

Company registration number 00552229 (England and Wales)

BANKS MILLS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
PAGES FOR FILING WITH REGISTRAR

BANKS MILLS LIMITED

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BANKS MILLS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	5	645,115		974,927	
Investment properties	6	9,330,704		13,853,648	
		9,975,819		14,828,575	
Current assets					
Debtors falling due after more than one year	7	155,898		275,133	
Debtors falling due within one year	7	6,546,099		2,897,141	
Cash at bank and in hand		200,566		110,580	
		6,902,563		3,282,854	
Creditors: amounts falling due within one year	8	(1,723,644)		(3,976,769)	
Net current assets/(liabilities)		5,178,919		(693,915)	
Total assets less current liabilities		15,154,738		14,134,660	
Provisions for liabilities	10	(350,123)		(517,903)	
Net assets		14,804,615		13,616,757	
Capital and reserves					
Called up share capital	12	300		300	
Profit and loss reserves	13	14,804,315		13,616,457	
Total equity		14,804,615		13,616,757	

BANKS MILLS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2022

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and signed by the director and authorised for issue on 21 June 2023

Mr R L Banks
Director

Company Registration No. 00552229

BANKS MILLS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2021	300	12,377,729	12,378,029
Year ended 31 December 2021:			
Profit and total comprehensive income for the year	-	1,238,728	1,238,728
Balance at 31 December 2021	300	13,616,457	13,616,757
Year ended 31 December 2022:			
Profit and total comprehensive income for the year	-	1,187,858	1,187,858
Balance at 31 December 2022	300	14,804,315	14,804,615

BANKS MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Banks Mills Limited is a private company limited by shares incorporated in England and Wales. The registered office is 71 Banks Drive, Sandy, SG19 1AE.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The director has considered the trading and cash flows for a period 12 months from the signing of the financial statements. These show that with the continued support of the group, the company can meet its liabilities as they fall due for the foreseeable future. Therefore the company's director has a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future, and they continue to adopt the going concern basis of accounting in preparing these financial statements.

1.3 Turnover

Turnover represents amounts derived from ordinary activities, and is stated net of VAT and trade discounts. Turnover is measured at the fair value of the consideration due, and is derived from two primary sources:

1. Rental income

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

2. Developed property sales

Revenue from developed property sales is recognised on completion of contract.

The company does not undertake sales under long-term contracts or contracts for on-going services.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	2-10% straight line
Plant and machinery	10-33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

BANKS MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

BANKS MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

BANKS MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.14 Group relief

It is the group's policy to charge for tax losses surrendered by way of group relief at the rate prevailing at the end of the financial period in respect of which relief is given.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 1 (2021 - 1).

	2022 Number	2021 Number
Total	1	1
	==	==

BANKS MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Taxation

	2022 £	2021 £
Current tax		
UK corporation tax on profits for the current period	225,783	-
Group tax relief	-	253,234
	<u>225,783</u>	<u>253,234</u>
Total current tax	225,783	253,234
	<u>225,783</u>	<u>253,234</u>
Deferred tax		
Origination and reversal of timing differences	(167,780)	120,834
	<u>(167,780)</u>	<u>120,834</u>
Total tax charge	58,003	374,068
	<u>58,003</u>	<u>374,068</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	1,245,861	1,612,796
	<u>1,245,861</u>	<u>1,612,796</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	236,714	306,431
Tax effect of expenses that are not deductible in determining taxable profit	2,458	4,896
Adjustments in respect of prior years	(3,028)	-
Effect of change in corporation tax rate	(39,540)	124,297
Chargeable (losses)/gains	(152,108)	10,373
Other adjustments	(1,239,558)	-
Fixed asset differences	1,253,067	(71,929)
Rounding	(2)	-
	<u>58,003</u>	<u>374,068</u>
Taxation charge for the year	58,003	374,068
	<u>58,003</u>	<u>374,068</u>

BANKS MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2022	953,218	30,190	983,408
Additions	1,595,750	6,298	1,602,048
Transfers	(1,920,993)	-	(1,920,993)
At 31 December 2022	627,975	36,488	664,463
Depreciation and impairment			
At 1 January 2022	3,629	4,852	8,481
Depreciation charged in the year	7,412	3,455	10,867
At 31 December 2022	11,041	8,307	19,348
Carrying amount			
At 31 December 2022	616,934	28,181	645,115
At 31 December 2021	949,589	25,338	974,927

6 Investment property

	2022 £
Fair value	
At 1 January 2022	13,853,648
Additions	80,051
Transfers	(4,602,995)
At 31 December 2022	9,330,704

The valuations of the investment properties were made as at 31 December 2022 by the directors of the company. The directors valued the properties on an open market value for existing use basis, based on their knowledge of the local property market and the return an investor would expect to receive from commercial let property.

If the investment properties were not stated on a fair value basis, they would have been included on the historical cost basis at £6,858,623 (2021 - £10,671,773).

The directors review the investment property valuations annually, and consider that the valuations in the accounts are not significantly different from open market value.

All investment properties are held for use in operating leases.

BANKS MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	260,498	238,608
Amounts owed by group undertakings	6,140,516	2,517,222
Other debtors	145,085	141,311
	<u>6,546,099</u>	<u>2,897,141</u>
	<u>6,546,099</u>	<u>2,897,141</u>
Amounts falling due after more than one year:		
	£	£
Other debtors	155,898	275,133
	<u>155,898</u>	<u>275,133</u>
Total debtors	<u>6,701,997</u>	<u>3,172,274</u>
	<u>6,701,997</u>	<u>3,172,274</u>

8 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	76,946	67,713
Amounts owed to group undertakings	1,113,323	3,664,701
Corporation tax	225,783	-
Other taxation and social security	48,417	27,858
Other creditors	259,175	216,497
	<u>1,723,644</u>	<u>3,976,769</u>
	<u>1,723,644</u>	<u>3,976,769</u>

9 Provisions for liabilities

	2022	2021
	£	£
Deferred tax liabilities	350,123	517,903
	<u>350,123</u>	<u>517,903</u>
	<u>350,123</u>	<u>517,903</u>

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BANKS MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2022 £	Liabilities 2021 £
Balances:		
Accelerated capital allowances	179,762	147,399
Investment property	170,361	370,504
	<u>350,123</u>	<u>517,903</u>
Movements in the year:		2022 £
Liability at 1 January 2022		517,903
Credit to profit or loss		(167,780)
Liability at 31 December 2022		<u>350,123</u>

The deferred tax liability set out above that is expected to reverse within 36 months is that relating to accelerated capital allowances that are expected to mature within the same period.

12 Called up share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	300	300	300	300

13 Profit and loss reserves

Included within retained earnings are non distributable reserves of £3,169,910 (2021 - £4,151,490).

14 Financial commitments, guarantees and contingent liabilities

The company has a cross guarantee with the other group companies. At 31 December 2022 the potential liability was £nil (2021 - £nil).

BANKS MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

15 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2022	2021
£	£
151,690	174,440
<u> </u>	<u> </u>

Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

2022	2021
£	£
6,220,779	7,414,595
<u> </u>	<u> </u>

16 Related party transactions

Transactions with related parties

As a wholly owned subsidiary of SCB Holdings (Sandy) Limited, the company has taken advantage of the exemption available not to disclose details of transactions with other members of the group headed by Sanwalton Limited.

The bank overdraft is secured by a cross guarantee with the group companies subject to a limit of £2,000,000.

17 Parent company

The immediate parent undertaking is SCB Holdings (Sandy) Limited.

The ultimate holding company and controlling related party is Sanwalton Limited, a company registered in England and Wales.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.