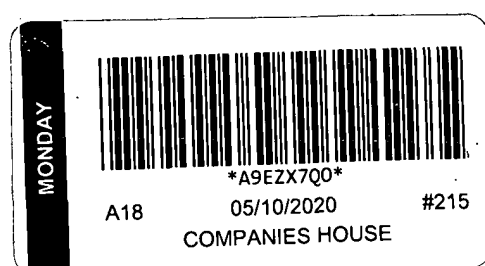


Registered number
07887988

Bolsover Land Limited

Audited Report of the Directors and Financial Statements

31 March 2020



Bolsover Land Limited
Report and accounts
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Bolsover Land Limited
Company Information

Directors

Nigel Lax
Terence Cole (resigned 6 July 2020)
Robert Braid
Mark Lewis
Jonathan Whittingham (appointed 6 July 2020)

Auditors

Azets Audit Services Limited
Regis House
45 King William Street
London
EC4R 9AN

Registered number

07887988 (England and Wales)

Registered Office

10 Upper Berkeley Street
London
W1H 7PE

Bolsover Land Limited**Registered number: 07887988****Directors' Report for the year ended 31 March 2020**

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

Principal activities

The company's principal activity during the year continued to be property acquisition and development.

Directors

The following persons served as directors during the year and to the date of this report:

Nigel Lax
Terence Cole (resigned 6 July 2020)
Robert Braid
Mark Lewis
Jonathan Whittingham (appointed 6 July 2020)

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts 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 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.

Going Concern

The directors have considered the impact of the COVID-19 virus and the net balance sheet deficit position on the future viability of the Company and, at the date of signing these financial statements, the directors remain confident of the future prospects of the Company. The directors believe that in light of the external funding secured, additional shareholder loans provided since the balance sheet date, and the forecasted cash flows of the business there is a reasonable expectation that the Company will have sufficient resources to continue to meet its liabilities as they fall due for the foreseeable future. The directors have therefore prepared the financial statements on a going concern basis.

Bolsover Land Limited

Registered number: 07887988

Directors' Report for the year ended 31 March 2020

Auditors

On 7 September 2020 Group Audit Services Limited trading as Wilkins Kennedy Audit Services changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name.

Azets Audit Services 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.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

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

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on 30 September 2020 and signed on its behalf.



Nigel Lax
Director

Bolsover Land Limited
Report of the Independent auditors
to the members of Bolsover Land Limited

Opinion

We have audited the financial statements of Bolsover Land Limited (the 'company') for the year ended 31 March 2020 which comprise the Income Statement, Statement of Financial Position 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 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 of 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 Auditors' 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.

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.

Bolsover Land Limited
Report of the Independent auditors
to the members of Bolsover Land Limited

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors 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 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 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 accounts 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 Statement of Directors' Responsibilities set out on page one, 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due 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.

Bolsover Land Limited
Report of the Independent auditors
to the members of Bolsover Land Limited

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 a Report of the Auditors 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 accounts 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 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 them in a Report of the Auditors 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.

Azets Audit Services Limited

Anil Kapoor
(Senior Statutory Auditor)
for and on behalf of
Azets Audit Services Limited
Statutory Auditor
Date: 30 September 2020

Regis House
45 King William Street
London
EC4R 9AN

Bolsover Land Limited
Income Statement
for the year ended 31 March 2020

	Notes	2020 £	2019 £
Turnover		1,497	503
Cost of sales		-	-
Gross profit		<u>1,497</u>	<u>503</u>
Administrative expenses		(148,172)	(131,634)
Other operating income		350	1,340
Operating loss		<u>(146,325)</u>	<u>(129,791)</u>
Interest payable		(3,211,540)	(2,448,417)
Loss on ordinary activities before taxation		<u>(3,357,865)</u>	<u>(2,578,208)</u>
Loss for the financial year		<u>(3,357,865)</u>	<u>(2,578,208)</u>

Bolsover Land Limited**Registered number:****07887988****Statement of financial position
as at 31 March 2020**

	Notes	2020 £	2019 £
Current assets			
Stocks	4	7,493,399	5,545,665
Debtors	5	22,555	47,552
Cash at bank and in hand		89,801	13,811
		<u>7,605,755</u>	<u>5,607,028</u>
Creditors: amounts falling due within one year	6	(21,167,557)	(15,810,965)
Net current liabilities		<u>(13,561,802)</u>	<u>(10,203,937)</u>
Total assets less current liabilities		<u>(13,561,802)</u>	<u>(10,203,937)</u>
Net liabilities		<u>(13,561,802)</u>	<u>(10,203,937)</u>
Capital and reserves			
Called up share capital		2,000	2,000
Profit and loss account		(13,563,802)	(10,205,937)
Shareholders' funds		<u>(13,561,802)</u>	<u>(10,203,937)</u>

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

The financial statements were approved by the board of directors and authorised for issue on 30 September 2020 and are signed on its behalf by:



Jonathan Whittingham
Director

Bolsover Land Limited
Notes to the Accounts
for the year ended 31 March 2020

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

The financial statements are presented in Sterling (£) which is also the functional currency for the company.

