

**Registered number: 05360623**

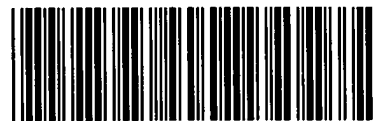
**South Downs Real Estate Limited**

**Financial statements**

**Information for filing with the registrar**

**For the Year Ended 31 December 2022**

**SATURDAY**



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**23/09/2023**

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**COMPANIES HOUSE**

**South Downs Real Estate Limited**  
**Registered number: 05360623**

**Balance Sheet**  
**As at 31 December 2022**

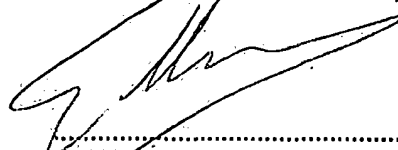
	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	4	87,208,977	85,941,549
		<u>87,208,977</u>	<u>85,941,549</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	3,356,510	3,992,233
Cash at bank and in hand		22,092	101,277
		<u>3,378,602</u>	<u>4,093,510</u>
Creditors: amounts falling due within one year	6	(77,478,201)	(77,200,015)
<b>Net current liabilities</b>		<u>(74,099,599)</u>	<u>(73,106,505)</u>
<b>Total assets less current liabilities</b>		<u>13,109,378</u>	<u>12,835,044</u>
<b>Net assets</b>		<u>13,109,378</u>	<u>12,835,044</u>
<b>Capital and reserves</b>			
Called up share capital	7	22,593,776	22,593,776
Profit and loss account		(9,484,398)	(9,758,732)
		<u>13,109,378</u>	<u>12,835,044</u>

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:

  
 .....  
**E N Heerema**  
 Director

Date: 19/09/2023

The notes on pages 2 to 7 form part of these financial statements.

## **South Downs Real Estate Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2022**

#### **1. General information**

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

Nyetimber Vineyard  
Gay Street  
West Chiltington  
West Sussex  
RH20 2HH

The principal place of business is:

Broughton House  
6-8 Sackville Street  
London  
W1S 3DG

#### **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 following principal accounting policies have been applied:

##### **2.2 Financial Reporting Standard 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Nyetimber Wines Limited as at 31 December 2021 and these financial statements may be obtained from 6 Esplanade, St Helier, Jersey, JE1 1BX.

##### **2.3 Going concern**

The Company hold assets and leases them to Nyetimber group companies.

The group continues to invest in production of stocks which take a significant time to mature into saleable condition. The group has received confirmation from its parent company, that loan monies advanced to it will not be withdrawn at the detriment of other creditors and that further working capital funding will be provided as required, by the way of capital investment made by the director into the ultimate parent company and distributed as required across the group.

The Director accordingly concludes it is appropriate to continue to adopt the going concern basis in preparing the financial statements as outlined in the statement of directors responsibilities.

## **South Downs Real Estate Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2022**

#### **2. Accounting policies (continued)**

##### **2.4 Foreign currency translation**

###### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

###### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

##### **2.5 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

###### **Rendering of services**

Revenue 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 revenue 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.

##### **2.6 Operating leases: the Company as lessee**

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

##### **2.7 Interest income**

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

##### **2.8 Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

## **South Downs Real Estate Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2022**

## **2. Accounting policies (continued)**

### **2.9 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Buildings	- 10-50 years or over the term of the lease
Plant and machinery	- 2 - 20 years
Motor vehicles	- 4-5 years
Vines	- 20-30 years

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.

The Company owns biological assets in the form of grape vines which are cultivated on land owned by the company.

Vines and associated cost of cultivation are capitalised at cost until the vines begin producing fruit. Once the vines start to produce they take a further 3 years to reach full maturity. The production levels achieved are therefore significantly lower and accordingly the continued costs of cultivation are split between work in progress and fixed assets in proportion to actual yield levels achieved for mature vines. Once fully mature the cost of vines is written off evenly over the estimated productive life, which is expected to be 30 years.

