

Company Registration No. 03774069 (England and Wales)

HAMILTON HEATH ESTATES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

PAGES FOR FILING WITH REGISTRAR

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HAMILTON HEATH ESTATES LIMITED

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HAMILTON HEATH ESTATES LIMITED

BALANCE SHEET

AS AT 31 MAY 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	3	77,860		159,084	
Investment properties	4	26,475,000		28,921,194	
		<u>26,552,860</u>		<u>29,080,278</u>	
Current assets					
Debtors	5	2,525,319		4,059,135	
Cash at bank and in hand		1,369,422		690,650	
		<u>3,894,741</u>		<u>4,749,785</u>	
Creditors: amounts falling due within one year	6	<u>(7,447,539)</u>		<u>(12,928,035)</u>	
Net current liabilities		<u>(3,552,798)</u>		<u>(8,178,250)</u>	
Total assets less current liabilities		<u>23,000,062</u>		<u>20,902,028</u>	
Creditors: amounts falling due after more than one year	7	<u>(11,205,870)</u>		<u>(13,819,672)</u>	
Net assets		<u><u>11,794,192</u></u>		<u><u>7,082,356</u></u>	
Capital and reserves					
Called up share capital	9	3,000,100		3,000,100	
Other reserves		9,814,209		8,513,581	
Profit and loss reserves		<u>(1,020,117)</u>		<u>(4,431,325)</u>	
Total equity		<u><u>11,794,192</u></u>		<u><u>7,082,356</u></u>	

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

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 by the board of directors and authorised for issue on 28 March 2023 and are signed on its behalf by:

A Chaytow
Director

Company Registration No. 03774069

HAMILTON HEATH ESTATES LIMITED

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

	Share capital	Other reserves	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 June 2020	3,000,100	4,814,030	(4,491,550)	3,322,580
Year ended 31 May 2021:				
Profit and total comprehensive income for the year	-	-	3,759,776	3,759,776
Transfers	-	3,699,551	(3,699,551)	-
Balance at 31 May 2021	3,000,100	8,513,581	(4,431,325)	7,082,356
Year ended 31 May 2022:				
Profit and total comprehensive income for the year	-	-	4,711,836	4,711,836
Transfers	-	1,300,628	(1,300,628)	-
Balance at 31 May 2022	3,000,100	9,814,209	(1,020,117)	11,794,192

HAMILTON HEATH ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

Company information

Hamilton Heath Estates Limited is a private company limited by shares incorporated in England and Wales. The registered office is Lester House, 19-21 Broad Street, Bury, Lancashire, BL9 0DA.

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 to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Revenue

Property rental income is recognised evenly over the period of the lease, with the value of any incentive provided, recognised over the minimum period of the lease.

1.3 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:

Plant and equipment	25%
Motor vehicles	25%

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.

1.4 Investment properties

Investment properties are carried at open market value derived from consideration of rental yields and transactions for comparable properties as determined by independent valuers or the directors as considered appropriate. Surplus or deficit arising in respect of these valuations recorded in comprehensive income and classified within a separate non-distributable reserve

1.5 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

HAMILTON HEATH ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.6 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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies 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.

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.

1.7 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.

HAMILTON HEATH ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies (Continued)

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.9 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.10 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	8	9
	==	==

HAMILTON HEATH ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

3 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 June 2021	416,499
Additions	48,712
Transfers	(330,824)
	<hr/>
At 31 May 2022	134,387
	<hr/>
Depreciation and impairment	
At 1 June 2021	257,415
Depreciation charged in the year	172,589
Transfers	(373,477)
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At 31 May 2022	56,527
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Carrying amount	
At 31 May 2022	77,860
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At 31 May 2021	159,084
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The sinking fund has historically been classified as a fixed asset. During this year, the balance has become negative, where work has not yet been carried out. The sinking fund balance has therefore been transferred to other creditors at the year end.

4 Investment property

	2022 £
Fair value	
At 1 June 2021	28,921,194
Additions	1,137,775
Disposals	(8,036,194)
Revaluations	4,452,225
	<hr/>
At 31 May 2022	26,475,000
	<hr/>

The company owns a number of multi-let commercial properties in North West England as investments. All of the investment property was valued by an external independent valuer on a fair value basis in the period ended 31 May 2022.

HAMILTON HEATH ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

5 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	137,928	178,073
Amounts owed by group undertakings	1,782,479	3,203,290
Other debtors	365,435	361,223
Prepayments and accrued income	89,477	166,549
	<u>2,375,319</u>	<u>3,909,135</u>
Deferred tax asset	150,000	150,000
	<u>2,525,319</u>	<u>4,059,135</u>

Total deferred tax asset at 31 May 2022 is £1,566,093 (2021: £1,628,273) however this amount is not deemed recoverable, therefore amounts included above relating to the deferred tax asset totals £150,000 (2021: £150,000), which is based on current year profits.

6 Creditors: amounts falling due within one year

	2022	2021
	£	£
Obligations under finance leases	7,779	-
Other borrowings	2,907,270	3,807,270
Amounts owed to group undertakings	2,860,859	7,469,865
Taxation and social security	65,818	13,554
Other creditors	1,122,290	1,101,941
Accruals and deferred income	483,523	535,405
	<u>7,447,539</u>	<u>12,928,035</u>

Included within other creditors are amounts due to directors of £841,420 (2021: 360,450). Interest is not charged on these balances.

The other borrowings is due to a pension fund where one of the directors is a trustee. In relation to this loan the company has agreed to provide legal charges over all its properties in favour of the Trustees and at any time on or after an Event of Default, the Trustees may enforce such security. It has been agreed that the bank loan security detailed above shall have priority over this loan.

HAMILTON HEATH ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

7 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loans and overdrafts	11,193,392	13,819,672
Obligations under finance leases	12,478	-
	<u>11,205,870</u>	<u>13,819,672</u>

Secured loans

Bank loans are secured by way of a first legal charge over the properties held by the company. Other group companies have given cross guarantees in relation to this bank loan and are also party to continuing debentures. There has also been an agreed deed of subordination in respect of any shareholder or director loan, ranking these loans behind Arbuthnot in the event of a winding up.

8 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	6,468	6,433
	<u>6,468</u>	<u>6,433</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

9 Called up share capital

	2022 £	2021 £
Ordinary share capital		
Issued and fully paid		
3,000,100 Ordinary of £1 each	3,000,100	3,000,100
	<u>3,000,100</u>	<u>3,000,100</u>

10 Reserves

At the year end there has been a transfer between the investment property reserve and the profit and loss accounts reserve of £1,300,628 (2021: £3,699,511) due to an uplift in the aggregate market value of the properties held.

HAMILTON HEATH ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Senior Statutory Auditor:

Ceri Dixon BSc ACA

Statutory Auditor:

PM+M Solutions for Business LLP

12 Related party transactions

As permitted by FRS 102 the financial statements do not disclose transactions with companies under common control or transactions included at market value.

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.