

**SOUTH DOWNS RESIDENTIAL LIMITED
UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023**

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SOUTH DOWNS RESIDENTIAL LIMITED
UNAUDITED ACCOUNTS
CONTENTS

	Page
Company information	3
Statement of financial position	4
Notes to the accounts	5

**SOUTH DOWNS RESIDENTIAL LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2023**

Directors	R J W Corney R J Crossan M E Answell
Company Number	11243965 (England and Wales)
Registered Office	Sussex Innovation Centre Science Park Square Falmer East Sussex BN1 9SB United Kingdom
Accountants	Maxwell-Gumbleton & Co. 1 West Street Lewes East Sussex BN7 2NZ

SOUTH DOWNS RESIDENTIAL LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

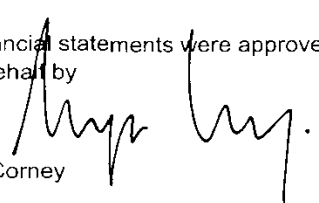
	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	4	1,069	7,002
Investment property	5	13,566,914	15,065,001
		<u>13,567,983</u>	<u>15,072,003</u>
Current assets			
Debtors	6	4,548,618	265,148
Cash at bank and in hand		9,944	44,266
		<u>4,558,562</u>	<u>309,414</u>
Creditors: amounts falling due within one year	7	(1,652,880)	(889,704)
Net current assets/(liabilities)		<u>2,905,682</u>	<u>(580,290)</u>
Total assets less current liabilities		<u>16,473,665</u>	<u>14,491,713</u>
Creditors: amounts falling due after more than one year	8	(9,684,801)	(8,077,657)
Provisions for liabilities			
Deferred tax	9	(527,404)	(435,173)
Net assets		<u>6,261,460</u>	<u>5,978,883</u>
Capital and reserves			
Called up share capital	10	90	90
Share premium		3,200,000	3,200,000
Profit and loss account		3,061,370	2,778,793
Shareholders' funds		<u>6,261,460</u>	<u>5,978,883</u>

For the year ending 31 March 2023 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiaries. 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 10 November 2023 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 2023

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 Sussex Innovation Centre, Science Park Square, Falmer, East Sussex, BN1 9SB, United Kingdom.

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 2023

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 soaring rates of inflation resulting from the energy crisis are having a profound impact on the global and UK Economy and business, raising the risk of a recession.

The company and group are expected to remain in a strong financial position during the forecast period. 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 2023

4 Tangible fixed assets

	Motor vehicles	Fixtures & fittings	Computer equipment	Total
	£	£	£	£
Cost or valuation				
At 1 April 2022	36,790	21,572	21,892	80,254
Additions	-	-	1,116	1,116
At 31 March 2023	36,790	21,572	23,008	81,370
Depreciation				
At 1 April 2022	33,724	21,572	17,956	73,252
Charge for the year	3,066	-	3,983	7,049
At 31 March 2023	36,790	21,572	21,939	80,301
Net book value				
At 31 March 2023	-	-	1,069	1,069
At 31 March 2022	3,066	-	3,936	7,002

5 Investment property

	2023
	£
Fair value at 1 April 2022	15,065,001
Additions	311,301
Disposals	(1,900,000)
Net gain from fair value adjustments	90,612
At 31 March 2023	13,566,914

The Investment properties were valued by the director, a member of the Royal Institution of Chartered Surveyors (MRICS), in accordance with standard valuation principles. Following a review of the market evidence these properties were valued on an open market value.

6 Debtors

	2023	2022
	£	£
Amounts falling due within one year		
Trade debtors	1,029	-
Amounts due from group undertakings etc.	4,546,956	173,475
Accrued income and prepayments	373	16,413
Other debtors	260	75,260
	4,548,618	265,148

SOUTH DOWNS RESIDENTIAL LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

7 Creditors: amounts falling due within one year	2023	2022
	£	£
Bank loans and overdrafts	106,849	95,122
Obligations under finance leases and hire purchase contracts	2,611	7,837
Trade creditors	5,593	25,533
Amounts owed to group undertakings and other participating interests	1,446,903	710,544
Taxes and social security	90,087	25,815
Other creditors	3	2
Accruals	-	24,851
Deferred income	834	-
	<u>1,652,880</u>	<u>889,704</u>

8 Creditors: amounts falling due after more than one year	2023	2022
	£	£
Bank loans	9,684,801	8,075,046
Obligations under finance leases and hire purchase contracts	-	2,611
	<u>9,684,801</u>	<u>8,077,657</u>

The Company has four term loans from its bankers. In a prior period, the Company borrowed funds from its bankers under two terms loans of £4,197,000 and £336,297. Both of these loans were repaid during the year as part of a refinancing arrangement with the bank. During the year the company borrowed funds £6,038,000 (£6,002,368 outstanding as at 31 March 2023) as part of the refinancing arrangement, which was also used to purchase an additional property within the group. This loan is partially repayable over 60 instalments with a final principal instalment of £5,623,639 due at the end of the term. In 2020 the group borrowed two further loans from its bankers of £972,485 and £77,915. The second loan (£972,485 outstanding at 31 March 2023) is repayable in a single principal instalment in July 2024. The third loan (£21,765 outstanding at 31 March 2023) is repayable in 60 consecutive monthly instalments that commenced in August 2019. The fourth loan of £808,000 is partially repaid over 60 instalments (£782,695 outstanding at 31 March 2023) 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 2.1/2.5%

The debt issue costs totalling £46,000 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.

9 Deferred taxation	2023	2022
	£	£
Accelerated capital allowances	267	5,316
Revaluation of investment property	527,137	429,857
	<u>527,404</u>	<u>435,173</u>

	2023	2022
	£	£
Provision at start of year	435,173	362,958
Charged to the profit and loss account	92,231	72,215
Provision at end of year	<u>527,404</u>	<u>435,173</u>

SOUTH DOWNS RESIDENTIAL LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

10 Share capital	2023	2022
	£	£
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>

11 Capital commitments	2023	2022
	£	£
Amounts contracted but not provided for in the accounts	-	175,000

12 Operating lease commitments	2023	2022
	£	£
At 31 March 2023 the company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:		
Not later than one year	33,557	21,628
Later than one year and not later than five years	75,000	-
	<u>108,557</u>	<u>21,628</u>

13 Transactions with related parties

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

During the previous year the ultimate controlling party advanced a loan of £2,100,000 to the Company repayable in 5 years. At 31 March 2023 the loan balance was £2,053,943 (2022 - £2,100,000). Interest is due at 5% on the outstanding balance.

14 Controlling party

The immediate parent company is South Downs Residential Group Limited, a company incorporated in the United Kingdom. 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.

15 Average number of employees

During the year the average number of employees was 0 (2022: 0).