

Royale Park Estates Limited

Financial statements

Information for filing with the registrar

For the Year Ended 30 September 2020



Royale Park Estates Limited
Registered number:09447887

Balance Sheet
As at 30 September 2020

| | Note | 2020 £ | 2019 £ |
|---|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Intangible assets | 4 | 7,396 | 11,517 |
| Tangible assets | 5 | 19,491,092 | 18,946,694 |
| | | <u>19,498,488</u> | <u>18,958,211</u> |
| Current assets | | | |
| Stocks | 6 | 739,248 | 692,813 |
| Debtors | 7 | 6,973,837 | 7,330,623 |
| Cash at bank and in hand | | 5,578 | 3,482 |
| | | <u>7,718,663</u> | <u>8,026,918</u> |
| Creditors: amounts falling due within one year | 8 | (8,961,298) | (9,048,036) |
| Net current liabilities | | <u>(1,242,635)</u> | <u>(1,021,118)</u> |
| Total assets less current liabilities | | <u>18,255,853</u> | <u>17,937,093</u> |
| Creditors: amounts falling due after more than one year | 9 | (7,148,008) | (7,148,008) |
| Provisions for liabilities | | | |
| Deferred tax | 10 | (1,249,708) | (1,050,160) |
| Net assets | | <u><u>9,858,137</u></u> | <u><u>9,738,925</u></u> |
| Capital and reserves | | | |
| Called up share capital | | 100 | 100 |
| Revaluation reserve | 11 | 5,330,864 | 5,130,412 |
| Profit and loss account | 11 | 4,527,173 | 4,608,413 |
| | | <u><u>9,858,137</u></u> | <u><u>9,738,925</u></u> |

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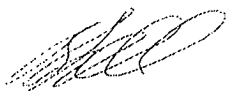
Balance Sheet (continued)
As at 30 September 2020

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

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

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Robert Lee Jack Bull
Director

Date: 22/09/2021

The notes on pages 3 to 10 form part of these financial statements.

Royale Park Estates Limited

Notes to the Financial Statements For the Year Ended 30 September 2020

1. General information

Royale Park Estates Limited is a Private company, limited by shares and incorporated in England and Wales under the Companies Act 2006.

The principal place of business is Reculver Lane, Herne Bay, Reculver, Kent, CT6 6ST.

The company's principal activity is operating a park home site.

The accounts are presented in GBP, the functional currency, and are rounded to the nearest £.

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

During the year the Company has been affected by restrictions imposed by the UK Government in response to the COVID-19 pandemic. The result of this is that the Company's ability to complete on sales have been affected.

This has resulted in a delay of cashflows which have been partially offset by financial support from the Group lenders in deferring interest payments, use of the Coronavirus Job Retention Scheme, deferral of liabilities, Rates Grants and general reduction in spending.

The directors have prepared cash flow forecasts which demonstrate that the cash reserves of the group will be sufficient for it to be able to continue as a going concern during the restrictions and once the restrictions are lifted. However, there is a level of uncertainty about how long some of the restrictions will last and the level of sales demand once the restrictions have ended which could affect this assessment.

The company continues to be reliant upon the intended support of its parent company, fellow group subsidiaries, related companies, the directors and group lenders.

The financial statements do not contain any adjustments that would be required if the company were not able to continue as a going concern.

2.3 Turnover

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

Pitch Fees, Utility recharges and other income

Fees are recognised on an accruals basis in the period to which they relate.

Sale of Homes

Sales of homes are recognised when the risks and rewards of ownership are transferred to the customer, usually on occupation when the written statement is signed or the legal completion takes place.

**Notes to the Financial Statements
For the Year Ended 30 September 2020**

2. Accounting policies (continued)

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.5 Finance costs

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

2.6 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 in the countries where the Company operates and generates income.

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

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

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

2.7 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases:

| | | |
|-------------------|---|------|
| Computer Software | - | 20 % |
|-------------------|---|------|

**Notes to the Financial Statements
For the Year Ended 30 September 2020**

2. Accounting policies (continued)

2.8 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

| | | |
|-----------------------------|---|-----|
| Fixtures and fittings | - | 20% |
| Park plant & equipment | - | 20% |
| Office & computer equipment | - | 20% |

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.9 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance Sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.10 Stock & WIP

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Work in progress includes labour and attributable overheads.

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

2.11 Debtors

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

Royale Park Estates Limited

**Notes to the Financial Statements
For the Year Ended 30 September 2020**

2. Accounting policies (continued)

2.12 Cash and cash equivalents

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

2.13 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.

