

Registered number: 10200999

DOWNHAM ROAD LIMITED

UNAUDITED FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2022

THURSDAY



AC1TEOMX

A06

20/04/2023

#112

COMPANIES HOUSE

LUBBOCK FINE LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB

DOWNHAM ROAD LIMITED**REGISTERED NUMBER:10200999****BALANCE SHEET****AS AT 31 JULY 2022**

	Note	2022 £	2021 £
Fixed assets			
Investment property	4	697,316	-
		<u>697,316</u>	<u>-</u>
Current assets			
Stocks	5	-	432,864
Debtors: amounts falling due within one year	6	189,333	4,739,146
Bank and cash balances	7	10,002	916
		<u>199,335</u>	<u>5,172,926</u>
Creditors: amounts falling due within one year	8	(1,015,307)	(5,411,327)
Net current liabilities		<u>(815,972)</u>	<u>(238,401)</u>
Total assets less current liabilities		<u>(118,656)</u>	<u>(238,401)</u>
Net liabilities		<u>(118,656)</u>	<u>(238,401)</u>
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account		(118,658)	(238,403)
		<u>(118,656)</u>	<u>(238,401)</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 income and retained earnings 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:

Paul Finegan
Director
Date:

P. Finegan
14/04/2023

The notes on pages 2 to 6 form part of these financial statements.

DOWNHAM ROAD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

1. General information

Downham Road Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act. Its registered office and principal place of business is Estate Office Englefield Road, Theale, Reading, Berkshire, England, RG7 5DU.

The financial statements are presented in sterling which is the functional currency of the company, and 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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis which assumes the continued support from Group Companies for at least the next 12 months. The directors know of no reason why this support would be withdrawn.

If the Company is unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the balance sheet values of the assets to their recoverable amounts, provide for further liabilities that may arise and reclassify fixed assets as current assets.

2.3 Revenue

Revenue 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 revenue is recognised:

Revenue is recognised in the Statement of Comprehensive Income when the significant risks and rewards of ownership have been transferred to the purchaser. Revenue in respect of the sale of residential and commercial properties is recognised on legal completion or unconditional exchange.

Where the outcome of a long term contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the Balance Sheet date. Stage of completion is estimated with reference to valuation certificates issued by the third party surveyor.

Where the outcome of a long term contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately.

DOWNHAM ROAD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

2. Accounting policies (continued)

2.4 Taxation

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.

2.5 Investment property

Investment property is carried at fair value determined annually by directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

2.6 Land and building development costs

Land and building development costs are accounted for as work in progress and are valued on the basis of direct costs plus attributable overheads including interest and any estimated losses on long term contracts directly linked to the overall development project. On completion of a development an assessment is made of any further costs which may be incurred by the company and an appropriate accrual or provision is made. Provision is made for foreseeable losses where appropriate. No element of profit is included in the valuation of land and buildings development costs.

2.7 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.

2.8 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.

2.9 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.

2.10 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially

DOWNHAM ROAD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

2. Accounting policies (continued)

2.10 Financial instruments (continued)

and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

3. Employees

The average monthly number of employees, excluding directors, during the year was nil (2021 - nil).

4. Investment property

	Leasehold property £
Valuation	
Additions at cost	122,316
Change in fair value of investment property	34,303
Transfers between classes	540,697
At 31 July 2022	697,316

The 2022 valuations were made by the directors, on an open market value for existing use basis.

DOWNHAM ROAD LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 JULY 2022****5. Stocks**

	2022	2021
	£	£
Land and building development costs	-	432,864

6. Debtors

	2022	2021
	£	£
Amounts owed by group undertakings	1	4,688,937
Other debtors	187,900	209
Prepayments and accrued income	1,432	50,000
	<u>189,333</u>	<u>4,739,146</u>

As at 31 July 2022 accrued income of £nil (2021 - £50,000) was recognised in relation to long term contracts.

7. Cash and cash equivalents

	2022	2021
	£	£
Cash at bank and in hand	<u>10,002</u>	<u>916</u>

8. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	82,732	125,470
Amounts owed to group undertakings	775,344	2,858,412
Other taxation and social security	15,844	4,503
Accruals and deferred income	141,387	2,422,942
	<u>1,015,307</u>	<u>5,411,327</u>

DOWNHAM ROAD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

9. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
1 (2021 - 1) Ordinary A share of £1.00	1	1
1 (2021 - 1) Ordinary B share of £1.00	1	1
	<hr/>	<hr/>
	2	2
	<hr/>	<hr/>

10. Ultimate parent undertaking

Until 20th June 2022, the ultimate parent company is Thornsett Cunningham Holdings Limited, a company registered in Cyprus. As of 20th June 2022, the ultimate parent company is Englefield Estate Trust Corporation Ltd.