# HOLROYDS RESIDENTIAL LIMITED

DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS

31 December 2022

(Registered Number 09620942)

Contents

# Directors' Report

The Directors present their annual report and the unaudited financial statements for the period ended 31 December 2022.

**INTRODUCTION AND OVERVIEW**

Holroyds Residential Limited is a private limited company incorporated in England & Wales, registered number 09620942.The registered company address is Cumbria House, 16-20 Hockliffe Street, Leighton Buzzard, Bedfordshire, England, LU7 1GN.

At the year ended 31st December 2022, the Company had ceased all trading and was effectively a dormant company. Therefore these accounts have not been prepared on a going concern basis.

The company made a profit before tax of £nil for the period (2021: Profit of £25,314).

**DIRECTORS**

The Directors who served during the period and up to the date of this report were:

DK Plumtree
RJ Twigg

**DIVIDENDS**

During the period interim dividends of £nil (2021: £nil) were paid. The Directors do not recommend payment of a final dividend (2021:£nil).

**CHARITABLE AND POLITICAL DONATIONS**

The Company made no charitable or political donations in 2022 (2021: £nil).

**GOING CONCERN**

At the year ended 31st December 2022 the company had ceased all trading and was effectively a dormant company. Therefore these accounts have not been prepared on a going concern basis.

**AUDITOR**

The Directors have relied upon the exemption from the obligation to appoint auditors permitted under section (1) and (2) of section 480 of the Companies Act 2006 in submitting these unaudited Financial Statements.

The Company has taken advantage of the small companies' exemptions in presenting this Directors' Report.

By order of the board

RJ Twigg
Director

14 September 2023

Cumbria House
16-20 Hockliffe Street
Leighton Buzzard
Bedfordshire
LU7 1GN

## STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial period. 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 FRS 101 "Reduced Disclosure Framework".

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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company financial position and financial performance;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the company will not 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 company 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.

Under applicable law and regulations, the directors are also responsible for preparing a directors' report that complies with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

The directors confirm, to the best of their knowledge:

- that the financial statements, prepared in accordance with UK Accounting Standards in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit of the company;
- that the annual report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties that they face; and
- that they consider the annual report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's position, performance, business model and strategy

# Statement of Comprehensive Income

FOR THE PERIOD ENDED 31 DECEMBER 2022

| | Notes | Year ended 2022 £ | 17 Month Period ended 2021 £ |
|---|---|---|---|
| Revenue | 3 | - | 678,479 |
| Other operating income | 5 | - | 12,975 |
| Employee benefit expenses | 7 | - | (321,338) |
| Operating expenses | | - | (341,643) |
| **Operating (loss) / profit** | | - | **28,473** |
| Presented as: | | | |
| **Earnings before interest, tax, depreciation, amortisation and impairment** | | - | 39,814 |
| Depreciation of tangible assets | | - | (5,266) |
| Amortisation of intangibles | | - | (6,075) |
| **Operating (loss) / profit** | | - | **28,473** |
| Finance income | 4 | - | 16 |
| Finance costs | 6 | - | (3,175) |
| **(Loss) / Profit before tax** | | - | **25,314** |
| Tax expense | 8 | - | (29,219) |
| **(Loss) / Profit for the Period being total comprehensive income** | | - | **(3,905)** |

In both the current and preceding period the Company made no material acquisitions and had no discontinued operations.

The notes on pages 7 to 14 form part of these accounts.

## Statement of Financial Position

AT 31 DECEMBER 2022

| | Notes | | 31 December 2022 | | 31 December 2021 |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **Current liabilities** | | | | | |
| Trade and other payables | 9 | 2,497 | | 2,497 | |
| **Total current liabilities** | | | 2,497 | | 2,497 |
| **Total liabilities** | | | 2,497 | | 2,497 |
| **Equity – attributable to equity holders of the company** | | | | | |
| Share capital | 10 | 30 | | 30 | |
| Retained earnings | 10 | (2,527) | | (2,527) | |
| **Total equity** | | | (2,497) | | (2,497) |
| **Total equity and liabilities** | | | - | | - |

The Company has not traded during the period, has received no income and incurred no expenditure, and consequently has made neither a profit nor a loss.

