

Greenbelt Group Limited

Registered number: SC192378

Filleted financial statements

For the year ended 31 March 2022



GREENBELT GROUP LIMITED
REGISTERED NUMBER: SC192378

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	6	23,821,029	21,602,271
Current assets			
Debtors	7	8,826,958	8,805,278
Cash and cash equivalents	8	1,756,191	955,293
		<u>10,583,149</u>	<u>9,760,571</u>
Creditors: amounts falling due within one year	9	<u>(8,269,339)</u>	<u>(7,638,969)</u>
Net current assets		<u>2,313,810</u>	<u>2,121,602</u>
Total assets less current liabilities		<u>26,134,839</u>	<u>23,723,873</u>
Creditors: amounts falling due after more than one year	10	(800,000)	(1,000,000)
Provisions for liabilities			
Deferred tax	12	(5,641,989)	(3,864,579)
Other provisions	13	<u>(320,261)</u>	<u>(299,329)</u>
		<u>(5,962,250)</u>	<u>(4,163,908)</u>
Net assets		<u><u>19,372,589</u></u>	<u><u>18,559,965</u></u>
Capital and reserves			
Called up share capital	14	10	10
Revaluation reserve	15	17,414,255	16,963,956
Capital redemption reserve	15	6	6
Profit and loss account	15	<u>1,958,318</u>	<u>1,595,993</u>
		<u><u>19,372,589</u></u>	<u><u>18,559,965</u></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.

GREENBELT GROUP LIMITED
REGISTERED NUMBER: SC192378

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

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


Alex Middleton (Dec 14, 2022 15:44 GMT)

A Middleton
Director

Date: Dec 14, 2022

The notes on pages 3 to 13 form part of these financial statements.

GREENBELT GROUP LIMITED

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

1. General information

Greenbelt Group Limited is a company limited by shares and registered in Scotland. The Company's registered office and principal place of business is McCafferty House, 99 Firhill Road, Glasgow, G20 7BE. The Company's registered number is SC192378.

The principal activity of the Company is the provision of long term and sustainable management services on open space land acquired from Housebuilders, Land Promoters and Master Developers on new housing developments. This service is provided to Homeowners of the developments and is covered by levying an annual charge. In addition, the Company is also involved in landscape development and management, as well as change-of-homeowner legal services.

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

At the reporting date, the Company had net assets of £19,372,589 (2021 - £18,559,965).

The Directors consider that the Company continues to be a going concern and accordingly these financial statements are prepared on the going concern basis.

The Directors have considered the lessening impact of COVID-19 on the current operations as outlined in the Directors' Report.

GREENBELT GROUP LIMITED

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

2. Accounting policies (continued)

2.3 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.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.6 Finance costs

Finance costs are charged to the Statement of Comprehensive Income 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.

2.7 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income loss in the year in which they are incurred.

GREENBELT GROUP LIMITED

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

2. Accounting policies (continued)

2.8 Pensions

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income 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 reporting date, 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.

2.10 Tangible fixed assets

With the exception of land, 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.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to Statement of Comprehensive Income during the period in which they are incurred.

GREENBELT GROUP LIMITED

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

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

Depreciation is provided on the following basis:

Land	- not depreciated
Fixtures, fittings & motor vehicles	- 25% straight line
Computer equipment	- 33 - 50% straight line
Property improvements	- 20% straight line

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 the Statement of Comprehensive Income.

2.11 Revaluation of tangible fixed assets

Tangible fixed assets includes land which is stated at valuation. Revaluation gains and losses are recognised in the Statement of Comprehensive Income.

The Directors consider the need for impairment of tangible fixed assets as part of the revaluation process which is performed annually.

Land is not depreciated.

2.12 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.

2.13 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.

2.14 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.

GREENBELT GROUP LIMITED

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

2. Accounting policies (continued)

2.15 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 the Statement of Comprehensive Income 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 reporting.

2.16 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.

2.17 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

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

In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Land is carried at fair value at each reporting date. Details regarding the carrying value of the land and the valuation basis are provided in note 11.

The calculation of accruals and provisions contains an inherent level of subjectivity. The Directors consider that the current level of accruals and provisions represents the best estimate of the likely exposure.

GREENBELT GROUP LIMITED

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

4. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	12,000	11,515

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent company.

5. Employees

The average monthly number of employees, including Directors, during the year was 58 (2021 - 47).

6. Tangible fixed assets

	Land £	Fixtures & fittings £	Computer equipment £	Property Improve- ments £	Total £
Cost or valuation					
At 1 April 2021	21,570,584	56,210	187,387	40,276	21,854,457
Additions	-	-	17,133	-	17,133
Disposals	(1,432)	-	-	-	(1,432)
Revaluations	2,229,141	-	-	-	2,229,141
At 31 March 2022	23,798,293	56,210	204,520	40,276	24,099,299
Depreciation					
At 1 April 2021	-	55,235	160,841	36,110	252,186
Charge for the year	-	694	23,219	2,171	26,084
At 31 March 2022	-	55,929	184,060	38,281	278,270
Net book value					
At 31 March 2022	23,798,293	281	20,460	1,995	23,821,029
At 31 March 2021	21,570,584	975	26,546	4,166	21,602,271

Land has been revalued at 31 March 2022 using a NPV model of income generated from the land. The Directors appointed RSM as a third party expert to prepare the valuation. The revaluation resulted in an increase in land value of £2,229,141 (2021 - £1,390,461).

