

Registration number: 11820611

# Hargreaves Land Holdings Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 May 2023

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## **Hargreaves Land Holdings Limited**

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# **Hargreaves Land Holdings Limited**

## **Company Information**

### **Directors**

G Banham  
D Anderson  
Hargreaves Corporate Director Limited

### **Registered office**

West Terrace  
Esh Winning  
County Durham  
DH7 9PT

## **Hargreaves Land Holdings Limited**

### **Directors' Report for the Year Ended 31 May 2023**

The directors present their report and the unaudited financial statements for the year ended 31 May 2023.

#### **Principal activity**

The principal activity of the company is that of a holding company for group investments.

The results for the year ended 31 May 2023 show a turnover of £nil (2022: £nil) and a profit before tax of £nil (2022: £nil).

#### **Business review**

##### ***Principal risks and uncertainties***

The risks and uncertainties facing the company are inherently linked to those of the Hargreaves Services group. The principal risks and uncertainties of the group which includes those of this company are discussed in detail in the 'Statement of risks relating to the group's business' in the financial review in the group financial statements.

#### **Dividends**

The directors do not recommend the payment of a dividend (2022: £nil)

#### **Directors of the company**

The directors of the company, who were in office during the year and up to the date of signing the financial statements, were as follows:

G Banham

D Anderson

Hargreaves Corporate Director Limited

#### **Directors' liabilities**

All of the Directors benefited from the Group's qualifying third party indemnity provisions.

## **Hargreaves Land Holdings Limited**

### **Directors' Report for the Year Ended 31 May 2023 (continued)**

#### **Going concern**

The Company relies on the Group for support. Hargreaves Services plc has provided a letter of support covering 12 months from the date the accounts were approved by the directors.

Hargreaves Services plc has indicated it will continue to make available such funds as are needed by the company, and that it will not seek repayment of the amounts due at the balance sheet date.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its ultimate parent company, Hargreaves Services plc, to meet its liabilities as they fall due for that period.

The Group's financing is not dependent on bank borrowings, there is no debenture nor any financial covenants to comply with. Notwithstanding that, a rigorous review of cash flow forecasts including testing for a range of severe but plausible downside scenarios has been undertaken. The Group's £12m invoice discounting facility is committed for a period of 15 months from July 2023 and expires 31 October 2024, which has recently been extended to this date. The facility is secured against certain Group debtors and there is no debenture nor any covenants associated with this facility. Mitigating strategies to these sensitivities considered by the Board exclude any remedies which are not entirely within the Group's control.

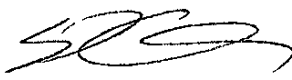
As a result, and after making appropriate enquiries including reviewing budgets and strategic plans, the Directors have a reasonable expectation that both the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Board continues to adopt the going concern basis in preparing the Annual Report and Accounts of Hargreaves Services plc.

#### **Small companies provision statement**

In preparing this report, the directors have taken advantage of the small company exemptions provided by section 415A of the Companies Act 2006.

The directors have also taken advantage of small company exemptions provided by section 414B of the Companies Act 2006 and have not prepared a Strategic Report.

Approved by the Board on 10 November 2023 and signed on its behalf by:



.....  
Stephen Craigen for and on behalf of  
Hargreaves Corporate Director Limited  
Director

## Hargreaves Land Holdings Limited

### Profit and Loss Account for the Year Ended 31 May 2023

	Note	2023 £ 000	2022 £ 000
Operating profit/(loss)		-	-
Profit/(loss) before tax		-	-
Tax on profit	5	1	-
Profit for the financial year		1	-

There was no other comprehensive income in addition to the result for the year shown above. (2022: £nil).

The notes on pages 7 to 14 form an integral part of these financial statements.

