

Oakham Grange Limited

Financial statements

Information for filing with the registrar

For the Year Ended 31 August 2021



Oakham Grange Limited
Registered number: 11567535

Balance Sheet
As at 31 August 2021

	Note	2021 £	As restated 2020 £
Fixed assets			
Intangible assets	4	1,516	-
Tangible assets	5	42,258,051	45,843,926
		<u>42,259,567</u>	<u>45,843,926</u>
Current assets			
Stocks	6	1,958,856	1,682,119
Debtors	7	2,170,361	2,319,682
Cash at bank and in hand		69,431	77,093
		<u>4,198,648</u>	<u>4,078,894</u>
Creditors: amounts falling due within one year	8	(12,026,315)	(8,969,288)
Net current liabilities		(7,827,667)	(4,890,394)
Total assets less current liabilities		<u>34,431,900</u>	<u>40,953,532</u>
Creditors: amounts falling due after more than one year	9	(11,262,257)	(11,262,257)
Provisions for liabilities			
Deferred tax	10	(6,439,129)	(6,065,716)
Net assets		<u><u>16,730,514</u></u>	<u><u>23,625,559</u></u>
Capital and reserves			
Called up share capital		100	100
Revaluation reserve	11	19,540,824	25,321,664
Profit and loss account	11	(2,810,410)	(1,696,205)
		<u><u>16,730,514</u></u>	<u><u>23,625,559</u></u>

Oakham Grange Limited
Registered number:11567535

Balance Sheet (continued)
As at 31 August 2021

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: 18/05/2022

The notes on pages 3 to 13 form part of these financial statements.

Oakham Grange Limited

Notes to the Financial Statements For the Year Ended 31 August 2021

1. General information

Oakham Grange 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 Ranksborough Hall Estates, Langham, Oakham, Rutland, LE15 7JR.

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

The accounts are presented in GBP, the functional currency, and have been 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 further affected by restrictions imposed by the UK Government in response to the COVID-19 pandemic including further 'lockdown' periods. The impact of the restrictions includes the closure of the holiday park, restricting the ability to generate income and delays in converting new home sales to completions. Despite the restrictions, expected cashflows have been delayed into future periods.

During the year, financial support has been provided by the parent and other Group entities and where possible the Company has utilised the Coronavirus Job Retention Scheme and Rates Grants.

The directors have prepared cash flow forecasts which demonstrate that the cash reserves of the Company will be sufficient for it to be meet its debts as they fall due and therefore are able to continue as a going concern.

Post year end, the Company, as part of the Group headed by Time GB Properties Limited, has entered into the process to refinance the Group's main financing facility including an additional facility to fund Development, to further grow the business and generate increased sales. This further supports the use of the Going Concern assumption.

In the shorter term the Company continues to be reliant upon the intended support of its related companies and the directors.

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

**Notes to the Financial Statements
For the Year Ended 31 August 2021**

2. Accounting policies (continued)

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 and Intro Fees

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

Sale of Homes

Sale 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 exchange takes place.

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

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.

**Notes to the Financial Statements
For the Year Ended 31 August 2021**

2. Accounting policies (continued)

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.

Notes to the Financial Statements
For the Year Ended 31 August 2021

2. Accounting policies (continued)

2.7 Intangible assets

Intangible fixed assets - goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses.

Goodwill that arises on a site asset purchase, which has been treated as a business combination, is recognised through the P&L over the period which the benefit is expected to be received. Since these purchases are often for the purpose of selling on to a developer the benefit is recognised when the developer takes control of the company, otherwise Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

Intangible fixed assets other than goodwill

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:

Goodwill	-	5 % straight line
Computer Software	-	20 % straight line

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:

Hire fleet	-	10% straight line
Park plant & equipment	-	20% straight line
Motor vehicles	-	20% straight line

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.

**Notes to the Financial Statements
For the Year Ended 31 August 2021**

2. Accounting policies (continued)

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 Stocks & WIP

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 Company has no employees (2020 - NIL) other than the directors, who did not receive any remuneration.

Oakham Grange Limited

Notes to the Financial Statements
For the Year Ended 31 August 2021

4. Intangible assets

	Computer software £	Goodwill £	Total £
Cost			
At 1 September 2020	-	297,919	297,919
Additions	1,720	-	1,720
At 31 August 2021	1,720	297,919	299,639
Amortisation			
At 1 September 2020	-	297,919	297,919
Charge for the year	204	-	204
At 31 August 2021	204	297,919	298,123
Net book value			
At 31 August 2021	1,516	-	1,516

Oakham Grange Limited

Notes to the Financial Statements
For the Year Ended 31 August 2021

5. Tangible fixed assets

	Freehold property £	Hire fleet £	Plant and machinery £	Office equipment £	Total £
Cost or valuation					
At 1 September 2020 (as previously stated)	29,395,000	1,844,319	4,060	1,650	31,245,029
Prior Year Adjustment	14,805,000	-	-	-	14,805,000
At 1 September 2020 (as restated)	44,200,000	1,844,319	4,060	1,650	46,050,029
Additions	247,381	1,611,880	2,395	-	1,861,656
Revaluations	(5,206,881)	-	-	-	(5,206,881)
At 31 August 2021	39,240,500	3,456,199	6,455	1,650	42,704,804
Depreciation					
At 1 September 2020	-	204,824	894	385	206,103
Charge for the year	-	239,428	892	330	240,650
At 31 August 2021	-	444,252	1,786	715	446,753
Net book value					
At 31 August 2021	39,240,500	3,011,947	4,669	935	42,258,051
At 31 August 2020 (as restated)	44,200,000	1,639,495	3,166	1,265	45,843,926

The group borrowings 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 August 2021 by an independent 3rd party on a market value basis.