Going Concern

The directors have considered the impact of the COVID-19 virus and the net balance sheet deficit position on the future viability of the Company and, at the date of signing these financial statements, the directors remain confident of the future prospects of the Company. The directors believe that in light of the external funding secured, additional shareholder loans provided since the balance sheet date, and the forecasted cash flows of the business there is a reasonable expectation that the Company will have sufficient resources to continue to meet its liabilities as they fall due for the foreseeable future. The directors have therefore prepared the financial statements on a going concern basis.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer.

Stocks

Development properties are included in stock and work in progress and are stated at the lower of cost and net realisable value. Cost comprises costs of acquisition and development, including directly attributable fees and expenses and direct labour costs.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Bolsover Land Limited
Notes to the Accounts
for the year ended 31 March 2020

1 Accounting policies (continued)

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Grants

Grants income is recognised when conditions for receipt have been met. Previously a grant was received to facilitate remediation and infrastructure works to open up the former coalite chemical works in Bolsover to create a business park. The total value of grants received is £5,771,803. (2019: £5,771,803). Grant income is shown as a reduction in stock. (see note 3).

The company also secured a second grant of £2,002,200 from the County Council, none of which has been drawn down at the year end. Receipt of the grant is subject to the developer providing to the County Council independent verification to certify that all 28.2 hectares of the commercial land delivery outputs meet the requirement. As the conditions for recognition have not yet been met no grant income has been reflected in relation to this grant.

Financial Instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Bolsover Land Limited
Notes to the Accounts
for the year ended 31 March 2020

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are 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.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Valuation of development stock

The company makes an estimate of any potential stock obsolescence. The directors have considered the expected future sales proceeds and the expected costs to complete the work in making their assessment of the requirement for any stock provision.

3 Audit information

	2020	2019
	£	£
Auditor's remuneration	6,500	5,500
Non-audit services	1,500	1,500
	<u>8,000</u>	<u>7,000</u>

4 Stocks

	2020	2019
	£	£
Costs incurred	10,674,083	8,819,350
Grant received	(5,771,803)	(5,771,803)
Overage payable	2,591,119	2,498,118
	<u>7,493,399</u>	<u>5,545,665</u>

5 Debtors

	2020	2019
	£	£
Other debtors	<u>22,555</u>	<u>47,552</u>

Bolsover Land Limited
Notes to the Accounts
for the year ended 31 March 2020

6 Creditors: amounts falling due within one year	2020	2019
	£	£
Trade creditors	28,236	79,275
Accruals and deferred income	1,343,580	261,559
Other creditors	17,777,556	13,540,518
Overage liability	2,018,185	1,929,613
	<u>21,167,557</u>	<u>15,810,965</u>

Included in other creditors are 20% fixed rate shareholder loans repayable on demand. The loan notes are secured by way of legal charges over the land owned by the company.

The overage liability relates to an overage agreement which will result in a payment of £2,018,185 (2019: £1,929,613) at the earliest of either the company developing the plot, disposing of the plot or part of the plot, the buyer or any successor ceasing to be an associate of the majority shareholders or 16 November 2020.

7 Average number of employees

The average monthly number of persons employed by the company during the year was nil (2019: nil)

8 Related party transactions

As at 31 March 2020 there were related party balances with entities that one or more of the shareholders of the Company have interest as follows:

Amounts due to related parties of £17,777,556 (2019: £13,540,518).

During the year interest payable of £3,211,410 (2019: £2,447,906) was charged on related party debts.

During the year management charges of £120,000 (2019: £120,000) were charged to the company by related parties.

9 Ultimate controlling party

There is no ultimate holding company or controlling party.

10 Other information

Bolsover Land Ltd is a private company limited by shares and incorporated in England and Wales. Its registered office is 10 Upper Berkeley Street, London, W1H 7PE.

11 Post Balance Sheet Event

Since the year end, the Company has settled the overage liability for £1,917,416. In addition, the loan notes due to shareholders totalled £17,777,419 at the year-end and have since been substituted for ordinary unsecured shareholder loans of the same value and in addition have injected further shareholder loans to progress the project.

The Company has secured loan financing of £15,250,000 from South Yorkshire Pension Fund and the SCR JESSICA Fund in order to complete enabling and infrastructure works required to deliver the strategic logistics site.