

H B SANDS HOLDINGS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

H B SANDS HOLDINGS LIMITED
REGISTERED NUMBER:03196141

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	4	26,705	36,554
Investment property	5	1,150,000	1,150,000
		<u>1,176,705</u>	<u>1,186,554</u>
Current assets			
Debtors: amounts falling due within one year	6	119,057	133,671
Cash at bank and in hand		57,375	34,032
		<u>176,432</u>	<u>167,703</u>
Creditors: amounts falling due within one year	7	(76,649)	(46,954)
Net current assets		<u>99,783</u>	<u>120,749</u>
Total assets less current liabilities		<u>1,276,488</u>	<u>1,307,303</u>
Pension liability		(700,924)	(780,296)
Net assets		<u><u>575,564</u></u>	<u><u>527,007</u></u>
Capital and reserves			
Called up share capital		633,790	633,790
Profit and loss account		(58,226)	(106,783)
		<u><u>575,564</u></u>	<u><u>527,007</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2022

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A B Sands

Director

Date: 28 September 2023

The notes on pages 3 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. General information

H B Sands Holdings Limited is a private company limited by shares and incorporated in England and Wales, registration number 03196141. The registered office is Sands House, Ingham, Stalham, Norfolk, NR12 9TA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

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.

2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant & machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Computer equipment	- 25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.4 Investment property

Investment property is carried at fair value determined annually by the director and derived from the current market rents and investment property yields for comparable real estate, 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.

2.5 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.8 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Pensions

The Company is a member of two multi-employer plans - a directors scheme and an employees scheme. Where it is not possible for the Company to obtain sufficient information to enable it to account for the plans as a defined benefit plan, it accounts for the plans as defined contribution plans.

Where the contributions are not expected to be settled wholly within twelve months, the liability is measured at the present value of the contributions payable using a suitable discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

2.11 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Employees

The average monthly number of employees, including directors, during the year was 1 (2021 - 1).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2022	129,560	32,750	1,039	163,349
Disposals	(14,858)	-	-	(14,858)
At 31 December 2022	<u>114,702</u>	<u>32,750</u>	<u>1,039</u>	<u>148,491</u>
Depreciation				
At 1 January 2022	109,124	17,281	390	126,795
Charge for the year on owned assets	4,900	3,867	245	9,012
Disposals	(14,021)	-	-	(14,021)
At 31 December 2022	<u>100,003</u>	<u>21,148</u>	<u>635</u>	<u>121,786</u>
Net book value				
At 31 December 2022	<u>14,699</u>	<u>11,602</u>	<u>404</u>	<u>26,705</u>
At 31 December 2021	<u>20,436</u>	<u>15,469</u>	<u>649</u>	<u>36,554</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. Investment property

**Freehold
investment
property
£**

Valuation

At 1 January 2022

1,150,000

At 31 December 2022

1,150,000

The 2022 valuations were made by the director, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2022 £	2021 £
Historic cost	632,437	632,437
	<u>632,437</u>	<u>632,437</u>

6. Debtors

	2022 £	2021 £
Trade debtors	15,600	15,600
Other debtors	-	3,504
Prepayments and accrued income	2,100	-
Deferred taxation	101,357	114,567
	<u>119,057</u>	<u>133,671</u>

H B SANDS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

7. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	11,889	12,420
Other taxation and social security	9,711	6,640
Other creditors	10,000	-
Accruals and deferred income	45,049	27,894
	<u>76,649</u>	<u>46,954</u>

8. Deferred taxation

	2022 £
At beginning of year	114,567
Charged to profit or loss	(13,210)
At end of year	<u>101,357</u>

The deferred tax asset is made up as follows:

	2022 £	2021 £
Fixed asset timing differences	(5,074)	(6,945)
Revaluation of investment properties	(26,745)	(26,745)
Pension deficit	133,176	148,257
	<u>101,357</u>	<u>114,567</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Pension commitments

The group operates two pension schemes, which are multi-employer schemes, with some of the participating employees and companies operating outside of this group. The assets of these schemes are held separately from those of the company in independently administered funds.

a) Directors scheme:

This is a multi employer money purchase scheme for certain directors. Some of the participating companies operate outside of the group. Triennial actuarial valuations are undertaken in order to determine the contributions which would be required to fund target benefits. However the rules of the scheme limit the liability in respect of any member to whatever may be secured by contribution credits accrued to each individual member. The employers are not committed to pay the contribution rate disclosed by the actuarial valuation.

The pension contributions paid or accrued to this scheme during the year were £Nil (2021: £Nil).

b) Employees scheme:

This is a multi-employer scheme, some of the participating companies operate outside of this group. Prior to 1 July 2001, this scheme operated as a defined benefit arrangement for certain employees and certain directors. With effect from 1 July 2001, the retirement benefit section was closed to all new members and a new money purchase section was added to the existing trust. All members existing benefits were made deferred, based upon salary and service at 1 July 2001, and all future benefits now accrue within the money purchase section. No additional final salary benefits are accruing. The remaining liabilities in respect of the defined benefit scheme are for preserved pension for previous leavers and preserved pensions for those members yet to transfer their accrued entitlements.

The actuary has recommended that collectively the participating employers make contributions as follows:

£189,660 per annum from 1 January 2022, increasing at 3.00% per annum with the first increase being

applied on 1 January 2023, for a period of 7 years and 9 months from 1 January 2022 to 30 September

2029.

As the scheme is a multi-employer scheme, with certain participating companies outside of the group, the directors consider that the company is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis. In accordance with FRS 102 the scheme is therefore accounted for as if it is a defined contribution scheme.

The latest actuarial valuation states that as at 31 December 2020 the assets of the scheme were valued

at £2,754,000, the present value of the schemes liabilities were £4,482,000 and the overall deficit was

£1,728,000. Under an agreement with the other participating employers H B Sands Holdings Limited is obligated to fund fifty percent of the scheme liabilities and therefore contributions.

The share of contributions paid to the scheme by the company in the year amounted to £86,928 (2021: £92,068).

The share of the net present value of the net liabilities of the scheme disclosed within the Statement of Financial Position at 31 December 2022 amounted to £700,924 (2021: £780,297).

The unwinding of the discount of the net present value of the net liabilities is shown within other finance costs in the Statement of Income and Retained Earnings and amounted to a debit of £7,555 (2021: debit of £8,365).

H B SANDS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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10. Controlling party

The company is controlled by A B Sands by virtue of the fact that he controls the majority of the ordinary shares in the ultimate holding company, Pedham Estates Limited.

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.