

Company Registration No. 07345546 (England and Wales)

PRESCOT BUSINESS PARK LIMITED

**ANNUAL REPORT
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2019

PRESCOT BUSINESS PARK LIMITED

COMPANY INFORMATION

Director	M S James
Company number	07345546
Registered office	Laurel House 173 Chorley New Road Bolton
Auditor	Barlow Andrews LLP Carlyle House 78 Chorley New Road Bolton

PRESCOT BUSINESS PARK LIMITED

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PRESCOT BUSINESS PARK LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The director presents the strategic report for the year ended 31 March 2019.

Fair review of the business

The period under review saw a further increase in turnover to £18,186,113. This has been achieved through significant land stock sales in the year. Key developments are still progressing with value continually added to the stock held.

During the period under review the company continued to invest in the land stock held to maximise the potential return on sale and explore other development opportunities.

Principal risks and uncertainties

Fluctuation in land prices and the volatility of the housing market are the principle risks to the business. This risk is managed through a varied portfolio of properties and supportive investment which allows the business to hold stock when necessary.

Brexit is still a major uncertainty for the business due to the impact it has on other businesses and the housing market.

The business considers both short and long term funding requirements ensuring that sufficient funds are available to meet all operational and investment needs. Together with the businesses investors, funding is appropriate to the needs of the business and provides appropriate stability for future years.

Key performance indicators

Net profit before tax as a percentage of turnover 2019 - 31.4%, 2018 - 25.7%.

Gross profit percentage 2019 - 35.1%, 2018 - 27.7%

On behalf of the board

M S James

Director

16 December 2019

PRESCOT BUSINESS PARK LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The director presents his annual report and financial statements for the year ended 31 March 2019.

Principal activities

The principal activity of the company continued to be that of the purchase of property, the development of property and the sale of property.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

M S James

Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Auditor

Barlow Andrews LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

M S James

Director

16 December 2019

PRESCOT BUSINESS PARK LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 director is 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 enable them to ensure that the financial statements comply with the Companies Act 2006. He is 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.

PRESCOT BUSINESS PARK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PRESCOT BUSINESS PARK LIMITED

Opinion

We have audited the financial statements of financial statements of Prescott Business Park Limited (the 'company') for the year ended 31 March 2019 which comprise the Profit and Loss Account, the Statement of Changes in Equity, the Balance Sheet, the Statement of Cash Flow and notes to the financial statements, 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 FRS 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 2019 and of its profit 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 UK, including the FRC'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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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 director is 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

PRESCOT BUSINESS PARK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PRESCOT BUSINESS PARK LIMITED

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 strategic report or the director's report.

We have nothing to report in respect of the following matters where 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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: <http://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 members, as a body, 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 members those matters we are required to state to him 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.

Christopher Harland (Senior Statutory Auditor)
for and on behalf of Barlow Andrews LLP

16 December 2019

Chartered Accountants
Statutory Auditor

Carlyle House
78 Chorley New Road
Bolton
BL1 4BY

PRESCOT BUSINESS PARK LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
Turnover	3	18,186,113	15,074,329
Cost of sales		(11,800,923)	(10,900,681)
Gross profit		6,385,190	4,173,648
Administrative expenses		(372,555)	(95,695)
Operating profit	4	6,012,635	4,077,953
Interest receivable and similar income	6	200,000	242,848
Interest payable and similar expenses	7	(507,540)	(451,062)
Profit before taxation		5,705,095	3,869,739
Tax on profit	8	(972,936)	(526,480)
Profit for the financial year		4,732,159	3,343,259

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There is no other comprehensive income for the year. The total comprehensive income is the profit for the financial year shown above.

