

Unaudited Financial Statements
for the Year Ended 30 April 2023
for
Downs Holdings Limited

Contents of the Financial Statements
for the Year Ended 30 April 2023

	Page
Company Information	1
Statement of Financial Position	2
Notes to the Financial Statements	4

Downs Holdings Limited
Company Information
for the Year Ended 30 April 2023

DIRECTORS:

Mrs A Downs
Mr S M Downs

SECRETARY:

Mr S M Downs

REGISTERED OFFICE:

3 Kingfisher Court
Bowesfield Park
Stockton on Tees
TS18 3EX

REGISTERED NUMBER:

01325054 (England and Wales)

ACCOUNTANTS:

Anderson Barrowcliff LLP
Chartered Accountants
3 Kingfisher Court
Bowesfield Park
Stockton on Tees
TS18 3EX

Downs Holdings Limited (Registered number: 01325054)

Statement of Financial Position
30 April 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Tangible assets	4		4,163,025		6,423,088
CURRENT ASSETS					
Stocks		30,688		42,210	
Debtors	5	632,775		797,337	
Cash at bank and in hand		<u>241,726</u>		<u>855,302</u>	
		905,189		1,694,849	
CREDITORS					
Amounts falling due within one year	6	<u>3,945,127</u>		<u>2,004,665</u>	
NET CURRENT LIABILITIES			<u>(3,039,938)</u>		<u>(309,816)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,123,087		6,113,272
CREDITORS					
Amounts falling due after more than one year	7		<u>17,802</u>		<u>5,123,110</u>
NET ASSETS			<u>1,105,285</u>		<u>990,162</u>
CAPITAL AND RESERVES					
Called up share capital	9		25,000		25,000
Retained earnings			<u>1,080,285</u>		<u>965,162</u>
SHAREHOLDERS' FUNDS			<u>1,105,285</u>		<u>990,162</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 April 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

Downs Holdings Limited (Registered number: 01325054)

Statement of Financial Position - continued
30 April 2023

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 29 January 2024 and were signed on its behalf by:

Mr S M Downs - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 30 April 2023

1. STATUTORY INFORMATION

Downs Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland" (FRS102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the company.

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

Turnover

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts in respect of the sale of goods and services.

Grants received

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the accrual model.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- Between 1% and 1 1/3% on cost
Long leasehold	- Over period of lease
Plant, machinery, fixtures & fittings	- Between 10% and 15% on cost
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on cost

Fixed assets are stated at cost net of depreciation and any provision for impairment.

Depreciation is not provided on freehold land.

The company capitalises directly attributable finance costs on tangible fixed assets in the course of construction. Rates of capitalisation depend on whether a specific loan has been taken out (when the actual interest rate and interest paid are used), or whether the construction has been financed by general borrowings. Other directly attributable finance costs actually incurred are also capitalised where appropriate.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2023

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates defined contribution pension schemes. Contributions are charged to the Profit and Loss as they accrue.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss.

Judgements and key sources of estimation uncertainty

In the application of the companies accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2023**

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 129 (2022 - 118) .

4. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Plant, machinery, fixtures & fittings £
COST			
At 1 May 2022	9,918,326	5,040	2,810,332
Additions	-	-	25,686
Disposals	(2,771,308)	(5,040)	(1,425,999)
At 30 April 2023	7,147,018	-	1,410,019
DEPRECIATION			
At 1 May 2022	3,871,663	80	2,445,684
Charge for year	62,105	4	61,878
Eliminated on disposal	(681,687)	(84)	(1,363,005)
At 30 April 2023	3,252,081	-	1,144,557
NET BOOK VALUE			
At 30 April 2023	3,894,937	-	265,462
At 30 April 2022	6,046,663	4,960	364,648
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 May 2022	5,350	19,605	12,758,653
Additions	-	4,080	29,766
Disposals	(5,350)	(17,062)	(4,224,759)
At 30 April 2023	-	6,623	8,563,660
DEPRECIATION			
At 1 May 2022	4,755	13,383	6,335,565
Charge for year	148	2,401	126,536
Eliminated on disposal	(4,903)	(11,787)	(2,061,466)
At 30 April 2023	-	3,997	4,400,635
NET BOOK VALUE			
At 30 April 2023	-	2,626	4,163,025
At 30 April 2022	595	6,222	6,423,088

Notes to the Financial Statements - continued
for the Year Ended 30 April 2023

4. TANGIBLE FIXED ASSETS - continued

Included in freehold land & buildings is land valued at £500,000 (2022 : £750,000) which is not depreciated.

Included within freehold land and buildings cost carried forward are finance and related costs of £240,348 (2022 : £240,348) which were capitalised during the construction of the expansion at Gomersal.

The freehold property has been pledged to secure the borrowings of the company (see note 16).

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant, machinery, fixtures & fittings £
COST	
At 1 May 2022	60,592
Disposals	(28,700)
At 30 April 2023	31,892
DEPRECIATION	
At 1 May 2022	8,304
Charge for year	5,076
Eliminated on disposal	(24,419)
At 30 April 2023	(11,039)
NET BOOK VALUE	
At 30 April 2023	42,931
At 30 April 2022	52,288

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	63,358	89,693
Other debtors	569,417	707,644
	632,775	797,337

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts	2,864,115	391,853
Hire purchase contracts	5,970	11,062
Trade creditors	201,390	288,939
Taxation and social security	110,559	242,133
Other creditors	763,093	1,070,678
	3,945,127	2,004,665

Downs Holdings Limited (Registered number: 01325054)

Notes to the Financial Statements - continued
for the Year Ended 30 April 2023

7. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023	2022
	£	£
Bank loans	-	5,021,585
Hire purchase contracts	17,802	36,879
Payment received on account	-	64,646
	<u>17,802</u>	<u>5,123,110</u>

8. **SECURED DEBTS**

The following secured debts are included within creditors:

	2023	2022
	£	£
Bank loans	2,864,115	5,413,438
Hire purchase contracts	23,772	47,941
	<u>2,887,887</u>	<u>5,461,379</u>

The bank loans are secured by charges over Gomersal Park Hotel and on a Scottish Equitable life insurance policy in the name of S M Downs.

The hire purchase and finance lease liabilities are secured on the assets to which they relate.

9. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023	2022
			£	£
25,000	Ordinary	£1	<u>25,000</u>	<u>25,000</u>

10. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to the directors subsisted during the years ended 30 April 2023 and 30 April 2022:

	2023	2022
	£	£
Balance outstanding at start of year	203,239	207,733
Amounts advanced	-	-
Amounts repaid	(91,693)	(4,494)
Balance outstanding at end of year	<u>111,546</u>	<u>203,239</u>

The loans to/from the directors are repayable on demand and interest free.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2023

11. RELATED PARTY DISCLOSURES

At the year end, included in other debtors is an employee loan of £246,249 (2022 - £251,837) to Mrs S Downs, the wife of Mr SM Downs, a Director of the company. The interest free loan has no formal repayment terms and is repayable on demand.

Included within other creditors is money due to related parties being the shareholders and related parties of the shareholders. The amount owed at the balance sheet date is £145,000 (2022 : £145,000). This amount is interest free, has no formal repayment terms and is repayable on demand.

Key management is considered to be the Directors of the company. Total remuneration for the year is disclosed in note 4.

12. CONTROL RELATIONSHIP

The Directors have determined that there is no controlling party as no individual shareholder is considered to hold a controlling interest in the Company.

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.