

**SOUTH DOWNS RESIDENTIAL LIMITED  
UNAUDITED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**SOUTH DOWNS RESIDENTIAL LIMITED**  
**UNAUDITED ACCOUNTS**  
**CONTENTS**

---

	<b>Page</b>
<u>Company information</u>	<u>3</u>
<u>Statement of financial position</u>	<u>4</u>
<u>Notes to the accounts</u>	<u>5</u>

**SOUTH DOWNS RESIDENTIAL LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2021**

---

<b>Directors</b>	R J W Corney R J Crossan M E Answell
<b>Company Number</b>	11243965 (England and Wales)
<b>Registered Office</b>	48 Malling Street Lewes East Sussex BN7 2RH
<b>Accountants</b>	Maxwell-Gumbleton & Co. 1 West Street Lewes East Sussex BN7 2NZ

**SOUTH DOWNS RESIDENTIAL LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2021**

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	4	1,057,142	46,113
Investment property	5	11,218,690	10,928,261
		<u>12,275,832</u>	<u>10,974,374</u>
<b>Current assets</b>			
Debtors	6	234,511	121,304
Cash at bank and in hand		37,946	115,759
		<u>272,457</u>	<u>237,063</u>
<b>Creditors: amounts falling due within one year</b>	7	(667,619)	(457,823)
<b>Net current liabilities</b>		<u>(395,162)</u>	<u>(220,760)</u>
<b>Total assets less current liabilities</b>		11,880,670	10,753,614
<b>Creditors: amounts falling due after more than one year</b>	8	(6,069,304)	(5,477,516)
<b>Provisions for liabilities</b>			
Deferred tax	9	(362,958)	(332,445)
<b>Net assets</b>		<u>5,448,408</u>	<u>4,943,653</u>
<b>Capital and reserves</b>			
Called up share capital	10	90	90
Share premium		3,200,000	3,200,000
Profit and loss account		2,248,318	1,743,563
<b>Shareholders' funds</b>		<u>5,448,408</u>	<u>4,943,653</u>

For the year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered 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 profit and loss account has not been delivered to the Registrar of Companies.

The financial statements were approved by the Board of Directors and authorised for issue on 17 March 2022 and were signed on its behalf by

R J W Corney  
Director

Company Registration No. 11243965

**SOUTH DOWNS RESIDENTIAL LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

---

**1 Statutory information**

South Downs Residential Limited is a private company, limited by shares, registered in England and Wales, registration number 11243965. The registered office is 48 Malling Street, Lewes, East Sussex, BN7 2RH.

**2 Compliance with accounting standards**

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A Small Entities. There were no material departures from that standard.

**3 Accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

***Basis of preparation***

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

***Presentation currency***

The accounts are presented in £ sterling.

***Tangible fixed assets and depreciation***

Tangible assets, other than investment and freehold properties, are included at cost less depreciation and impairment. Land and freehold property are carried at fair value at the date of the revaluation less subsequent accumulated impairment losses. Revaluations are undertaken with sufficiently regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives:

Land & buildings	held at fair value see above
Plant & machinery	3 years
Motor vehicles	3 years
Fixtures & fittings	3 years
Computer equipment	3 years

***Investment property***

Investment property is included at market fair value. Gains are recognised in the income statement. Deferred taxation is provided on these gains at the rate expected to apply when the property is sold.

***Deferred taxation***

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Deferred tax assets and liabilities are not discounted.

***Government grants***

Government grants in relation to tangible fixed assets are credited to profit and loss account over the useful lives of the related assets, whereas those in relation to expenditure are credited when the expenditure is charged to profit and loss.

**SOUTH DOWNS RESIDENTIAL LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

---

***Leased assets***

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profit on a straight line basis over the lease term.

Assets held under finance leases and hire purchase contracts are capitalised and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease at a constant proportion of the outstanding balance of capital repayments.

***Pension costs***

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are recognised in the profit and loss account when due.

***Financial instruments***

Basic financial instruments are recognised at amortised cost, except for investments in non-convertible preference and non-puttable ordinary shares which are measured at fair value, with changes recognised in profit or loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit or loss.

***Going concern***

The financial statements have been prepared on the going concern basis as the directors have prepared detailed budgets for a period of at least 12 months from the date of signing the accounts that show the company and group is able to meet all of its liabilities as they fall due. However, it is acknowledged that the global and UK outbreak of COVID-19 has had a profound impact on the global and UK economy and business.

The company and group are expected to remain in a strong financial position during the forecast period and operations have been largely unaffected from the recent outbreak of COVID-19. The large proportion of customers are from the public sector and therefore is unlikely to be affected by bad debt issues.

The directors are confident of being able to trade for a period of at least 12 months from the approval of the financial statements and the Director has therefore concluded that it is appropriate for the financial statements to be prepared on the going concern basis.

