

Catesby Estates (Developments II) Limited

Report and Financial Statements

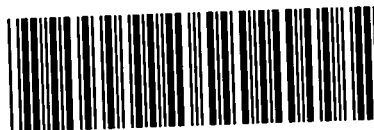
Year Ended

30 September 2019

Company Number

SC258534

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Catesby Estates (Developments II) Ltd

**Report and financial statements
for the Year ended 30 September 2019**

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Directors

P Brocklehurst
D Morris
M Osborne
D L Wood

Company secretary

Urban&Civic (Secretaries) Limited

Registered office

4th Floor, 115 George Street, Edinburgh, EH2 4JN

Company number

SC258534

Auditors

BDO LLP, Two Snowhill, Birmingham, B4 6GA

Catesby Estates (Developments II) Ltd
Directors' report
for the Year ended 30 September 2019

The directors present their report together with the audited financial statements for the year ended 30 September 2019.

Results and dividends

The Statement of Comprehensive Income is set out on page 6 and shows the loss for the year.

The principal activity of the company during the year was residential property development and management.

Directors

The directors of the company throughout the year and up to the date of approval were:

P Brocklehurst
D Morris
M Osborne
D L Wood

Directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the company financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

All of the directors as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information. The directors are not aware of any relevant audit information of which the Company's auditor is unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint will be proposed at the annual general meeting.

In preparing this Directors' Report advantage has been taken of the small companies exemption.

Approval

This Directors' Report was approved by order of the Board on 23rd December 2019 and signed on its behalf by



P Brocklehurst

Director

Independent Auditor's Report to the Members of Catesby Estates (Developments II) Limited

Opinion

We have audited the financial statements of Catesby Estates (Developments II) Limited ("the Company") for the year ended 30 September 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.
- we have not received all the information and explanations we require for our audit.

Catesby Estates (Developments II) Ltd

**Independent auditor's report (continued)
for the Year ended 30 September 2019**

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.


Paul Fenner (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Birmingham

Date:

23 December 2019.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Catesby Estates (Developments II) Ltd

**Statement of Comprehensive Income
for the Year ended 30 September 2019**

	Note	2019 £	2018 £
Turnover	3	95,000	-
Cost of sales		(101,615)	(182,100)
		<hr/>	<hr/>
Gross loss		(8,615)	(182,100)
Administrative expenses		(2,103)	(2,075)
		<hr/>	<hr/>
Operating loss	4	(8,718)	(184,175)
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(8,718)	(184,175)
Taxation on loss on ordinary activities	5	-	-
		<hr/>	<hr/>
Loss for the financial year		(8,718)	(184,175)
		<hr/>	<hr/>

There are no recognised gains and losses for the current or prior year other than the loss for the financial year, and the loss for the respective years is wholly attributable to equity shareholders.

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The notes on pages 9 to 13 form part of these financial statements.

Catesby Estates (Developments II) Ltd


**Statement of Financial Position
As at 30 September 2019**

Company number SC258534	Note	2019 £	2019 £	2018 £	2018 £
Current assets					
Stocks	6	-		93,100	
Debtors	7	465,671		384,985	
Cash at bank and in hand	8	14,468		12,772	
		<u>480,139</u>		<u>490,857</u>	
Creditors: amounts falling due within one year	9	-		(2,000)	
Net current assets			<u>480,139</u>		<u>488,857</u>
Total assets less current liabilities			<u>480,139</u>		<u>488,857</u>
Capital and reserves					
Called up share capital	10		1,000		1,000
Profit and loss account			479,139		487,857
Equity attributable to owners of the company			<u>480,139</u>		<u>488,857</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on

23rd December 2019



P Brockhurst
Director

The notes on pages 9 to 13 form part of these financial statements.

Catesby Estates (Developments II) Ltd

**Statement of Changes in Equity
for the Year ended 30 September 2019**

	Share capital	Profit and loss account	Total equity
	£	£	£
1 October 2018	1,000	487,857	488,857
Loss and total comprehensive loss for the year	-	(8,718)	(8,718)
	<hr/>	<hr/>	<hr/>
30 September 2019	1,000	479,139	480,139
	<hr/>	<hr/>	<hr/>

**Statement of Changes in Equity
for the Year ended 30 September 2018**

	Share capital	Profit and loss account	Total equity
	£	£	£
1 October 2017	1,000	672,032	673,032
Loss and total comprehensive loss for the year	-	(184,175)	(184,175)
	<hr/>	<hr/>	<hr/>
30 September 2018	1,000	487,857	488,857
	<hr/>	<hr/>	<hr/>

The purpose of each reserve within equity is as follows:

Share Capital	The nominal value of allotted and fully paid up ordinary share capital
Profit and loss account	Cumulative net gains and losses recognised in the Statement of Comprehensive Income

The notes on pages 9 to 13 form part of these financial statements.