The Directors:

(a) confirm that the Company was entitled to exemption under subsections (1) and (2) of section 480 of the Companies Act 2006 relating to dormant companies from the requirement to have its Financial Statements for the financial period ended 31 December 2022 audited;

(b) confirm that the members have not required the Company to obtain an audit of its Financial Statements for that financial period in accordance with section 476 of the Companies Act 2006; and

(c) acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

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

These accounts were approved by the Board of Directors on 14 September 2023 and signed on its behalf by:

RJ Twigg
Director

Company registration number: 09620942

The notes on pages 7 to 14 form part of these accounts.

## Statement of Changes in Equity

FOR THE PERIOD ENDED 31 DECEMBER 2022

| | Share capital £ | Retained earnings £ | Total equity £ |
|---|---|---|---|
| Balance at 1 January 2022 | 30 | (2,527) | (2,497) |
| Total Profit/(Loss) for the period | - | - | - |
| **Balance at 31 December 2022** | **30** | **(2,527)** | **(2,497)** |
| | | | |
| Balance at 1 August 2020 | 30 | 1,378 | 1,408 |
| Total income for the year | - | (3,905) | (3,905) |
| **Balance at 31 December 2021** | **30** | **(2,527)** | **(2,497)** |

During the period interim dividends of £nil (2021: £nil) were paid. The dividend per share totalled £nil (2021: £nil)

The notes on pages 7 to 14 form part of these accounts.

# NOTES TO THE FINANCIAL STATEMENTS

## 1. Accounting policies

Holroyds Residential Limited (the "Company") is a company incorporated, registered and domiciled in the UK. The following accounting policies have been applied consistently in these accounts:

### a) Basis of accounting

The Company's financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" in conformity with the requirements of the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 1o).

The Company's financial statements are consolidated into the consolidated financial statements of Skipton Building Society (the Company's ultimate parent undertaking) as at 31 December 2022. Those accounts are available online at www.skipton.co.uk/about-us or on request from The Secretary, Skipton Building Society, The Bailey, Skipton, North Yorkshire, BD23 1DN.

**Adoption of new and revised International Financial Reporting Standards**

The Company adopted during the year the following amendment to existing accounting standards, which did not have a material impact on these financial statements:

- *Onerous contracts –Costs of Fulfilling a Contract (Amendments to* IAS 37*)*
- *Property, Plant and Equipment: Proceeds before Intended Use (Amendments to* IAS16*)*
- *Reference to the Conceptual framework (Amendments to* IFRS 3*); and*
- *Fees in the '10 per cent test' for derecognition of financial liabilities (Amendments to* IFRS 9*)*

**Standards issued but not yet effective**

A number of new and amended accounting standards and interpretations will be effective for future reporting periods, none of which has been early adopted by the Company in preparing these financial statements. These new and amended standards and interpretations, details of which are set out below, are not expected to have a material impact on the Company's financial statements:

- IFRS 17 *Insurance Contracts (effective from 1 January 2023);*
- *Classification of Liabilities as Current or Non-current (Amendments to* IAS 1, effective from 1 January 2024*);*
- *Definition of Accounting Estimates* (Amendments to IAS 8, effective from 1 January 2023);
- *Disclosure of Accounting Policies* (Amendments to IAS 1 and IFRS Practice Statement 2, effective from January 2023); and
- *Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction* (Amendments to IAS 12, effective from January 2023). and
- *Lease Liability in Sale and Leaseback (Amendments to IFRS16, effective from 1 January 2024)*

These amendments have had no material impact on these Financial Statements.

**Measurement convention**

These financial statements are prepared on the historical cost basis.

# NOTES TO THE FINANCIAL STATEMENTS *(continued)*

**1. Accounting policies (continued)**

**Currency presentation**

These financial statements are presented in pounds sterling. The functional currency is pounds sterling.

**Non-going concern basis**

At the year ended 31st December 2022 the company had ceased all trading and was effectively a dormant company. Therefore, these accounts have not been prepared on a going concern basis.

**b) Revenue recognition**

Revenue, which excludes value added tax, represents the total invoiced sales of the Company and is recognised as follows:

- Estate Agency sales commissions, new homes, land sales and auctions income is recognised on the date contracts are exchanged unconditionally, at which point all performance obligations are considered to have been fulfilled. Invoices are usually payable on completion
- Commission earned from property lettings is recognised when the underlying service has been performed, including tenant introduction, rent collection or full property management. Invoices are usually payable immediately when the rent or fee is collected from the tenant.
- All other income is recognised in line with when contractual obligations have been met.

