

Unaudited Financial Statements for the Year Ended 31 May 2023

for

Holmes Residential Property Limited

Landin Wilcock & Co
Chartered Accountants
68 Queen Street
Sheffield
South Yorkshire
S1 1WR

Contents of the Financial Statements
for the Year Ended 31 May 2023

| | Page |
|--|-------------|
| Company Information | 1 |
| Chartered Accountants' Report | 2 |
| Balance Sheet | 3 |
| Notes to the Financial Statements | 5 |

Holmes Residential Property Limited

**Company Information
for the Year Ended 31 May 2023**

| | |
|---------------------------|---|
| DIRECTOR: | Mr A R Holmes OBE |
| REGISTERED OFFICE: | Bank Green House Fox Lane Millthorpe Nr. Sheffield Derbyshire S18 7WG |
| REGISTERED NUMBER: | 08055297 (England and Wales) |
| ACCOUNTANTS: | Landin Wilcock & Co Chartered Accountants 68 Queen Street Sheffield South Yorkshire S1 1WR |
| BANKERS: | Handelsbanken St Paul's Place 129 Norfolk Street Sheffield South Yorkshire S1 2JE |
| SOLICITORS: | Knights plc Commercial House 14 Commercial Street Sheffield South Yorkshire S1 2AT |

**Chartered Accountants' Report to the Director
on the Unaudited Financial Statements of
Holmes Residential Property Limited**

The following reproduces the text of the report prepared for the director in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Director's Report are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Holmes Residential Property Limited for the year ended 31 May 2023 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the director of Holmes Residential Property Limited in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Holmes Residential Property Limited and state those matters that we have agreed to state to the director of Holmes Residential Property Limited in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Holmes Residential Property Limited and its director for our work or for this report.

It is your duty to ensure that Holmes Residential Property Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Holmes Residential Property Limited. You consider that Holmes Residential Property Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Holmes Residential Property Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Landin Wilcock & Co
Chartered Accountants
68 Queen Street
Sheffield
South Yorkshire
S1 1WR

5 January 2024

Holmes Residential Property Limited (Registered number: 08055297)

**Balance Sheet
31 May 2023**

| | Notes | 31/5/23 £ | 31/5/22 £ |
|--|-------|--------------------|--------------------|
| FIXED ASSETS | | | |
| Tangible assets | 4 | 426 | 568 |
| Investment property | 5 | <u>6,571,252</u> | <u>5,613,331</u> |
| | | <u>6,571,678</u> | <u>5,613,899</u> |
| CURRENT ASSETS | | | |
| Debtors | 6 | 40,018 | 115,949 |
| Cash at bank | | <u>173,900</u> | <u>353,551</u> |
| | | 213,918 | 469,500 |
| CREDITORS | | | |
| Amounts falling due within one year | 7 | <u>(3,922,116)</u> | <u>(4,344,026)</u> |
| NET CURRENT LIABILITIES | | <u>(3,708,198)</u> | <u>(3,874,526)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 2,863,480 | 1,739,373 |
| PROVISIONS FOR LIABILITIES | | | |
| | | <u>(285,367)</u> | <u>(158,714)</u> |
| NET ASSETS | | <u>2,578,113</u> | <u>1,580,659</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | | 1 | 1 |
| Fair value reserve | 8 | 961,244 | 503,297 |
| Retained earnings | | <u>1,616,868</u> | <u>1,077,361</u> |
| | | <u>2,578,113</u> | <u>1,580,659</u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2023 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his 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

Holmes Residential Property Limited (Registered number: 08055297)

**Balance Sheet - continued
31 May 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 director and authorised for issue on 3 December 2023 and were signed by:

Mr A R Holmes OBE - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 May 2023

1. **STATUTORY INFORMATION**

Holmes Residential Property 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

These financial statements have been prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' including the provisions of Section 1A 'Small Entities' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales / value added tax, returns, rebates and discounts.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

Rental income from investment property leased out under operating leases is recognised in the Income Statement on a straight-line basis over the term of the lease. Incentives to enter into rental agreements are spread evenly over the rental term, even if the payments are not made on such a basis.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Fixtures and fittings - 33% on cost and 10% on cost

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable property, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Income Statement.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

2. **ACCOUNTING POLICIES - continued**

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument. 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 asset of the company after deducting all of its liabilities.

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 balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Borrowings

Financing transactions are initially recorded at the present value of the future payments discounted at a market rate of interest, adjusted for transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

The company has utilised the exception in FRS102 paragraph 11.13A in respect of loans from director-shareholders or close members of their family. Such loans are therefore initially measured at transaction price.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 1 (2022 - 1).

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

| | | | |
|----|---|----------------|--|
| 4. | TANGIBLE FIXED ASSETS | | Fixtures and fittings £ |
| | COST | | |
| | At 1 June 2022 and 31 May 2023 | | <u>23,920</u> |
| | DEPRECIATION | | |
| | At 1 June 2022 | | 23,352 |
| | Charge for year | | <u>142</u> |
| | At 31 May 2023 | | <u>23,494</u> |
| | NET BOOK VALUE | | |
| | At 31 May 2023 | | <u>426</u> |
| | At 31 May 2022 | | <u>568</u> |
| 5. | INVESTMENT PROPERTY | | Total £ |
| | FAIR VALUE | | |
| | At 1 June 2022 | | 5,613,331 |
| | Additions | | 95,532 |
| | Revaluations | | <u>862,389</u> |
| | At 31 May 2023 | | <u>6,571,252</u> |
| | NET BOOK VALUE | | |
| | At 31 May 2023 | | <u>6,571,252</u> |
| | At 31 May 2022 | | <u>5,613,331</u> |
| | The investment properties were valued at 31 May 2023 by the director on an open market basis. | | |
| 6. | DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 31/5/23 | 31/5/22 |
| | | £ | £ |
| | Other debtors | - | 95,468 |
| | Prepayments | <u>40,018</u> | <u>20,481</u> |
| | | <u>40,018</u> | <u>115,949</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

| 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 31/5/23 | 31/5/22 |
|---|------------------|------------------|
| | £ | £ |
| Trade creditors | 5,337 | 9,276 |
| Amounts owed to group undertakings | 2,528,306 | 2,573,327 |
| Tax | 35,209 | 52,201 |
| Directors' loan accounts | 1,346,636 | 1,695,060 |
| Accruals and deferred income | 6,628 | 14,162 |
| | <u>3,922,116</u> | <u>4,344,026</u> |

| 8. RESERVES | Fair value reserve |
|--|--------------------|
| | £ |
| At 1 June 2022 | 503,297 |
| Transfer (to) / from retained earnings | <u>457,947</u> |
| At 31 May 2023 | <u>961,244</u> |

9. OTHER FINANCIAL COMMITMENTS

The total amount of financial commitments not included in the balance sheet is £36,365 (2022 - £26,710). One of the commitments relates to future ground rent payments on the remaining term of a 125 year lease. The lease also specifies increases in line with RPI every 25 years, however potential future increases have been excluded from the commitment calculation.

10. RELATED PARTY DISCLOSURES

Mr A R Holmes OBE has advanced loans to the company to help finance its rental business. The loans are repayable on demand. No interest was charged to the company on these loans.

At the balance sheet date, the amount due to Mr A R Holmes OBE was £1,346,635 (2022 - £1,695,060), which is included in creditors falling due within one year.

11. ULTIMATE CONTROLLING PARTY

The controlling party is parent company Holmes Commercial Property Limited.

The ultimate controlling party is Mr A R Holmes OBE.

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.