Catesby Estates (Developments II) Ltd
Notes forming part of the financial statements
for the Year ended 30 September 2019

1 Accounting policies

Catesby Estates (Developments II) Limited is a company incorporated in Scotland under the Companies Act 2006. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the directors report.

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, under the historical cost convention and in accordance with the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Company management to exercise judgement in applying the Company's accounting policies (see note 2).

In preparing the financial statements of this company, advantage has been taken of the following disclosure exemptions as permitted by FRS102. The Financial Reporting Standard applicable in the UK and Republic of Ireland:

- the requirements of Section 7 Statement of Cashflows.
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).
- the requirements of Section 11 Financial Instruments paragraph 11.39 to 11.48A.
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Urban&Civic Plc as at 30 September 2019 and these financial statements may be obtained from Companies House.

The financial statements are presented in pound sterling, which is the company's functional and presentation currency.

The following principal accounting policies have been applied consistently:

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 and value added tax.

Revenue in respect of planning promotion agreements is recognised at the point at which the company becomes entitled to disposal proceeds under the terms of the promotion agreement contract.

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably

Stocks

Work in progress includes land and also costs in relation to speculative sites where the company promotes other landowners' land through the planning process for ultimate sale to residential property developers under promotion agreements. The activity of the business is such that the individual projects are long term in nature. Stock is stated at the lower of cost and net realisable value. Cost includes acquisition and related costs, promotion fees, planning costs and any other costs associated with obtaining a change of use. Net realisable value is based on estimated selling price, less further costs of realisation. Interest costs and other attributable direct overheads are included in the value of work in progress where appropriate.

At each reporting date inventories are assessed for impairment. If inventory is impaired the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Profit and Loss Account.

Related Parties

The company is a wholly owned subsidiary of Urban&Civic Plc and has taken advantage of the exemption conferred by section 33.1A of FRS102 not to disclose transactions with its parent company or other wholly owned subsidiaries within the group.

Financial Instruments

Basic financial instruments

Financial assets comprise of trade debtors and other debtors and cash at bank; these are initially recorded at cost on the date they originate and are subsequently recorded at amortised cost. The company considers evidence of impairment of all trade and other debtors and amounts owed by company undertakings, and any subsequent impairment is recognised in profit or loss.

Catesby Estates (Developments II) Ltd
Notes forming part of the financial statements (continued)
for the Year ended 30 September 2019

Impairment of financial assets carried at amortised cost

Impairment provisions are recognised when there is objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulties of the counterparty, default or significant delays in payment.

Impairment provisions represent the difference between the net carrying amount of a financial asset and the present value of the expected future cash receipts from that asset.

Financial liabilities

Financial liabilities comprise of trade creditors, amounts owed to group undertakings and accruals; these are initially recorded at cost on the date they originate and are subsequently carried at amortised cost.

Debtors

Short term debtors are measured at transaction price, less any impairment.

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.

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.

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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or 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's subsidiaries operate and generate taxable income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except 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.

Going Concern

The accounts for the period have been prepared on a going concern basis. In making their assessment the directors have taken into account a letter of support received from the directors of the ultimate parent undertaking Urban & Civic plc which confirms that continued group support will be available for at least 12 months from the date of approval of the financial statements to enable the company to meet its liabilities as they fall due. Accordingly the directors are satisfied that the company has the resources available to trade and meet its liabilities as they fall due for a period of 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis.

Catesby Estates (Developments II) Ltd
Notes forming part of the financial statements (continued)
for the Year ended 30 September 2019

2 Critical Judgements in applying accounting policies and key sources of estimation uncertainty

The company makes certain estimates and assumptions regarding the future. These judgements and estimates affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates are continually evaluated based on historical experience and expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

In preparing these financial statements, the directors have made the following judgements and estimates:

Stock impairment

Stock represents costs in relation to speculative sites. As described in the accounting policy for stocks and work in progress the individual projects are long term in nature therefore the directors have to use their judgement to estimate what the ultimate net realisable value of these sites will be.

