

Registered number: 04617003

EASTERN BUSINESS PARK LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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EASTERN BUSINESS PARK LIMITED

COMPANY INFORMATION

Directors	J C Hitchins J J S Dunley S J Tothill
Company secretary	J J S Dunley
Registered number	04617003
Registered office	The Manor Boddington Lane Boddington Cheltenham Gloucestershire GL51 0TJ
Independent auditor	Crowe U.K. LLP Carrick House Lypiatt Road Cheltenham Gloucestershire GL50 2QJ

EASTERN BUSINESS PARK LIMITED

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EASTERN BUSINESS PARK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

Results and dividends

The loss for the year, after taxation, amounted to £1,094,277 (2019 - profit £1,138,188).

The directors recommend a dividend payment of £Nil (2019 - £Nil).

Directors

The directors who served during the year were:

J C Hitchins
J J S Dunley
S J Tothill

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

EASTERN BUSINESS PARK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

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

This report was approved by the board on *15th December 2020* and signed on its behalf.



J J S Dunley
Director

EASTERN BUSINESS PARK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF EASTERN BUSINESS PARK LIMITED

Opinion

We have audited the financial statements of Eastern Business Park Limited (the 'Company') for the year ended 31 March 2020, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material

EASTERN BUSINESS PARK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF EASTERN BUSINESS PARK LIMITED (CONTINUED)

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

EASTERN BUSINESS PARK LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF EASTERN BUSINESS PARK
LIMITED (CONTINUED)**

Auditor's 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 Auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the Company's shareholders in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders for our audit work, for this report, or for the opinions we have formed.

Chris Mould (Senior statutory auditor)
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

16 December 2020

EASTERN BUSINESS PARK LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2020 £	2019 £
Turnover		1,002,782	1,073,479
Cost of sales		(863,550)	(833,924)
Gross profit		139,232	239,555
Administrative expenses		(9,090)	(7,495)
Revaluation of investment property		(850,315)	1,262,000
Operating (loss)/profit	3	(720,173)	1,494,060
Interest payable and expenses		(381,351)	(377,646)
(Loss)/profit before tax		(1,101,524)	1,116,414
Tax on (loss)/profit	5	7,247	21,774
(Loss)/profit for the year		(1,094,277)	1,138,188

There was no other comprehensive income for 2020 (2019: £Nil).

The notes on pages 9 to 13 form part of these financial statements.

EASTERN BUSINESS PARK LIMITED
REGISTERED NUMBER: 04617003

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	6	16,320,000	16,300,335
Current assets			
Debtors: amounts falling due within one year	7	939,917	788,597
Cash at bank and in hand		254,122	174,505
		<u>1,194,039</u>	<u>963,102</u>
Creditors: amounts falling due within one year	8	(12,572,211)	(1,420,112)
Net current liabilities		<u>(11,378,172)</u>	<u>(457,010)</u>
Total assets less current liabilities		<u>4,941,828</u>	<u>15,843,325</u>
Creditors: amounts falling due after more than one year	9	-	(10,000,000)
Provisions for liabilities			
Deferred tax	10	(488,011)	(295,231)
Net assets		<u><u>4,453,817</u></u>	<u><u>5,548,094</u></u>
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account	12	4,453,815	5,548,092
		<u><u>4,453,817</u></u>	<u><u>5,548,094</u></u>

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 were approved and authorised for issue by the board and were signed on its behalf on

15th December 2020



J C Hitchins
Director

The notes on pages 9 to 13 form part of these financial statements.

EASTERN BUSINESS PARK LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2019	2	5,548,092	5,548,094
Comprehensive income for the year			
Loss for the year	-	(1,094,277)	(1,094,277)
At 31 March 2020	2	4,453,815	4,453,817

The notes on pages 9 to 13 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2018	2	4,409,904	4,409,906
Comprehensive income for the year			
Profit for the year	-	1,138,188	1,138,188
At 31 March 2019	2	5,548,092	5,548,094

The notes on pages 9 to 13 form part of these financial statements.

EASTERN BUSINESS PARK LIMITED

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

1. General information

The company is a private company, limited by shares, which is incorporated and registered in England (no. 04617003). The address of the registered office is The Manor, Boddington Lane, Boddington, Cheltenham, Gloucestershire, GL51 0TJ.

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 following principal accounting policies have been applied:

2.2 Going Concern

The financial statements are presented on a going concern basis. In assessing the company's ability to continue as a going concern, the directors have taken into consideration all available information relating to the 12 month period from the date of approval of these financial statements, including current and future trading and cash flow forecasts of the company and the other group entities.