3. Employees

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

4. Intangible assets

| | Computer software £ |
|-----------------------|------------------------------------|
| Cost | |
| At 1 October 2019 | 20,606 |
| At 30 September 2020 | 20,606 |
| Amortisation | |
| At 1 October 2019 | 9,089 |
| Charge for the year | 4,121 |
| At 30 September 2020 | 13,210 |
| Net book value | |
| At 30 September 2020 | 7,396 |
| At 30 September 2019 | 11,517 |

Royale Park Estates Limited

**Notes to the Financial Statements
For the Year Ended 30 September 2020**

5. Tangible fixed assets

| | Freehold property £ | Park plant and machinery £ | Fixtures and fittings £ | Office equipment £ | Total £ |
|--------------------------|---------------------------|-------------------------------------|-------------------------------|--------------------------|-------------------|
| Cost or valuation | | | | | |
| At 1 October 2019 | 18,920,001 | 911 | 22,065 | 20,876 | 18,963,853 |
| Additions | 147,225 | 7,487 | - | - | 154,712 |
| Revaluations | 400,000 | - | - | - | 400,000 |
| At 30 September 2020 | <u>19,467,226</u> | <u>8,398</u> | <u>22,065</u> | <u>20,876</u> | <u>19,518,565</u> |
| Depreciation | | | | | |
| At 1 October 2019 | - | 301 | 8,688 | 8,170 | 17,159 |
| Charge for the year | - | 1,659 | 4,379 | 4,276 | 10,314 |
| At 30 September 2020 | <u>-</u> | <u>1,960</u> | <u>13,067</u> | <u>12,446</u> | <u>27,473</u> |
| Net book value | | | | | |
| At 30 September 2020 | <u>19,467,226</u> | <u>6,438</u> | <u>8,998</u> | <u>8,430</u> | <u>19,491,092</u> |
| At 30 September 2019 | <u>18,920,001</u> | <u>610</u> | <u>13,377</u> | <u>12,706</u> | <u>18,946,694</u> |

The borrowings in the parent entity, Royale Parks Limited are secured by way of a fixed charge over the assets of the group, this includes those held by this company.

The freehold property was valued in July 2019 by an independent 3rd party on a market value basis.

The directors have considered the value of the property at the year end and considered no revaluation is required as the carrying amount would not materially differ.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

| | 2020 £ | 2019 £ |
|------|-------------------|-------------------|
| Cost | <u>12,889,816</u> | <u>12,742,591</u> |

Royale Park Estates Limited

**Notes to the Financial Statements
For the Year Ended 30 September 2020**

6. Stock & WIP

| | 2020 £ | 2019 £ |
|------------------|----------------|----------------|
| Work in progress | 360,000 | 250,000 |
| Homes for resale | 379,248 | 442,813 |
| | <u>739,248</u> | <u>692,813</u> |

7. Debtors

| | 2020 £ | 2019 £ |
|------------------------------------|------------------|------------------|
| Trade debtors | 2,802,169 | 3,035,619 |
| Amounts owed by group undertakings | 3,899,192 | 4,016,411 |
| Amounts owed by related parties | 16,379 | 15,781 |
| Other debtors | 237,428 | 221,083 |
| Prepayments and accrued income | 18,669 | 41,729 |
| | <u>6,973,837</u> | <u>7,330,623</u> |

8. Creditors: Amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------------|------------------|------------------|
| Payments received on account | 5,000 | 45,000 |
| Trade creditors | 526,660 | 480,547 |
| Amounts owed to group undertakings | 6,483,530 | 6,022,587 |
| Amounts owed to related parties | 1,768,414 | 1,837,281 |
| Corporation tax | - | 474,446 |
| Other creditors | 22,194 | 38,390 |
| Accruals and deferred income | 155,500 | 149,785 |
| | <u>8,961,298</u> | <u>9,048,036</u> |

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

| | 2020 £ | 2019 £ |
|------------------------------------|-----------|-----------|
| Amounts owed to group undertakings | 7,148,008 | 7,148,008 |

Royale Park Estates Limited

**Notes to the Financial Statements
For the Year Ended 30 September 2020**

10. Deferred taxation

| | 2020 £ |
|---------------------------------------|---------------------------|
| At beginning of year | (1,050,160) |
| Charged to other comprehensive income | (199,548) |
| At end of year | <u>(1,249,708)</u> |

The provision for deferred taxation is made up as follows:

| | 2020 £ | 2019 £ |
|------------------------|---------------------------|---------------------------|
| Tax on unrealised gain | <u>(1,249,708)</u> | <u>(1,050,160)</u> |

11. Reserves

Revaluation reserve

The aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value in which case it is charged to the Statement of Comprehensive Income.

Profit and loss account

Profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

12. Related party transactions

Company Directors

As at the balance sheet date the company owed £1,697,109 (2019 - £1,837,281) to company directors.

Companies under common control

As at the balance sheet date the company owed £71,306 (2019 - £Nil) to companies under common control and was owed £16,379 (2019 - £15,781) by companies under common control.

During the year the company made sales of £Nil (2019 - £2,825,416) to companies under common control and as at the year end trade debtors includes £2,703,347 (2019 - £2,948,005) owed by companies under common control.

As at the year end trade creditors includes £142,166 (2019 - £9,853) owed to companies under common control.

Royale Park Estates Limited

**Notes to the Financial Statements
For the Year Ended 30 September 2020**

13. Controlling party

The company is a subsidiary of Royale Parks Limited, the immediate and ultimate parent company, incorporated in England and Wales. The directors consider that no one party controls the Group.

The smallest and largest group to provide consolidated accounts which include the results of the company is that headed by the ultimate parent, with registered office Royale House, 1550 Parkway, Whiteley, Fareham, Hampshire, PO15 7AG. These consolidated accounts are publicly available from Companies House.

14. Auditors' information

The auditors' report on the financial statements for the year ended 30 September 2020 was unqualified.

The audit report was signed on 27/9/21 by Jayson Lawson (Senior Statutory Auditor) on behalf of Ensors Accountants LLP.