

Company registration No. 11668540 (England & Wales)

TH DM ARE LIMITED
DIRECTORS' REPORT AND
UNAUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2022

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TH DM ARE LIMITED

CONTENTS

	Page
Company information	1
Directors' report	2
Statement of comprehensive income (including the profit and loss account)	3
Balance sheet	4
Statement of changes in equity	5
Notes to the financial statements	6 - 11

TH DM ARE LIMITED

COMPANY INFORMATION

Directors	T B Goodall M B Lightbound D J G Partridge K Wong
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Company secretary	D Scudder
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Registered number	11668540
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Registered office	4 Stable Street London N1C 4AB
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TH DM ARE LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their report and the unaudited financial statements of TH DM ARE Limited ('the company') for the year ended 31 December 2022.

Principal activity

The company is a wholly owned subsidiary of TH Holdco ARE Limited. The company provides development management services for the Ashley Road East plot to a fellow subsidiary company, TH Propco ARE Limited.

Results and dividends

The results for the year are set out on page 3.

No ordinary dividends were paid in the current year (2021 - £nil). The directors do not recommend payment of a final dividend.

Directors

The directors who served during the year were:

T B Goodall
M B Lightbound
D J G Partridge
K Wong

Audit

For the financial year ended 31 December 2022, the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

On behalf of the board:

Thomas Goodall

T B Goodall
Director

Date: 30 June 2023

TH DM ARE LIMITED**STATEMENT OF COMPREHENSIVE INCOME (INCLUDING THE PROFIT AND LOSS ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Turnover	3	22,568,170	28,372,914
Cost of sales		(22,538,170)	(28,342,914)
Gross profit		30,000	30,000
Administrative expenses		(4,561)	(6,938)
Profit before tax		25,439	23,062
Tax on profit	4	-	(60,322)
Profit/(loss) and total comprehensive income for the financial year		25,439	(37,260)

The notes form part of these financial statements.

TH DM ARE LIMITED**BALANCE SHEET
AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
Current assets			
Debtors	5	171,323	3,098,497
Cash at bank and in hand		876,273	178,095
		<u>1,047,596</u>	<u>3,276,592</u>
Creditors: amounts falling due within one year	6	<u>(1,056,471)</u>	<u>(3,310,906)</u>
Net liabilities		<u>(8,875)</u>	<u>(34,314)</u>
Capital and reserves			
Called up share capital	7	1	1
Profit and loss account		<u>(8,876)</u>	<u>(34,315)</u>
		<u>(8,875)</u>	<u>(34,314)</u>

The 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 company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The company's financial statements have been prepared in accordance with the provisions applicable to entities 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:

Thomas Goodall

T B Goodall
Director

Date: 30 June 2023

The notes form part of these financial statements.

TH DM ARE LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Share capital	Profit and loss account	Total
	£	£	£
Balance at 1 January 2022	1	(34,315)	(34,314)
Profit and total comprehensive income for the financial year	-	25,439	25,439
Balance at 31 December 2022	1	(8,876)	(8,875)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Share capital	Profit and loss account	Total
	£	£	£
Balance at 1 January 2021	1	2,945	2,946
Loss and total comprehensive income for the financial year	-	(37,260)	(37,260)
Balance at 31 December 2021	1	(34,315)	(34,314)

The notes form part of these financial statements.

TH DM ARE LIMITED

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

1. General information

TH DM ARE Limited is a private company limited by shares incorporated in England and Wales. The registered office is 4 Stable Street, London, N1C 4AB.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost basis, in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101') and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, presentation of a cash flow statement, presentation of comparative information in respect of certain assets, standards not yet effective, impairment of assets, and related party transactions.

Where required, equivalent disclosures are given in the group financial statements of Related Argent Property Limited Partnership (formerly Argent Related Limited Partnership). The group financial statements of Related Argent Property Limited Partnership can be obtained as set out in note 9.

TH DM ARE LIMITED

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

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate. The company is dependent for its working capital on funds provided to it by Related Argent Property Limited Partnership, the ultimate parent undertaking, which has indicated that for at least 12 months from the date of approval of these financial statements, it intends to make available such funds as are needed by the company.