## Hargreaves Land Holdings Limited

(Registration number: 11820611)

### Balance Sheet as at 31 May 2023

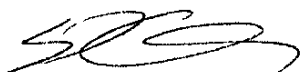
	Note	31 May 2023 £ 000	31 May 2022 £ 000
<b>Fixed assets</b>			
Investments	6	29,389	-
<b>Current assets</b>			
Debtors	7	646	15
<b>Creditors:</b> Amounts falling due within one year	8	<u>(30,020)</u>	<u>(1)</u>
<b>Net current (liabilities)/assets</b>		<u>(29,374)</u>	<u>14</u>
<b>Net assets</b>		<u>15</u>	<u>14</u>
<b>Capital and reserves</b>			
Called up share capital	9	-	-
Profit and loss account		<u>15</u>	<u>14</u>
<b>Total shareholders' funds</b>		<u>15</u>	<u>14</u>

For the financial year ending 31 May 2023 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

#### Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements on pages 4 to 14 were approved by the Board of directors on 10 November 2023 and signed on its behalf by:



.....  
Stephen Craigen for and on behalf of  
Hargreaves Corporate Director Limited  
Director

The notes on pages 7 to 14 form an integral part of these financial statements.

# Hargreaves Land Holdings Limited

## Statement of Changes in Equity for the Year Ended 31 May 2023

At 1 June 2021	Called up share capital £ 000	Retained earnings £ 000	Total £ 000
	-	14	14
At 31 May 2022	-	14	14
	Called up share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 June 2022	-	14	14
Profit for the year	-	1	1
Total comprehensive income	-	1	1
At 31 May 2023	-	15	15

## **Hargreaves Land Holdings Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 May 2023**

#### **1 General information**

The company is a private company limited by share capital, incorporated and domiciled in England within the UK.

The address of its registered office is:

West Terrace  
Esh Winning  
County Durham  
DH7 9PT

These financial statements were authorised for issue by the board on 10 November 2023.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Basis of preparation**

These financial statements were prepared in accordance with the Companies Act 2006 as applicable to companies using Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and are prepared under the historic cost modified by revaluation of financial assets and financial liabilities held at fair value through profit and loss.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital and tangible fixed assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of Hargreaves Services plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

## **Hargreaves Land Holdings Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 May 2023 (continued)**

#### **2 Accounting policies (continued)**

##### **Going concern**

The financial statements have been prepared on a going concern basis.

The company has net current liabilities of £(29,374,000) (2022: net assets of £14,000). The company meets its day to day working capital requirements through support from related companies and the company's parent undertaking, Hargreaves Services plc, has indicated that it will continue to provide support to enable the company to trade for at least 12 months from the date of approval of these accounts.

The directors have prepared group cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the group will have sufficient funds, to meet its liabilities as they fall due for that period.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

##### **Changes in accounting policy**

None of the standards, interpretations and amendments effective for the first time from 1 June 2022 have had a material effect on the financial statements.

##### **Finance income and costs policy**

Net financing costs comprise interest payable, finance charges on leases and interest receivable on funds invested net of the interest on the defined benefit pension scheme liability. This is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the year to the net defined benefit liability.

Interest income and interest payable is recognised in the Income Statement as it accrues, using the effective interest method. Dividend income is recognised in the Income Statement on the date the entity's right to receive payment is established.

##### **Tax**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

##### **Investments**

Investments in subsidiary undertakings are stated at cost less any impairment.

## **Hargreaves Land Holdings Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 May 2023 (continued)**

#### **2 Accounting policies (continued)**

##### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Dividends**

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

##### **Financial instruments**

###### **Initial recognition**

Financial assets and financial liabilities comprise all assets and liabilities reflected in the statement of financial position, although excluding property, plant and equipment, investment properties, intangible assets, deferred tax assets, prepayments, deferred tax liabilities and employee benefits plan.

The company recognises financial assets and financial liabilities in the statement of financial position when, and only when, the company becomes party to the contractual provisions of the financial instrument.

Financial assets are initially recognised at fair value. Financial liabilities are initially recognised at fair value, representing the proceeds received net of premiums, discounts and transaction costs that are directly attributable to the financial liability.