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

	2021 £	As restated 2020 £
Cost	13,186,068	12,938,687

Oakham Grange Limited

**Notes to the Financial Statements
For the Year Ended 31 August 2021**

6. Stocks & WIP

	2021	2020
	£	£
Work in progress	622,500	585,000
Homes for resale	1,336,356	1,097,119
	<u>1,958,856</u>	<u>1,682,119</u>

7. Debtors

	2021	2020
	£	£
Trade debtors	1,881,272	2,162,541
Amounts owed by group undertakings	54,000	136,948
Amounts owed by related parties	103,500	-
Other debtors	102,745	2,974
Called up share capital not paid	-	100
Prepayments and accrued income	28,844	17,119
	<u>2,170,361</u>	<u>2,319,682</u>

8. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	3,328,069	1,340,600
Amounts owed to group undertakings	4,376,952	3,104,065
Amounts owed to related parties	4,094,617	4,299,236
Other taxation and social security	-	137,669
Other creditors	924	3,828
Accruals and deferred income	225,753	83,890
	<u>12,026,315</u>	<u>8,969,288</u>

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

	2021	2020
	£	£
Amounts owed to group undertakings	<u>11,262,257</u>	<u>11,262,257</u>

Oakham Grange Limited

Notes to the Financial Statements For the Year Ended 31 August 2021

10. Deferred taxation

	2021 £
At beginning of year	(6,065,716)
Charged to profit or loss	182,671
Charged to other comprehensive income	(573,959)
Arising on business combinations	17,875
At end of year	(6,439,129)

The deferred tax movement arising on business combinations relates to a change in tax rate on fair value adjustments relating to a historic business combination.

The provision for deferred taxation is made up as follows:

	2021 £	<i>As restated</i> 2020 £
Accelerated capital allowances	-	(182,671)
Tax on business combinations	74,479	56,605
Tax on unrealised gain	(6,513,608)	(5,939,650)
	(6,439,129)	(6,065,716)

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.

**Notes to the Financial Statements
For the Year Ended 31 August 2021**

12. Prior year adjustment

Business combinations

When the site was acquired the transaction should have been treated as a business combination resulting in goodwill net of 17% deferred tax arising on business combinations. Since the goodwill would have been fully amortised in the same year, the effect on the prior year is a reclassification of £247,273 from the revaluation reserve to the profit and loss account, representing the recognition and subsequent amortisation of the goodwill separately from the unrealised gains in the revaluation reserve. The deferred tax liability still exists on the Balance Sheet and in FY20 the deferred tax rate changed from 17% to 19%, this has resulted in increased amortisation on goodwill in administrative expenses and a increase in the deferred tax charge on revaluation in the revaluation reserve of £5,958.

Revaluation accounting policy

A prior year adjustment has been made as a result of updating the revaluation accounting policy to show a more accurate representation of the market value of the freehold property to the Company as the developer.

The updated valuation method reflects the net present value of future cashflows from the site, including development potential based on existing license permissions. Previously a deduction was being applied to represent the discount a lender would take to sell the property in the event they took ownership, this was deemed to be akin to a break-up basis valuation and therefore not suitable for the business trading as a going concern.

This has resulted in an increased freehold property valuation and therefore a valuation uplift of £14,805,000, a deferred tax increase of £2,812,950 and increased revaluation reserve of £11,992,050.

13. Related party transactions

Company directors

As at the Balance Sheet date the company owed £3,035,900 (2020 - £3,026,000) to the directors.

Companies under common control

As at the Balance Sheet date the company was owed £103,500 (2020 - £nil) by and owed £1,058,717 (2020 - £1,273,236) to companies under common control.

During the year the company made purchases of £1,542,378 (2020 - £376,275) from companies under common control. At the balance sheet date trade creditors includes £3,225,362 (2020 - £1,300,222) owed to companies under common control.

At the balance sheet date trade debtors includes £1,877,792 (2020 - £2,134,361) owed by companies under common control.

Oakham Grange Limited

Notes to the Financial Statements For the Year Ended 31 August 2021

14. Controlling party

The company is a subsidiary of Time GB Properties Lendco Limited, which is the immediate parent company, incorporated in England and Wales. The ultimate parent company is Time GB Properties Limited, also incorporated in England and Wales.

The ultimate controlling party is Robert Lee Jack Bull by virtue of his 100% shareholding in Time GB Properties Limited.

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.

15. Auditors' information

The auditors' report on the financial statements for the year ended 31 August 2021 was qualified.

The qualification in the audit report was as follows:

We were not appointed as auditor of the company until after 31 August 2019 and thus did not observe the counting of physical inventories at the end of that year. We were unable to satisfy ourselves by alternative means concerning the inventory quantities of £1,057,626 held at 31 August 2019 by using other audit procedures. Consequently we were unable to determine whether any adjustments to this amount at 31 August 2019 was necessary or whether there was any consequential effect on the cost of sales for the year ended 31 August 2020. Our opinion on the current year's financial statements is also modified because of the possible effect of this matter on the comparability of the current year's figures and the corresponding figures.

The audit report was signed on
behalf of Ensors Accountants LLP.

18/6/22

by Jayson Lawson (Senior Statutory Auditor) on