**c) Property, plant and equipment**

Property, plant and equipment are stated in the Statement of Financial Position at cost less accumulated depreciation.
Depreciation is charged so as to write off the cost of assets over their estimated useful lives at the following rates:

| | | |
|---|---|---|
| Computers | - | 33% cost basis |
| Office equipment | - | 20% reducing balance |

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

**d) Intangible fixed assets - Goodwill**

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

In accordance with IAS 36, Impairment of Assets, goodwill is not amortised but is tested for impairment at each period end or when there is an indication of impairment. The recoverable amount of goodwill is determined as the higher of its fair value less costs to sell and its value in use.

The Company applies discount rates based on its estimated current cost of capital of the CGU. Impairment of a CGU's associated goodwill is recognised where the present value of future cash flows of the CGU is less than its carrying value. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Any impairment loss in respect of goodwill is not reversed.

**e) Trade and other receivables**

Debtors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account.

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

**1. Accounting policies (continued)**

**f) Taxation**

Income tax on the profits for the period comprises current tax and deferred tax. Income tax is recognised in the Income Statement except where items are recognised directly in other comprehensive income, in which case the associated income tax charge or credit is recognised in other comprehensive income.

Current tax is the expected tax payable on the taxable profit for the period, using tax rates enacted or substantively enacted at the period end, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. It is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which temporary differences reverse, based on tax rates and laws enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the Company.

The carrying amount of deferred tax assets is reviewed at each period end and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each period end and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

**g) Trade and other payables**

Trade payables are stated at their initial fair value then subsequently carried at amortised cost.

**h) Employee benefits**

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Income Statement in the periods during which services are rendered by employees.

**I) Cash and cash equivalents**

Cash comprises cash in hand and balances with banks and similar institutions. Cash equivalents comprise highly liquid investments which are convertible into cash with an insignificant risk of changes in value with original maturities of three months or less.

The Company recognises an allowance for expected credit losses (ECLs). The Company takes a simplified approach and recognises a loss allowance based on lifetime ECLs at each reporting date. The Company uses a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and economic environment. This is applied to third party and intercompany receivables and cash balances.

**j) Provisions for liabilities and charges**

A provision is recognised in the Statement of Financial Position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

**k) Net financing costs**

Interest income and interest payable are recognised in the income statement as they accrue, using the effective interest method.

# NOTES TO THE FINANCIAL STATEMENTS *(continued)*

**1. Accounting policies (continued)**

**l) Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income against the related cost, on a systematic basis over the periods the cost is incurred. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

| **2. Expenses** | **Year ended 2022 £** | **17 Month Period ended 2021 £** |
|---|---|---|
| Profit before tax is stated after charging/ (crediting) the following: | | |
| Depreciation of property, plant and equipment | - | 5,266 |
| Amortisation of intangible assets | - | 6,075 |
| Write off of property, plant and equipment on hive up of trade and assets | - | 38,327 |
| Write off of goodwill on hive up of trade and assets | - | 73,925 |

**3. Revenue**

All revenue in the Company originated from contracts with customers. The table below disaggregates the revenue from contracts with customers into the significant service lines. All revenues arise in the UK.

| | **Products and services transferred at a point in time 2022 £** | **Products and services transferred at a point in time 2021 £** |
|---|---|---|
| Commissions earned on property sales | - | 517,280 |
| Commissions earned on property lettings | - | 161,199 |
| | - | 678,479 |

| **4. Finance income** | **Year ended 2022 £** | **17 Month Period ended 2021 £** |
|---|---|---|
| Interest on bank deposits | - | 16 |
| | - | 16 |

| **5. Other operating income** | **Year ended 2022 £** | **17 Month Period ended 2021 £** |
|---|---|---|
| Government grants (see note 14) | - | 12,975 |
| | - | 12,975 |

# NOTES TO THE FINANCIAL STATEMENTS *(continued)*

**6. Finance cost**

| | Year ended 2022 £ | 17 Month Period ended 2021 £ |
|---|---|---|
| Interest on bank borrowings | - | 3,175 |
| | - | 3,175 |

**7. Staff numbers and costs**

The average monthly number of people employed by the Company (including Directors) during the period was as follows:

| | Year ended 2022 No. | 17 Month Period ended 2021 No. |
|---|---|---|
| Sales and Administrative staff | - | 6 |
| Directors | 2 | 2 |
| | 2 | 8 |
| The aggregate payroll costs of these people was as follows: | £ | £ |
| Wages and salaries | - | 310,832 |
| Pension contributions | - | 10,506 |
| | - | 321,338 |

Directors' emoluments:

| | Year ended 2022 £ | 17 Month Period ended 2021 £ |
|---|---|---|
| Remuneration as directors | - | 20,678 |
| | - | 20,678 |

The aggregate emoluments of the highest paid director were £nil (2021: £17,500).