2.4 Turnover

Turnover represents development management fees charged to TH Propco ARE Limited under the Development Management Agreement, net of VAT.

2.5 Government grants

The company has received grants from the government to fund infrastructure costs comprising station realignment works and site enabling works.

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the company will comply with all attached conditions in accordance with IAS 20.

Government grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the company should purchase, construct or otherwise acquire assets are presented in the balance sheet by deducting the grant in arriving at the carrying amount of the asset.

2.6 Cash and cash equivalents

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term 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

Financial assets are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss ('FVTPL'), which are measured at fair value.

TH DM ARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****2. Accounting policies (continued)****2.7 Financial instruments (continued)*****Loans and receivables***

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

The company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost at an amount equal to lifetime ECL. When estimating ECL, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

The company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due unless the company has reasonable and supportable information that demonstrates otherwise.

Credit-impaired financial assets

At each reporting date, the company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Write-offs

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

2.8 Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

2.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

TH DM ARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****2. Accounting policies (continued)****2.10 Taxation***Current tax*

The tax currently payable is based on the taxable profit for the period. Taxable profit differs from the net profit as reported in the statement of comprehensive income (including the profit and loss account) because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the period end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each period end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged and credited in the statement of comprehensive income (including the profit and loss account), except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to tax levied by the same tax authority.

3. Turnover

An analysis of turnover by category is as follows:

	2022 £	2021 £
Development management charges	22,484,837	28,289,581
Government grants	83,333	83,333
	22,568,170	28,372,914

All turnover arose within the United Kingdom.

TH DM ARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****4. Tax on profit****Factors affecting tax charge for the year**

The tax assessed for the year is the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022	2021
	£	£
Profit before tax	25,439	23,062
Profit multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	4,833	4,382
Effects of:		
Amounts in respect of prior years	-	60,322
Utilisation of carried forward tax losses	-	-
Effects of group relief / other reliefs	(4,833)	(4,382)
Total tax charge for the year	-	60,322

Factors that may affect future tax charges

At the year end, the company has a deferred tax asset amounting to £nil (2021 - £nil) in respect of tax losses carried forward of £nil (2021 - £nil) which has not been recognised due to the uncertainty regarding the timing of recoverability of those losses.

5. Debtors

	2022	2021
	£	£
Prepayments and accrued income	153,218	3,086,010
VAT recoverable	18,105	12,487
	171,323	3,098,497

TH DM ARE 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	55,620	20,184
Amounts due to Related Argent Limited	13,513	63,264
Amounts due to AR TH Subco Limited	60,590	110,590
Amounts due to TH Propco ARE Limited	39,136	38,386
Accruals and deferred income	887,612	3,078,482
	<u>1,056,471</u>	<u>3,310,906</u>

Amounts owed to Related Argent Limited (formerly Argent Related Services Limited), AR TH Subco Limited and TH Propco ARE Limited are repayable on demand and non-interest bearing.

7. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
1 ordinary share of £1.00	<u>1</u>	<u>1</u>

8. Related party transactions

During the year, the company was charged internal costs totalling £796,077 (2021 - £607,944) from Related Argent Limited (previously Argent Related Services Limited), an entity under common control. At the year end, the amount due to Related Argent Limited was £98,821 (2021 - £63,264), and is reflected within amounts to Related Argent Limited of £13,513 (2021 - £63,264) and accruals of £63,791 (note 6).

9. Controlling party

The company is a wholly owned subsidiary of TH Holdco ARE Limited. Related Argent Property Limited Partnership (acting by its general partner, Related Argent (General Partner) LLP (formerly Argent Related (General Partner) LLP)), is the ultimate parent undertaking and ultimate controlling party of TH DM ARE Limited.

The largest group in which the results of the company are consolidated is that headed by Related Argent Property Limited Partnership, registered office 4 Stable Street, London, N1C 4AB. The consolidated financial statements of this group may be obtained from 4 Stable Street, London, N1C 4AB.

10. Contingent liabilities

The company's assets have been pledged as security under a facility agreement signed by fellow subsidiaries of Related Argent Property Limited Partnership.