PRESCOT BUSINESS PARK LIMITED

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Current assets					
Stocks	10	19,328,166		25,529,876	
Debtors falling due after more than one year					
	11	31,686		3,227,645	
Debtors falling due within one year	11	23,743,039		8,522,741	
Cash at bank and in hand		1,187,292		934,211	
		<u>44,290,183</u>		<u>38,214,473</u>	
Creditors: amounts falling due within one year	12	<u>(4,430,349)</u>		<u>(2,095,886)</u>	
Net current assets			39,859,834		36,118,587
Creditors: amounts falling due after more than one year	13		(29,297,465)		(30,288,377)
Net assets			<u>10,562,369</u>		<u>5,830,210</u>
Capital and reserves					
Called up share capital	16		100		100
Profit and loss reserves			10,562,269		5,830,110
Total equity			<u>10,562,369</u>		<u>5,830,210</u>

The financial statements were approved and signed by the director and authorised for issue on 16 December 2019

M S James

Director

Company Registration No. 07345546

PRESCOT BUSINESS PARK LIMITED

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

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 April 2017	100	2,486,851	2,486,951
Year ended 31 March 2018:			
Profit and total comprehensive income for the year	-	3,343,259	3,343,259
Balance at 31 March 2018	100	5,830,110	5,830,210
Year ended 31 March 2019:			
Profit and total comprehensive income for the year	-	4,732,159	4,732,159
Balance at 31 March 2019	100	10,562,269	10,562,369

PRESCOT BUSINESS PARK LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	20	1,240,063		699,483	
Interest paid		(507,540)		(451,062)	
Income taxes paid		(679,442)		(907,132)	
Net cash inflow/(outflow) from operating activities			53,081		(658,711)
Investing activities					
Interest received		200,000		242,848	
Net cash generated from investing activities			200,000		242,848
Net increase/(decrease) in cash and cash equivalents			253,081		(415,863)
Cash and cash equivalents at beginning of year			934,211		1,350,074
Cash and cash equivalents at end of year			1,187,292		934,211

PRESCOT BUSINESS PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Prescot Business Park Limited is a private company limited by shares incorporated in England and Wales. The registered office is Laurel House, 173 Chorley New Road, Bolton.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The company is reliant of the support of T J Morris Limited, James Industrial Limited and M S James. Each party has confirmed that they will not request repayment of their loans without 12 months notice from the sign off date of the financial statements for the year ended 31 March 2019. The director considers that the company remains a going concern and has prepared the financial statements on this basis. The financial statements do not include any adjustments that would result if the company was unable to continue as a going concern.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from the sale of properties is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on completion), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Turnover includes income derived from properties occupied by tenants during the year. Income that is invoiced in advance or arrears is apportioned so that only that relating to the period of the financial statements is included in turnover.

1.4 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

PRESCOT BUSINESS PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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 company after deducting all of its liabilities.

PRESCOT BUSINESS PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

PRESCOT BUSINESS PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

	2019	2018
	£	£
Turnover analysed by class of business		
Property sales	15,392,300	13,007,181
Other income, including rental income	2,793,813	2,067,148
	<u>18,186,113</u>	<u>15,074,329</u>

	2019	2018
	£	£
Other significant revenue		
Interest income	<u>200,000</u>	<u>242,848</u>

4 Operating profit

	2019	2018
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	22,862	(7,084)
Fees payable to the company's auditor for the audit of the company's financial statements	5,000	2,500
Cost of stocks recognised as an expense	<u>10,491,663</u>	<u>9,873,958</u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019	2018
	Number	Number
Directors	<u>1</u>	<u>1</u>

PRESCOT BUSINESS PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

6 Interest receivable and similar income

	2019	2018
	£	£
Interest income		
Other interest income	200,000	242,848

7 Interest payable and similar expenses

	2019	2018
	£	£
Other finance costs:		
Other interest	507,540	451,062

8 Taxation

	2019	2018
	£	£
Current tax		
UK corporation tax on profits for the current period	918,272	504,878
Adjustments in respect of prior periods	58,705	-
Total current tax	976,977	504,878
Deferred tax		
Origination and reversal of timing differences	(4,041)	21,602
Total tax charge	972,936	526,480