Typically assets are acquired or an agreement is entered into with a land owner to promote their site through the planning system. The market value of the asset increases following receipt of planning consent. As such management must ascertain the likelihood of such a change of use planning consent being obtained. In the event that planning consent is denied for a particular asset then management must establish the future prospects for the site with respect to a planning consent or alternative planning application. The carrying value of the stock asset may need to be impaired in the event that the prospects of obtaining planning consent are reduced. If the asset is impaired the loss is reflected in profit and loss for the year.

Recognition of deferred tax assets

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

Significant items on which the Company has exercised accounting judgement include recognition of deferred tax assets in respect of losses from prior periods. The amounts recognised in the financial statements in respect of the matter are derived from the Company's best estimation and judgement as described above. See note 6 in the financial statements.

Recognition therefore involves judgement regarding the future financial performance of the entity.

3 Analysis of Turnover

	2019 £	2018 £
Analysis by class of business:		
Property development	95,000	-
	<u>95,000</u>	<u>-</u>

Turnover arises solely within the United Kingdom

4 Operating profit

Auditors remuneration was borne by another group company in the current and prior period.

The company has no employees other than the Directors who did not receive any remuneration (2018: £nil)

Catesby Estates (Developments II) Ltd
Notes forming part of the financial statements (continued)
for the Year ended 30 September 2019

5 Taxation on loss on ordinary activities

	2019 £	2018 £
(a) Analysis of charge in the year		
Current tax:		
UK corporation tax based on the results for the year at 19% (2018 - 19%)	-	-
Over/under provision in prior year	-	-
Deferred tax:		
Origination and reversal of timing differences	-	-
Changes in tax rates	-	-
Adjustments in respect of prior periods	-	-
Tax on profit on ordinary activities	-	-

The tax assessed for the year differs to the standard rate of corporation tax in the UK applied to loss before tax. The differences are explained below:

(b) Factors affecting the current tax charge

A number of changes to the UK corporation tax system were announced in the March 2016 Budget, including that the main rate of corporation tax would reduce to 17% with effect from 1 April 2020. The deferred tax provision is currently based on 19% due to losses being utilised before prior to this date.

	2019 £	2018 £
Profit/(Loss) on ordinary activities before tax	(8,718)	(184,175)
Profit/(loss) on ordinary activities at 19% (2018 - 19%)	1,656	34,993
Group relief	9,596	(34,993)
Tax losses and other items	(11,252)	-
Total tax (charge)/credit for period	-	-

Factors that may affect future tax charges

A number of changes to the UK corporation tax system were announced in the March 2016 Budget, including that the main rate of corporation tax would reduce to 17% with effect from 1 April 2020.

Deferred Taxation

Deferred taxation provided for at 17% (2018: 17%) in the financial statements is set out below:

The deferred tax included in the Statement of Financial Position is as follows:

	2019 £	2018 £
Included in debtors	-	-

The movement in the deferred taxation account during the year was:

	2019 £	2018 £
Balance brought forward from debtors	-	-
Utilised in the period	-	-
Balance carried forward	-	-

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2019 £	2018 £
Short term timing differences:		
Tax losses available	-	-

Catesby Estates (Developments II) Ltd
Notes forming part of the financial statements (continued)
for the Year ended 30 September 2019

6 Stocks

	2019 £	2018 £
Contract, development work in progress and options	-	93,100
	<u>-</u>	<u>93,100</u>

There is no significant difference between the replacement cost of stocks and the amounts stated above. There were nil impairment losses expensed in the current period (2018: £182,100). There was £101,615 expensed through cost of sales as a result of site sales (2018: nil).

7 Debtors

	2019 £	2018 £
Trade debtors	-	34,150
Amounts owed by group undertakings	384,962	269,566
Prepayments and accrued income	80,709	81,269
	<u>465,671</u>	<u>384,885</u>

All amounts fall due within one year.

8 Cash at bank and in hand

	2019 £	2018 £
Cash at bank and in hand	14,468	12,772
	<u>14,468</u>	<u>12,772</u>

9 Creditors: amounts falling due within one year

	2019 £	2018 £
Amounts owed to group undertakings	-	-
Accruals and deferred income	-	(2,000)
	<u>-</u>	<u>(2,000)</u>

Amounts owed to group undertakings are unsecured, interest free and have no fixed terms of repayment.

10 Share capital

	2019 £	2018 £
Allotted, called up and fully paid 1,000 ordinary shares of £1 each	1,000	1,000

11 Ultimate parent company and parent undertaking of larger group

The largest and smallest group in which results of the company are consolidated is that headed by Urban&Civic Plc, incorporated in Scotland. The consolidated accounts are available to the public and may be obtained from Companies House. No other group accounts include the results of the company.

There is no one controlling party.