2.7 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

2.8 Leased assets: the Group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the consolidated statement of comprehensive income in the same period as the related expenditure.

2.10 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

STOCKBOURNE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

2. Accounting policies (continued)

2.11 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Borrowing costs

All borrowing costs are recognised in the statement of comprehensive income in the year in which they are incurred.

2.13 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

2. Accounting policies (continued)

2.15 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	-	33%
Fixtures and fittings	-	25%
Office equipment	-	25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

2.16 Investment property

Investment property is carried at fair value determined annually by a director and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the consolidated statement of comprehensive income..

2.17 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.18 Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is the historic price of acquiring each of the trading units. Net realisable value is based on the estimated selling price, less further costs to be incurred to completion and disposal.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the statement of comprehensive income.

2.19 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

STOCKBOURNE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

2. Accounting policies (continued)

2.20 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.21 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.22 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

2.23 Hedge accounting

The Group uses variable to fixed interest rate swaps to manage its exposure to fair value risk on its bank loan. These derivatives are measured at fair value at each balance sheet date.

To better reflect the nature of the long term financing structure in operation and in a modification to accounting standards, all cumulative hedge gains and losses on the hedge are recognised as an asset or liability with a corresponding gain or loss recognised in the statement of comprehensive income. The treatment better reflects the financing profile in operation across the life of the structure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

2. Accounting policies (continued)

2.24 Financial instruments

The Group enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the consolidated statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

2.25 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 5 (2019 - 5).

STOCKBOURNE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

4. Tangible fixed assets

Group

	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 November 2019	42,771	6,443	56,378	105,592
Disposals	-	-	(24,291)	(24,291)
At 31 October 2020	42,771	6,443	32,087	81,301
Depreciation				
At 1 November 2019	10,692	6,443	54,901	72,036
Charge for the year on owned assets	14,256	-	622	14,878
Disposals	-	-	(24,291)	(24,291)
At 31 October 2020	24,948	6,443	31,232	62,623
Net book value				
At 31 October 2020	17,823	-	855	18,678
At 31 October 2019	32,079	-	1,477	33,556

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2020 £	2019 £
Motor vehicles	17,823	855

STOCKBOURNE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

4. Tangible fixed assets (continued)

Company

	Motor vehicles	Fixtures and fittings	Office equipment	Total
	£	£	£	£
Cost or valuation				
At 1 November 2019	42,771	6,443	56,378	105,592
Disposals	-	-	(24,291)	(24,291)
At 31 October 2020	42,771	6,443	32,087	81,301
Depreciation				
At 1 November 2019	10,692	6,443	54,901	72,036
Charge for the year on owned assets	14,256	-	622	14,878
Disposals	-	-	(24,291)	(24,291)
At 31 October 2020	24,948	6,443	31,232	62,623
Net book value				
At 31 October 2020	17,823	-	855	18,678
At 31 October 2019	32,079	-	1,477	33,556

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2020 £	2019 £
Motor vehicles	17,823	32,079

STOCKBOURNE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020**

5. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 November 2019	3,330,207
At 31 October 2020	<u>3,330,207</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Stockbourne Management (Winkfield) Limited		100
	Ordinary	%
Kewbrook Limited		100
	Ordinary	%
Stockbourne Management Limited		100
	Ordinary	%
Dencora Properties Limited		100
	Ordinary	%
Dencora Homes Limited		100
	Ordinary	%
Harvey & Leech Limited		100
	Ordinary	%
Roger Bros Limited		100
	Ordinary	%
Spaulding & Holmes Limited		100
	Ordinary	%
Knowle Hill Properties Ltd		100
	Ordinary	%
Dencora Limited *		100
	Ordinary	%

* Indirect shareholding

The registered office for all the subsidiary undertakings is Suite 1, Silwood Business Centre, Silwood Park, Buckhurst, Ascot, Berkshire, SL5 7PW.

STOCKBOURNE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020**

6. Investment property

Group

	Investment property £
Valuation	
At 1 November 2019	3,790,000
Surplus on revaluation	(90,000)
At 31 October 2020	<u><u>3,700,000</u></u>

The 2020 valuations were made by D J Williams, MRICS, a director of the Group, on an open market value for existing use basis.

7. Stocks

	Group 2020 £	Group 2019 £
Commercial property for resale	<u><u>15,074,019</u></u>	<u><u>10,959,284</u></u>

As at the year end the market value of the property was £19,650,000. The 2020 valuations were made by D J Williams MRICS, a director of the Group, on an open market value for existing use basis. The directors' open market value would increase the shareholders' funds to £12,287,488.

8. Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade debtors	70,745	22,666	-	-
Amounts owed by group undertakings	-	-	12,388,225	12,629,172
Other debtors	2,090	50,091	1,748	5,917
Prepayments and accrued income	132,599	155,693	5,229	6,397
	<u><u>205,434</u></u>	<u><u>228,450</u></u>	<u><u>12,395,202</u></u>	<u><u>12,641,486</u></u>

STOCKBOURNE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

9. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Bank overdrafts	-	96	-	96
Bank loans	421,874	335,290	-	-
Trade creditors	70,391	8,506	(556)	234
Amounts owed to group undertakings	-	-	15,921,800	15,921,800
Corporation tax	241,638	94,931	-	-
Other taxation and social security	131,621	72,647	-	-
Obligations under finance lease and hire purchase contracts	4,009	4,008	4,009	4,008
Other creditors	294,276	335,255	-	-
Accruals and deferred income	245,902	170,885	19,115	19,330
	<u>1,409,711</u>	<u>1,021,618</u>	<u>15,944,368</u>	<u>15,945,468</u>

10. Creditors: Amounts falling due after more than one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Bank loans	11,828,000	7,761,306	-	-
Net obligations under finance leases and hire purchase contracts	14,418	18,426	14,418	18,426
Financial instruments (after 1 yr)	220,795	103,405	-	-
	<u>12,063,213</u>	<u>7,883,137</u>	<u>14,418</u>	<u>18,426</u>

The bank loans are secured by a fixed and floating charge over the assets of the Group.

STOCKBOURNE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

11. Deferred taxation

Group

	2020 £	2019 £
At beginning of year	121,886	161,759
Charged to profit or loss	(26,281)	(5,663)
Charged to other comprehensive income	(22,484)	(34,210)
At end of year	73,121	121,886
	Group 2020 £	Group 2019 £
Timing differences arising from fair value adjustments	(41,951)	(19,466)
Tax on potential gains on investment properties	115,071	141,352
	73,120	121,886

12. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
100 (2019 - 100) A Ordinary shares of £1.00 each	100	100
50 (2019 - 50) B Ordinary shares of £1.00 each	50	50
6 (2019 - 6) C Ordinary shares of £1.00 each	6	6
	156	156

13. Reserves

Revaluation reserve

The revaluation reserve is the amount from the revaluation of investment properties to fair value, which is offset by the estimated deferred tax charge on the gain on sale of the property.

Profit and loss account

The profit and loss account represents cumulative profits and losses, net of dividends and all adjustments.

14. Related party transactions

The Group has taken advantage of the exemption under FRS102 1A for disclosures between the company and 100% owned undertakings of the Stockbourne Group not to be disclosed.

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.