All regular way purchases and sales of financial assets and financial liabilities classified as fair value through profit or loss ("FVTPL") are recognised on the trade date, i.e. the date on which the company commits to purchase or sell the financial assets or financial liabilities. All regular way purchases and sales of other financial assets and financial liabilities are recognised on the settlement date, i.e. the date on which the asset or liability is received from or delivered to the counterparty. Regular way purchases or sales are purchases or sales of financial assets that require delivery within the time frame generally established by regulation or convention in the market place.

Subsequent to initial measurement, financial assets and financial liabilities are measured at either amortised cost or fair value.

## Hargreaves Land Holdings Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 May 2023 (continued)

#### 2 Accounting policies (continued)

##### Classification and measurement

Financial instruments are classified at inception into one of the following categories, which then determine the subsequent measurement methodology:-

Financial assets are classified into one of the following three categories:-

- financial assets at amortised cost;
- financial assets at fair value through other comprehensive income (FVTOCI); or
- financial assets at fair value through the profit or loss (FVTPL).

Financial liabilities are classified into one of the following two categories:-

- financial liabilities at amortised cost; or
- financial liabilities at fair value through the profit or loss (FVTPL).

The classification and the basis for measurement are subject to the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, as detailed below:-

#### 3 Critical accounting judgements and key sources of estimation uncertainty

##### Recoverability of Investments

The assessment of impairment involves assumptions on the estimated future operating cash flows from these investments, the discount rate applied in the calculations and the comparison of the cash flows to the carrying value of the investments. Management have assessed the sensitivity of carrying amounts of investments to reasonably possible changes in key assumptions. The carrying value of the investments as at 31 May 2023 is £29,389,000 (2022: £nil).

#### 4 Staff costs

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2023 No.	2022 No.
Directors	<u>2</u>	<u>2</u>

The directors did not receive any remuneration for their services to the company during the current period.

The remuneration of certain directors in the period was borne by a fellow subsidiary undertaking of the ultimate holding company, Hargreaves Services plc, and the details of that remuneration are disclosed in Hargreaves Services plc's accounts.

## Hargreaves Land Holdings Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 May 2023 (continued)

#### 5 Tax on profit/(loss)

Tax charged/(credited) in the profit and loss account

	2023 £ 000	2022 £ 000
<b>Current taxation</b>		
Group relief	<u>(1)</u>	<u>-</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2022 - lower than the standard rate of corporation tax in the UK) of 20% (2022 - 19%).

The differences are reconciled below:

	2023 £ 000	2022 £ 000
Profit/(loss) before tax	<u>-</u>	<u>-</u>
Corporation tax at standard rate	-	-
Decrease arising from group relief tax reconciliation	<u>(1)</u>	<u>-</u>
Total tax credit	<u>(1)</u>	<u>-</u>

Factors that may affect future tax expenses

Following the March 2022 budget, the corporate tax rate will increase from 19% to 25%, with effect from 1 April 2023. The deferred tax balances at 31 May 2023 and 31 May 2022 have been calculated based on the rate substantively enacted at the balance sheet date of 25%.

#### 6 Investments

<b>Subsidiaries</b>	<b>£ 000</b>
<b>Cost or valuation</b>	
At 31 May 2022	-
Additions	<u>29,389</u>
At 31 May 2023	<u>29,389</u>
<b>Carrying amount</b>	
At 31 May 2023	<u>29,389</u>
At 31 May 2022	<u>-</u>

## Hargreaves Land Holdings Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 May 2023 (continued)

#### 6 Investments (continued)

Details of the subsidiaries as at 31 May 2023 are as follows:

Name of subsidiary	Principal activity	Registered office	Proportion of ownership interest and voting rights held	
			2023	2022
Hargreaves Land Limited	Land development	West Terrace, Esh Winning, Durham, DH7 9PT UK	100%	100%
Hargreaves Maltby Limited	Land development	West Terrace, Esh Winning, Durham, DH7 9PT UK	100%	100%
Hargreaves Ventures Limited	Property development	West Terrace, Esh Winning, Durham, DH7 9PT UK	100%	100%
Hargreaves (Westfield) Limited	Services Investment property	West Terrace, Esh Winning, Durham, DH7 9PT UK	100%	100%
Hargreaves (Castlebridge) Limited	Services Holding company	West Terrace, Esh Winning, Durham, DH7 9PT UK	100%	100%
Hargreaves (Blindwells) Limited	Services Trading properties	West Terrace, Esh Winning, Durham, DH7 9PT UK	100%	100%
Hargreaves Services Forestry Limited	Forestry property	West Terrace, Esh Winning, Durham, DH7 9PT UK	100%	100%
Hargreaves Services Wind Farm (Damside) Limited	Holding company	West Terrace, Esh Winning, Durham, DH7 9PT UK	100%	100%
Hargreaves Services Wind Farm (Broken Cross) Limited*	Dormant	West Terrace, Esh Winning, Durham, DH7 9PT UK	0%	100%
Hargreaves Services Wind Farm (Glentagart) Limited*	Dormant	West Terrace, Esh Winning, Durham, DH7 9PT UK	0%	100%

## Hargreaves Land Holdings Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 May 2023 (continued)

#### 6 Investments (continued)

Name of subsidiary	Principal activity	Registered office	Proportion of ownership interest and voting rights held	
			2023	2022
Hargreaves Services Wind Farm (House of Water) Limited*	Dormant	West Terrace, Esh Winning, Durham, DH7 9PT UK	0%	100%
Hargreaves Services Wind Farm (Chalmerston) Limited*	Dormant	West Terrace, Esh Winning, Durham, DH7 9PT UK	0%	100%
Renaissance Regeneration Limited	Land Land management	West Terrace, Esh Winning, Durham, DH7 9PT UK	100%	100%
Hargreaves Limited*	Regeneration Dormant	West Terrace, Esh Winning, Durham, DH7 9PT UK	0%	100%
Drakelands Limited*	Holdings Dormant	West Terrace, Esh Winning, Durham, DH7 9PT UK	0%	100%
Westfield EFW Limited	Leased real estate	West Terrace, Esh Winning, Durham, DH7 9PT UK	100%	100%

\*These companies were subsequently dissolved post year end on 7 June 2022.

The additions in the year of £29,389,000 relate to capital injections for existing investments, being Hargreaves Land Limited (£23,389,000) and Hargreaves Services (Westfield) Limited (£6,000,000).

#### 7 Debtors

	31 May 2023	31 May 2022
Note	£ 000	£ 000
Loans to group undertakings	646	15

Loans to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

## Hargreaves Land Holdings Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 May 2023 (continued)

#### 8 Creditors: amounts falling due within one year

	Note	31 May 2023 £ 000	31 May 2022 £ 000
Amounts due to group undertakings		30,020	-
Group relief payable		-	1
		<u>30,020</u>	<u>1</u>

#### 9 Called up share capital

##### Allotted, called up and fully paid shares

	31 May 2023 No.	£	31 May 2022 No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

#### 10 Related party transactions

##### Summary of transactions with other related parties

In these financial statements, the company has applied the exemption available under FRS 101 regarding disclosures in respect of transactions with wholly owned subsidiaries within the group. At the current and previous year end, the company had no balances outstanding with, or sales to/purchases from any other related parties.

All transactions and outstanding balances relate to general intercompany trade and working capital management.

#### 11 Parent and ultimate parent undertaking

The company's immediate parent is Hargreaves Services plc.

The ultimate parent is Hargreaves Services plc. The only group in which the results of the Company are consolidated is that headed by Hargreaves Services plc. The consolidated financial statements of this company are available to the public and may be obtained from their registered address West Terrace, Esh Winning, Durham, DH17 9PT.