If the land had not been included at valuation it would have been included under the historical cost convention at a value of £742,049 (2021 - £742,049).

GREENBELT GROUP LIMITED

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

7. Debtors

	2022 £	2021 £
Trade debtors	5,213,693	4,694,831
Amounts owed by group undertaking (note 19)	2,893,623	3,661,269
Prepayments and accrued income	719,642	449,178
	<u>8,826,958</u>	<u>8,805,278</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

8. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	<u>1,756,191</u>	<u>955,293</u>

9. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans (note 11)	240,000	200,000
Trade creditors	1,460,632	1,196,667
Amounts owed to group undertakings (note 19)	-	776,309
Corporation tax	85,078	12,573
Other taxation and social security	1,139,864	1,088,497
Other creditors	13,891	13,814
Accruals and deferred income	5,329,874	4,351,109
	<u>8,269,339</u>	<u>7,638,969</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

10. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans (note 11)	<u>800,000</u>	<u>1,000,000</u>

GREENBELT GROUP LIMITED

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

11. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year		
Bank loans	240,000	200,000
Amounts falling due 1-2 years		
Bank loans	240,000	240,000
Amounts falling due 2-5 years		
Bank loans	560,000	720,000
Amounts falling due after more than 5 years		
Bank loans	-	40,000
	<u>1,040,000</u>	<u>1,200,000</u>

In 2021, bank loan borrowings of £1,200,000 were drawn down from a Coronavirus Business Interruption Loan Scheme with National Westminster Bank Plc. The loan is repayable in monthly instalments of £20,000. Interest on the loan is charged at a fixed rate of 2.59%.

The loan facility is secured by an intercompany guarantee of up to £3,125,000 with Greenbelt Holdings Limited, Greenbelt Group Limited, Greenbelt Property Limited, Greenbelt Energy Limited, and Greenbelt Management UK Limited. The security is supported by specific freehold and standard securities over certain areas of land held by the Group and, debentures, bonds and floating charges over the Group.

12. Deferred taxation

	2022 £	2021 £
At beginning of year	(3,864,579)	(3,600,815)
Movement to other comprehensive income	(1,777,410)	(263,764)
At end of year	<u>(5,641,989)</u>	<u>(3,864,579)</u>

The provision for deferred taxation, which is based on a tax rate of 25% (2021 - 19%), is made up as follows:

	2022 £	2021 £
On revaluation of tangible fixed assets	<u>(5,641,989)</u>	<u>(3,864,579)</u>

GREENBELT GROUP LIMITED

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

13. Provisions

	Capital replacement provision £	Establishment provision £	Total £
At 1 April 2021	203,605	95,724	299,329
Charged to profit or loss	22,682	-	22,682
Utilised in year	-	(1,750)	(1,750)
At 31 March 2022	226,287	93,974	320,261

Capital replacement provision

The capital replacement provision comprises future estimated costs in relation to structural repairs where there exists an obligation for these works to be carried out.

Establishment provision

The establishment provision comprises future estimated costs that the Company has an obligation to meet on a number of greenspace sites.

14. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
10 (2021 - 10) Ordinary shares of £1.00 each	10	10

15. Reserves

Revaluation reserve

The revaluation reserve represents surplus on the revaluation of land net of related deferred tax.

Capital redemption reserve

The capital redemption reserve represents amounts set aside on redemption of shares.

Profit & loss account

The profit and loss account includes all current and prior periods' retained profits and losses.

GREENBELT GROUP LIMITED

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

16. Prior year adjustment

In the year, the Directors decided to reallocate operation departmental costs of £1.17m (2021 - £1.07m) from administrative expenses to cost of sales to reflect all associated costs with generating revenue.

17. Pension commitments

The Company makes payments to a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £100,957 (2021 - £88,288). Contributions totalling £14,037 (2021 - £13,814) were payable to the fund at the reporting date.

18. Commitments under operating leases

At 31 March 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Other		
Not later than 1 year	123,883	105,358
Later than 1 year and not later than 5 years	110,610	124,232
	<u>234,493</u>	<u>229,590</u>
	2022 £	2021 £
Land and buildings		
Not later than 1 year	86,148	39,911
Later than 1 year and not later than 5 years	348,493	-
	<u>434,641</u>	<u>39,911</u>

19. Related party transactions

As a wholly owned subsidiary undertaking of Greenbelt Holdings Limited, the Company has taken advantage of the exemption granted by FRS 102 not to disclose transactions with its parent undertaking or other wholly owned fellow subsidiary undertakings.

GREENBELT GROUP LIMITED

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

20. Ultimate parent undertaking and controlling party

The Company's immediate and ultimate parent undertaking is Greenbelt Holdings Limited, a Company registered in Scotland, which is the smallest and largest group of companies for which group financial statements are prepared. Copies of the financial statements of Greenbelt Holdings Limited are available to the public from Companies House, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

In the opinion of the Directors, the ultimate controlling party of the Company is A Middleton, the sole shareholder of Greenbelt Holdings Limited.

21. Auditor's information

The auditor's report on the financial statements for the year ended 31 March 2022 was unqualified.

The audit report was signed on Dec 16, 2022 by Craig Maxwell (Senior Statutory Auditor) on behalf of Mazars LLP.