There are not considered to be further key management personnel other than the Directors of the Company noted above.

Two (2021: two) of the directors are remunerated by other group entities. Their services to the Company are too inconsequential to attract a notional charge.

# NOTES TO THE FINANCIAL STATEMENTS *(continued)*

**8. Tax expense**

| **a) Analysis of expense in the period at 19% (2021: 19%)** | **Year ended 2022 £** | **17 Month Period ended 2021 £** |
|---|---|---|
| **Current tax expense** | | |
| Current tax at 19% (2021: 19%) | - | 29,219 |
| Total current tax | - | 29,219 |
| **Tax expense** | - | 29,219 |

**b) Factors affecting current tax expense in the period**

The tax assessed in the Income Statement for period ended 2021 was lower than the standard UK corporation tax rate because of the following factors:

| | **Year ended 2022 £** | **17 Month Period ended 2021 £** |
|---|---|---|
| Profit/(Loss) before tax | - | 25,314 |
| Tax on profit at UK standard rate of 19% (2021: 19%) | - | 4,810 |
| Expenses not deductible for tax purposes | - | 1,320 |
| Capital Allowances for period in excess of depreciation | - | 23,089 |
| Adjustment to tax expense in respect of prior periods | - | - |
| **Tax expense** | - | 29,219 |

**9. Trade and other payables**

| **Current** | **Year ended 2022 £** | **17 Month Period ended 2021 £** |
|---|---|---|
| Amounts due to group companies | 2,497 | 2,497 |
| | 2,497 | 2,497 |

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

# NOTES TO THE FINANCIAL STATEMENTS *(continued)*

**10. Share capital**

| **Authorised, allotted, called up and fully paid** | **Year ended 2022 £** | **17 Month Period ended 2021 £** |
|---|---|---|
| 300 (2021: 300) ordinary shares of £0.10p each | **30** | **30** |

**Management of capital**

Capital is considered to be the audited retained earnings and ordinary share capital in issue.

| | **Year ended 2022 £** | **17 Month Period ended 2021 £** |
|---|---|---|
| **Capital** | | |
| Ordinary shares | 30 | 30 |
| Retained earnings | (2,527) | (2,527) |
| | (2,497) | (2,497) |

The Company is not subject to externally imposed capital requirements other than the minimum share capital required by the Companies Act, with which it complies.

**11. Related party Transactions**

The Company has taken advantage of the exemptions conferred by FRS 101 from the requirements to make disclosures concerning transactions with other wholly owned members of the Connells Group and Skipton Group, as the company is a wholly owned subsidiary and consolidated accounts are publicly available for both the immediate parent and ultimate parent undertaking.

Outstanding balances between Group entities as at the Statement of Financial Position date are disclosed within note 9 above.

**12. Capital commitments**

The Company had no capital commitments at the period-end (2021:£nil).

**13. Pensions**

**Defined contribution schemes**

From 1st August 2020 – 9th March 2021, the Company operated a defined contribution pension scheme, the assets of which are held separately from those of the Company, in independently administered funds. The amount charged to the Income Statement in respect of the defined contribution schemes is the contribution payable in the period amounted to £nil (2021: £10,506). There were no outstanding or prepaid contributions at either the beginning or end of the financial period.

**14. Government grants**

| | **Year ended 2022 £** | **17 Month Period ended 2021 £** |
|---|---|---|
| At 1 January 2022/ 1 August 2020 | - | - |
| Received during the period | - | 12,975 |
| Released to the income statement | - | (12,975) |
| **At 31 December 2022/ 31 December 2021** | - | - |

Government grants have been received relating to the Coronavirus Job Retention Scheme of £nil within Other Operating income Note 5 (2021: £12,975).

# NOTES TO THE FINANCIAL STATEMENTS *(continued)*

**15. Ultimate parent undertaking**

The Company is a wholly owned subsidiary of Sequence (UK) Limited. The ultimate parent undertaking is Skipton Building Society, which is registered in the United Kingdom. The largest group in which the results are consolidated is that headed by Skipton Building Society. The smallest group is that headed by Connells Limited and the consolidated accounts of that Company are available to the public and can be obtained from:

Connells Limited
Cumbria House
16 - 20 Hockliffe Street
Leighton Buzzard
Bedfordshire
LU7 1GN