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019	2018
	£	£
Profit before taxation	5,705,095	3,869,739
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	1,083,968	735,250
Tax effect of expenses that are not deductible in determining taxable profit	4,966	(1,241)
Tax effect of utilisation of tax losses not previously recognised	-	(26,025)
Double tax relief	-	(53,889)
Other permanent differences	(170,662)	(149,217)
Under/(over) provided in prior years	58,705	-
Movement in deferred taxation	(4,041)	21,602
Taxation charge for the year	972,936	526,480

PRESCOT BUSINESS PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9 Financial instruments

	2019 £	2018 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	24,842,227	12,478,287
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	33,015,338	31,312,877
	<u> </u>	<u> </u>

10 Stocks

	2019 £	2018 £
Work in progress	19,328,166	25,529,876
	<u> </u>	<u> </u>

11 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	11,008,602	909,580
Other debtors	12,682,123	7,434,496
Prepayments and accrued income	52,314	178,665
	<u> </u>	<u> </u>
	23,743,039	8,522,741
	<u> </u>	<u> </u>

	2019 £	2018 £
Amounts falling due after more than one year:		
Trade debtors	-	3,200,000
Deferred tax asset (note 14)	31,686	27,645
	<u> </u>	<u> </u>
	31,686	3,227,645
	<u> </u>	<u> </u>

Total debtors	<u>23,774,725</u>	<u>11,750,386</u>
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Included in other debtors is a £5.5 million loan made to a third party. In relation to this loan, Prescott Business Park Limited has a first legal charge over a property, which has a value in excess of £5.5 million.

PRESCOT BUSINESS PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

12 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Trade creditors		79,761	570,303
Amounts owed to undertakings in which the company has a participating interest		-	23,948
Corporation tax		454,862	157,327
Other taxation and social security		-	782,076
Deferred income	15	257,614	131,983
Other creditors		1,576,233	58,980
Accruals and deferred income		2,061,879	371,269
		<u>4,430,349</u>	<u>2,095,886</u>

13 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Other creditors	29,130,696	30,147,746
Accruals and deferred income	166,769	140,631
	<u>29,297,465</u>	<u>30,288,377</u>

14 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2019 £	Assets 2018 £
Balances:		
Timing difference	<u>31,686</u>	<u>27,645</u>
Movements in the year:		2019 £
Asset at 1 April 2018		(27,645)
Credit to profit or loss		(4,041)
Asset at 31 March 2019		<u>(31,686)</u>

PRESCOT BUSINESS PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

15 Deferred income

	2019 £	2018 £
Other deferred income	257,614	131,983

16 Share capital

	2019 £	2018 £
Ordinary share capital Issued and fully paid		
100 Ordinary shares of £1 each	100	100

17 Operating lease commitments

Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

	2019 £	2018 £
Within one year	1,731,229	1,384,490
Between two and five years	6,282,909	2,676,534
In over five years	4,371,260	3,510,332
	12,385,398	7,571,356

18 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

At the year end Prescott Business Park Limited owes a company, controlled by the majority shareholder, £27,711,681 (2018: £27,254,924). The only movement during the current financial year is an interest charge of £456,757, this is accruing at a rate of 1% above the NatWest Bank base rate.

The creditor has security on the loan in the form of a fixed and floating charge over the company's assets.

19 Directors' transactions

The company owes the director, £1,585,784 (2018: £1,559,646). Interest is accruing on the loan balance at a rate of 1% above the NatWest Bank base rate.

The company also owes a company wholly owned by the director £1,483,305 (£1,473,807). Interest is accruing on this loan at a rate of 1% above the NatWest Bank base rate. This loan is secured by a fixed charge over assets held within the company.

PRESCOT BUSINESS PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

20 Cash generated from operations

	2019 £	2018 £
Profit for the year after tax	4,732,159	3,343,259
Adjustments for:		
Taxation charged	972,936	526,480
Finance costs	507,540	451,062
Investment income	(200,000)	(242,848)
Movements in working capital:		
Decrease in stocks	6,201,710	6,460,716
Increase in debtors	(12,020,298)	(1,385,612)
Increase/(decrease) in creditors	920,385	(8,585,557)
Increase in deferred income	125,631	131,983
Cash generated from operations	1,240,063	699,483

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