2.3 Turnover

Turnover comprises rental income and service charges on investment properties. Rental income is accounted for on a straight line basis over the term of the lease. Service charge income comprises of recharges to tenants on behalf of expenses incurred by the company, exclusive of VAT.

2.4 Investment property

Investment property is carried at fair value determined annually by external valuers or by the directors 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 Statement of comprehensive income.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions.

2.7 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.

EASTERN BUSINESS PARK LIMITED

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

2. Accounting policies (continued)

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and loans to related parties.

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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.

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. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 Critical accounting estimates and judgements

In preparing these financial statements the Directors are required to make certain estimates and judgements. In their opinion the valuation of Investment Properties is an area where such estimates and judgements may have a material effect. The valuation of the investment property is subjective in nature but is based on the directors' opinion of the open market value at the year end. Two directors are members of the Royal Institute of Chartered Surveyors and the board additionally uses external valuations when available. Judgements this year were more uncertain due to the unknown impact of the Covid-19 pandemic.

3. Operating profit

The operating profit is stated after charging:

	2020 £	2019 £
Auditor's remuneration	6,450	6,250

EASTERN BUSINESS PARK LIMITED

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

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2019 - £Nil).

5. Taxation

	2020 £	2019 £
Corporation tax		
Group relief surrendered	(200,027)	(54,392)
Total current tax	<u>(200,027)</u>	<u>(54,392)</u>
Deferred tax		
Origination and reversal of timing differences	192,780	32,618
Total deferred tax	<u>192,780</u>	<u>32,618</u>
Taxation on loss on ordinary activities	<u><u>(7,247)</u></u>	<u><u>(21,774)</u></u>

6. Fixed asset investments

	Investment property £
Cost or valuation	
At 1 April 2019	16,300,335
Additions	869,980
Revaluations	(850,315)
At 31 March 2020	<u><u>16,320,000</u></u>

The investment property was valued by Knight Frank, an independent firm of chartered surveyors as at 20 March 2020. This valuation has been reviewed by the directors to take account of market changes in March 2020 and in their opinion £16,320,000 (2019 - £16,300,000) is a fair reflection of the open market value at year end. The company's investment property has a historic cost of £14,585,330 (2019 - £13,715,350).

EASTERN BUSINESS PARK LIMITED

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

7. Debtors

	2020 £	2019 £
Trade debtors	27,710	7,410
Amounts owed by group undertakings	228,108	228,108
Other debtors and prepayments	684,099	553,079
	<u>939,917</u>	<u>788,597</u>

8. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	1,195,973	296,781
Bank loans	10,000,000	-
Trade creditors	387,881	55,053
Amounts owed to group undertakings	587,666	650,005
Other taxation and social security	-	68,236
Other creditors	400,691	350,037
	<u>12,572,211</u>	<u>1,420,112</u>

The bank loan and overdraft of £11,195,973 (2019 - £10,296,781) are secured by legal charges over the company's investment property.

The company has entered into a set-off arrangement with the bank under which it and other group companies have pledged their assets to secure the group's banking liabilities.

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

	2020 £	2019 £
Bank loans	-	10,000,000

EASTERN BUSINESS PARK LIMITED

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

10. Deferred taxation

	2020	2019
	£	£
At beginning of year	295,231	262,613
Charged to profit or loss	192,780	32,618
At end of year	488,011	295,231

The provision for deferred taxation is made up as follows:

	2020	2019
	£	£
Accelerated capital allowances	488,011	295,231

11. Share capital

	2020	2019
	£	£
Allotted, called up and fully paid		
2 (2019 - 2) Ordinary shares of £1.00 each	2	2

12. Reserves

Profit & loss account

This reserve includes all current year and prior years retained profits and losses.

13. Related party transactions

The Company has taken advantage of the exemption from reporting transactions entered into with group companies since the Company's results are included within consolidated group accounts which are publicly available (see note 14).

14. Ultimate parent undertaking

The company's ultimate parent undertaking is Bay Group Limited, a company incorporated in Bermuda.

The immediate parent company is Robert Hitchins Limited, a company registered in England and Wales. The registered office is The Manor, Boddington Lane, Boddington, Cheltenham, Gloucestershire, GL51 0TJ. Eastern Business Park Limited is included in the consolidated financial statements of The Robert Hitchins Group Limited, a company also registered in England and Wales. A copy of that company's financial statements is available from Companies House.