

Urban Splash Midlands Limited
Unaudited Financial Statements
For the year ended
30 September 2020



Urban Splash Midlands Limited

Financial Statements

Year ended 30 September 2020

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Urban Splash Midlands Limited

Directors' Report

Year ended 30 September 2020

The directors present their report and the unaudited financial statements of the company for the year ended 30 September 2020.

Principal activities

The principal activity of the company was property development. Following the sale of the company's property assets in July 2013 as a result of the group-wide restructure, the company ceased to trade.

Directors

The directors who served the company during the year were as follows:

Mr. T.P.R. Bloxham M.B.E.
Mr. N. Cornish
Mr. J.P. Curnuck
Mr. J.M. Falkingham

Results and dividends

The profit for the year amounted to £nil (2019: £nil). The directors have not recommended a dividend (2019: same).

Strategic report

No separate Strategic Report has been presented as the company is entitled to the small companies exemption.

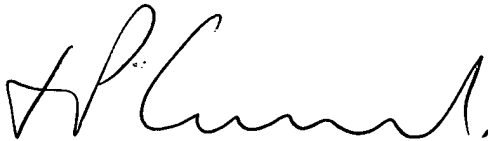
Going concern

As a consequence of the sale of the company's only property asset in a prior period, the financial statements are prepared on a basis other than going concern. This has no impact on the value of the assets or liabilities on the balance sheet at 30 September 2020.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 03/06/2021 and signed on behalf of the board by:



Mr. J.P. Curnuck
Director

Registered office:
Timber Wharf
16-22 Worsley Street
Castlefield
Manchester
M15 4LD

Urban Splash Midlands Limited

Statement of Financial Position

30 September 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	5	1	1
Creditors: amounts falling due within one year	6	(5,566,399)	(5,566,399)
Net current liabilities		(5,566,399)	(5,566,399)
Total assets less current liabilities		<u>(5,566,398)</u>	<u>(5,566,398)</u>
Capital and reserves			
Called up share capital	7	1	1
Profit and loss account	8	(5,566,399)	(5,566,399)
Member deficit		<u>(5,566,398)</u>	<u>(5,566,398)</u>

These financial statements have been prepared 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'.

For the year ending 30 September 2020 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

Directors' responsibilities:

- The member has 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 03/06/21, and are signed on behalf of the board by:



Mr. J.P. Curnuck
Director

Company registration number: 06030748

The notes on pages 3 to 7 form part of these financial statements.

Urban Splash Midlands 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 Timber Wharf, 16-22 Worsley Street, Castlefield, Manchester, M15 4LD.

2. Statement of compliance

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

3. Accounting policies

Basis of accounting

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The company was incorporated in the United Kingdom under the Companies Act.

The principal accounting policies are summarised below, which have been applied consistently throughout the current and preceding years.

Going concern

As a consequence of the sale of the company's property assets in a prior period, the company ceased to trade and therefore the financial statements are prepared on a basis other than going concern. The directors' intention is to wind up the company in due course. This has no impact on the value of the assets or liabilities on the balance sheet at 30 September 2020.

Investment in subsidiary undertakings

Fixed asset investments are shown at cost less provision for impairment.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Urban Splash Group Holdings Limited which are publicly available. As such, advantage has been taken of the following disclosure exemption available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

Consolidated financial statements are not presented as the company takes advantage of the exemption afforded by Section 400 of the Companies Act 2006, because it is a wholly owned subsidiary of Urban Splash Group Holdings Limited which prepares consolidated financial statements which are publicly available.

Judgements and key sources of estimation uncertainty

The preparation of the financial statement requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The directors do not consider any estimates or assumption to be "key" warranting disclosure.

Urban Splash Midlands Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

3. Accounting policies *(continued)*

Taxation

Corporation tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the statement of financial position date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property measured at fair value is calculated using the tax rates and allowances that would apply to the disposal of such assets.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset only if: a) the company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

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.

Urban Splash Midlands Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the statement of financial position. Finance costs and gains or losses relating to financial liabilities are included in the statement of comprehensive income. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future payment discounted at a market rate of interest.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial asset expire or are settled or when the company transfers to another party the financial asset and substantially all of the risks and rewards of ownership of the financial asset.

Financial liabilities are derecognised only when the obligation specified on the contract is discharged, cancelled or expires.

4. Operating profit

Audit fees of the company were borne by another group company, but if recharged, would have amounted to £nil (2019: £800).

There were no employees employed by the company during either year. The directors' remuneration was borne by another group company in both years.

Urban Splash Midlands Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

5. Investments

	Shares in group undertakings £
Cost	
At 1 October 2019 and 30 September 2020	<u>1</u>
Impairment	
At 1 October 2019 and 30 September 2020	<u>-</u>
Carrying amount	
At 30 September 2020	<u>1</u>
At 30 September 2019	<u>1</u>

The company owns 100% of the issued share capital of Urban Splash Walsall Limited, a dormant company incorporated in England.

6. Creditors: amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	<u>5,566,399</u>	<u>5,566,399</u>

7. Called up share capital

Issued, called up and fully paid

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

8. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

9. Contingencies

During a prior year, the ultimate parent company's shareholders purchased all debt and accrued interest due to HSBC plc. All terms and conditions of the facility agreements remain in place, and under these agreements, the company has provided unlimited multilateral guarantees in respect of certain of the group's loan balances. At the year end, the contingent liability in respect of the guarantees was £17,000,000 (2019: £17,000,000).

10. Related party transactions

As a subsidiary undertaking of Urban Splash Group Holdings Limited, the company has taken advantage of the exemption in section 33 of FRS102, from disclosing transactions with other members of the group headed by Urban Splash Group Holdings Limited.

Urban Splash Midlands Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

11. Controlling party

Urban Splash Group Holdings Limited, a company incorporated in England, is the ultimate parent company as at 30 September 2020. The directors regard T.P.R. Bloxham M.B.E. as the ultimate controlling party.

Urban Splash Group Holdings Limited is the parent company of the largest and smallest group of which the company is a member and for which financial statements are drawn up. Copies of the financial statements are available from Timber Wharf, 16-22 Worsley Street, Castlefield, Manchester, M15 4LD.