### **2.10 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.

### **2.11 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.

### **2.12 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.

## **South Downs Real Estate Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2022**

#### **2. Accounting policies (continued)**

##### **2.13 Financial instruments**

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The Company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

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 trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

#### **3. Judgements in applying accounting policies and key sources of estimation uncertainty**

##### **Judgements**

That producing vines will continue to provide economic benefits to the company and have incurred no impairment loss.

##### **Key sources of estimation uncertainty**

###### **Vineyard maturity:**

That vines take 3 years growth to reach maturity and produce. Depreciation starts once the vines reach maturity. The carrying amount of the immature vines is £2,288,605 (2021 - £2,559,648).

That vines once mature will produce commercially viable grapes for 20-30 years. The carrying amount of the mature vines is £8,376,465 (2021 - £8,215,595).

###### **Depreciation:**

That the useful economic lives of the each category of fixed assets, per the tangible fixed asset policy 2.9 are accurate. Depreciation charged during the year was £2,513,460 (2021: 3,172,330).

# South Downs Real Estate Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

### 4. Tangible fixed assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Vines £	Total £
<b>Cost or valuation</b>					
At 1 January 2022	73,770,579	17,016,166	1,189,385	12,544,828	104,520,958
Additions	1,987,997	1,422,113	153,209	335,008	3,898,327
Disposals	(316,868)	(9,234)	-	-	(326,102)
Transfers between classes	(620,486)	620,486	-	-	-
At 31 December 2022	<u>74,821,222</u>	<u>19,049,531</u>	<u>1,342,594</u>	<u>12,879,836</u>	<u>108,093,183</u>
<b>Depreciation</b>					
At 1 January 2022	7,881,014	8,034,611	894,199	1,769,585	18,579,409
Charge for the year on owned assets	920,345	1,029,532	118,403	445,180	2,513,460
Disposals	(207,023)	(1,640)	-	-	(208,663)
At 31 December 2022	<u>8,594,336</u>	<u>9,062,503</u>	<u>1,012,602</u>	<u>2,214,765</u>	<u>20,884,206</u>
<b>Net book value</b>					
At 31 December 2022	<u>66,226,886</u>	<u>9,987,028</u>	<u>329,992</u>	<u>10,665,071</u>	<u>87,208,977</u>
At 31 December 2021	<u>65,889,565</u>	<u>8,981,555</u>	<u>295,186</u>	<u>10,775,243</u>	<u>85,941,549</u>

### 5. Debtors

	2022 £	2021 £
Trade debtors	2,700	2,200
Amounts owed by group undertakings	3,017,696	3,612,232
Other debtors	235,737	268,731
Prepayments and accrued income	100,377	109,070
	<u>3,356,510</u>	<u>3,992,233</u>

## South Downs Real Estate Limited

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 6. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	293,759	59,482
Amounts owed to group undertakings	77,121,902	77,091,888
Accruals and deferred income	62,540	48,645
	<u>77,478,201</u>	<u>77,200,015</u>

#### 7. Share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
22,593,776 (2021 - 22,593,776) Ordinary shares of £1.00 each	<u>22,593,776</u>	<u>22,593,776</u>

#### 8. Related party transactions

##### Transactions with company director

During the year, the company paid expenses for the director amounting to £17,397 (2021: £35,927). At the year end the amount due from the director was £1,617 (2021: £1,200).

##### Summary of transactions with Parent company

The company has taken advantage of the exemption in FRS102 paragraph 33.1A from disclosing transactions with the parent and other members of the group.

#### 9. Controlling party

The company's immediate parent is Nyetimber Wines Limited, incorporated in Jersey.

The ultimate controlling party is E N Heerema.

The parent of the smallest group in which financial statements are consolidated is Nyetimber Wines Limited, incorporated in Jersey.

The address of Nyetimber Wines Limited is:  
6 Esplanade, St Helier, Jersey, JE1 1BX

#### 10. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2022 was unqualified.

The audit report was signed on 20/09/23 by Simon Webber BSc (Hons), DChA, FCA (Senior Statutory Auditor) on behalf of Kreston Reeves LLP.