

Royale Group Management Company Limited

Financial statements

Information for filing with the registrar

For the Year Ended 30 September 2020



Royale Group Management Company Limited
Registered number:11485318

Balance Sheet
As at 30 September 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	4	128,808	73,393
Tangible assets	5	224,452	48,066
		<u>353,260</u>	<u>121,459</u>
Current assets			
Stocks		1,588	-
Debtors	6	9,817,878	5,863,504
Cash at bank and in hand		4,887	20,277
		<u>9,824,353</u>	<u>5,883,781</u>
Creditors: amounts falling due within one year	7	(8,561,809)	(4,477,119)
Net current assets		<u>1,262,544</u>	<u>1,406,662</u>
Total assets less current liabilities		<u>1,615,804</u>	<u>1,528,121</u>
Creditors: amounts falling due after more than one year	8	(15,500)	-
Provisions for liabilities			
Deferred tax	10	(4,157)	(405)
Net assets		<u>1,596,147</u>	<u>1,527,716</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		1,596,047	1,527,616
		<u>1,596,147</u>	<u>1,527,716</u>

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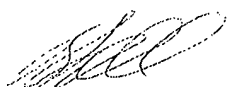
Balance Sheet (continued)
As at 30 September 2020

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 Group Management Company Limited

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

1. General information

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

The address of the registered office is Royale House, 1550 Parkway, Whiteley, Fareham, PO15 7AG.

The company's principal activity is a management company for centralised groups costs.

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:

Management charges

Management charges are recognised in the period to which they relate.

2.4 Government grants

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

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

2. Accounting policies (continued)

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 Pensions

Defined contribution pension plan

The Company operated a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in other creditors as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.7 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.

2.8 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.

The estimated useful lives range as follows:

Computer Software	-	5 years
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Notes to the Financial Statements
For the Year Ended 30 September 2020

2. Accounting policies (continued)

2.9 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%
Office 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.

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include 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.

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 average monthly number of employees, including directors, during the year was 113 (2019 - 90).

Royale Group Management Company Limited

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

4. Intangible assets

	Computer software £
Cost	
At 1 October 2019	84,733
Additions	78,028
At 30 September 2020	<u>162,761</u>
Amortisation	
At 1 October 2019	11,340
Charge for the year	22,613
At 30 September 2020	<u>33,953</u>
Net book value	
At 30 September 2020	<u><u>128,808</u></u>
At 30 September 2019	<u><u>73,393</u></u>

Royale Group Management Company Limited

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

5. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 October 2019	-	55,714	55,714
Additions	102,843	98,518	201,361
At 30 September 2020	<u>102,843</u>	<u>154,232</u>	<u>257,075</u>
Depreciation			
At 1 October 2019	-	7,648	7,648
Charge for the year	6,375	18,600	24,975
At 30 September 2020	<u>6,375</u>	<u>26,248</u>	<u>32,623</u>
Net book value			
At 30 September 2020	<u>96,468</u>	<u>127,984</u>	<u>224,452</u>
At 30 September 2019	<u>-</u>	<u>48,066</u>	<u>48,066</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.

6. Debtors

	2020 £	2019 £
Trade debtors	3,520,444	2,174,300
Amounts owed by group undertakings	4,322,781	3,113,860
Amounts owed by related parties	902	-
Other debtors	7,882	-
Prepayments and accrued income	1,965,869	575,344
	<u>9,817,878</u>	<u>5,863,504</u>

Royale Group Management Company Limited

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

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,309,022	413,628
Amounts owed to group undertakings	5,520,376	3,077,766
Amounts owed to related parties	175,634	178,711
Other taxation and social security	1,518,400	769,213
Obligations under finance lease and hire purchase contracts	21,936	-
Other creditors	12,785	77
Accruals and deferred income	3,656	37,724
	<u>8,561,809</u>	<u>4,477,119</u>

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

	2020 £	2019 £
Obligations under finance leases and hire purchase contracts	<u>15,500</u>	<u>-</u>

9. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2020 £	2019 £
Within one year	21,936	-
Between 1-5 years	15,500	-
	<u>37,436</u>	<u>-</u>

Royale Group Management Company Limited

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

10. Deferred taxation

	2020 £
At beginning of year	(405)
Charged to profit or loss	(3,752)
At end of year	(4,157)

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	(4,157)	(405)

11. Related party transactions

Company director

As at the Balance Sheet date the director was owed £2,011 (2019 - £12,582) by the company.

Companies under common control

As at the Balance Sheet date the company was owed £902 (2019 - £Nil) and owed £173,623 (2019 - £166,129) to companies under common control.

During the year the company made sales of £3,760,446 (2019 - £1,634,538) to companies under common control. As at the year end trade debtors includes £3,520,443 (2019 - £2,174,300) owed by companies under common control.

During the year the company made purchases of £105,000 (2019 - £Nil) from companies under common control. As at the year end trade creditors includes £90,256 (2019 - £Nil) owed to companies under common control.

Royale Group Management Company Limited

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

12. 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.

13. 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 Accounts LLP.