**SOUTH DOWNS RESIDENTIAL LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

<b>4 Tangible fixed assets</b>	<b>Land &amp; buildings</b>	<b>Motor vehicles</b>	<b>Fixtures &amp; fittings</b>	<b>Computer equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>	At cost	At cost	At cost	At cost	
At 1 April 2020	-	36,790	13,321	10,963	61,074
Additions	1,011,115	-	8,251	10,929	1,030,295
At 31 March 2021	1,011,115	36,790	21,572	21,892	1,091,369
<b>Depreciation</b>					
At 1 April 2020	-	5,979	4,507	4,475	14,961
Charge for the year	-	7,971	5,842	5,453	19,266
At 31 March 2021	-	13,950	10,349	9,928	34,227
<b>Net book value</b>					
At 31 March 2021	1,011,115	22,840	11,223	11,964	1,057,142
At 31 March 2020	-	30,811	8,814	6,488	46,113

<b>5 Investment property</b>	<b>2021</b>
	<b>£</b>
Fair value at 1 April 2020	10,928,261
Additions	171,649
Net gain from fair value adjustments	118,780
At 31 March 2021	11,218,690

Investment properties held at the year end were valued by the directors in accordance with standard valuation principles. The surplus on revaluation of investment properties arising (£118,780) has been credited to the statement of comprehensive income for the period. Freehold properties acquired in September 2020 held at fair value were valued by Eddison's in accordance with the RICS valuation - Global Standards 2017.

If the investment and freehold properties would have been accounted for under the historic accounting rules, the properties would have been measured as follows:

Historic cost £10,388,072 (2020: £9,205,308) less accumulated depreciation and impairments £113,862 (2020: £48,852).

<b>6 Debtors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
VAT	55,282	-
Trade debtors	65,761	70,975
Amounts due from group undertakings etc.	250	-
Accrued income and prepayments	85,748	49,640
Other debtors	27,470	689
	234,511	121,304

**SOUTH DOWNS RESIDENTIAL LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

<b>7 Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	192,765	171,694
Obligations under finance leases and hire purchase contracts	7,837	7,837
Trade creditors	20,854	109,356
Amounts owed to group undertakings and other participating interests	275,584	-
Taxes and social security	100,156	109,719
Other creditors	17,982	19,804
Accruals	52,441	39,413
	<u>667,619</u>	<u>457,823</u>

<b>8 Creditors: amounts falling due after more than one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank loans	6,058,857	5,459,233
Obligations under finance leases and hire purchase contracts	10,447	18,283
	<u>6,069,304</u>	<u>5,477,516</u>

The Company has five term loans from its bankers. In a prior period, the Company borrowed funds from its bankers under four terms loans of £4,197,000 and £336,297. The first loan (£4,197,000) is repayable in a single principal instalment in July 2023. The second loan (£162,418 outstanding at 31 March 2021) is repayable in 60 consecutive monthly instalments that commenced in August 2018. In 2020 the group borrowed funds from its bankers a further two term loans of £972,485 and £77,915. The third loan (£972,485 outstanding at 31 March 2021) is repayable in a single principal instalment in July 2024. The fourth loan (£52,994 outstanding at 31 March 2021) is repayable in 60 consecutive monthly instalments that commenced in August 2019. During the year a fifth bank loan of £808,000 was borrowed. This is partially repaid over 60 instalments (£803,049 outstanding at 31 March 2021) with a final principal instalment of £757,264 payable in September 2025.

All bank loans are secured by a fixed charge on the group's freehold and investment property and also an unlimited debenture over the group's assets. All bank loans accrue interest at a variable rate equivalent to Base rate plus 2.1%

The debt issue costs totalling £69,739 were incurred on the bank loans when the facilities were set up and these are being charged to the profit and loss over the terms of the loans.

During the previous year the Company also borrowed funds under an unsecured loan of £250,000 repayable over 5 equal 6-monthly instalments starting in January 2020. £100,000 was outstanding at 31 March 2021. Interest accrues at a fixed rate of 6%.

<b>9 Deferred taxation</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	13,029	5,084
Revaluation of investment property	349,929	327,361
	<u>362,958</u>	<u>332,445</u>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Provision at start of year	332,445	142,880
Charged to the profit and loss account	30,513	189,565
Provision at end of year	<u>362,958</u>	<u>332,445</u>



**SOUTH DOWNS RESIDENTIAL LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**10 Share capital**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Allotted, called up and fully paid:		
90 Ordinary shares of £1 each	90	90
3,200,000 Preference shares of £- each	-	-
	<u>90</u>	<u>90</u>
	<u><u>90</u></u>	<u><u>90</u></u>

**11 Operating lease commitments**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
At 31 March 2021 the company has total minimum future payment commitments under non-cancellable operating leases as follows:		
Operating leases expiring:		
Within one year	29,006	4,308
Within two to five years	21,628	9,693
	<u>50,634</u>	<u>14,001</u>
	<u><u>50,634</u></u>	<u><u>14,001</u></u>

**12 Transactions with related parties**

Balances with group undertakings are disclosed in notes 8 and 9 to these financial statements.

During the prior year the ultimate controlling party had advanced loans of £250,000 to the Company. At 31 March 2021 the loan balance was £100,000 (2020 - £200,000) Interest is due at 6% on the outstanding balance.

**13 Controlling party**

The immediate parent company and also the ultimate parent undertaking is Marmot Holdings Limited, a company incorporated in the United Kingdom. The ultimate controlling party of Marmot Holdings Limited is Philip Allison.

**14 Post balance sheet events**

On the 5th July 2021 South Downs Residential Limited acquired a further freehold property in Eastbourne for £235,000. This property will be leased to Asperger's and Autism Services Limited a fellow group company for use in that company's care provision business.

**15 Average number of employees**

During the year the average number of employees was 26 (2020: 18).

