

**PREPARED FOR THE REGISTRAR
CULT CLOTHING CHELTENHAM LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

Cult Clothing Cheltenham Limited**(Registration number: 03748024)****Balance Sheet as at 31 March 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>4</u>	21,695	24,106
Investment property	<u>5</u>	400,000	400,000
Investments	<u>6</u>	15,381,537	15,392,156
		<u>15,803,232</u>	<u>15,816,262</u>
Current assets			
Debtors	<u>7</u>	1,060,532	1,258,844
Cash at bank and in hand		<u>102,823</u>	<u>111,571</u>
		1,163,355	1,370,415
Creditors: Amounts falling due within one year	<u>8</u>	<u>(2,024,227)</u>	<u>(2,025,302)</u>
Net current liabilities		<u>(860,872)</u>	<u>(654,887)</u>
Total assets less current liabilities		14,942,360	15,161,375
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(7,200,460)</u>	<u>(7,304,951)</u>
Deferred tax liabilities		<u>(18,905)</u>	<u>(16,915)</u>
Net assets		<u>7,722,995</u>	<u>7,839,509</u>
Capital and reserves			
Called up share capital		200	200
Revaluation reserve		221,449	221,449
Profit and loss account		<u>7,501,346</u>	<u>7,617,860</u>
Total equity		<u>7,722,995</u>	<u>7,839,509</u>

For the financial year ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 19 January 2021

J M Dunkerton

Director

The notes on pages 2 to 6 form an integral part of these financial statements.

Cult Clothing Cheltenham Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:
Dowdeswell Park
London Road
Cheltenham
Gloucestershire
GL52 6UT

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Revenue recognition

Turnover represents rental income receivable for the year, net of value added tax.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Cult Clothing Cheltenham Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land and buildings Leasehold	Life of lease 14 years

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate.

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment. Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for rent.

Trade debtors are recognised initially at the transaction price. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Notes to the Financial Statements for the Year Ended 31 March 2020

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was as follows:

	2020 No.	2019 No.
Average number of employees	1	1

4 Tangible assets

	Land and buildings Leasehold £
Cost or valuation	
At 1 April 2019	33,750
At 31 March 2020	33,750
Depreciation	
At 1 April 2019	9,644
Charge for the year	2,411
At 31 March 2020	12,055
Carrying amount	
At 31 March 2020	21,695
At 31 March 2019	24,106

Cult Clothing Cheltenham Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

5 Investment properties

	2020 £
At 31 March 2020 and 2019	400,000

There has been no valuation of investment property by an independent valuer since April 2005. The historical cost of the property is £178,551 (2019: £178,551).

6 Investments

	2020 £	2019 £
Investments in subsidiaries	20,052	20,052
Other investments	15,361,485	15,372,104
	<u>15,381,537</u>	<u>15,392,156</u>

The other investments represent the company's shares in Dunkerton Properties LLP (OC356004) and Dowdeswell Aviation LLP (OC385653), limited liability partnerships in which Cult Clothing Cheltenham Limited is a designated member.

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2020	2019
Subsidiary undertakings				
Candlyn Properties Developments Limited	Dowdeswell Park London Road Cheltenham GL52 6UT	Ordinary shares	100%	100%
Cult Clothing Limited	Dowdeswell Park London Road Cheltenham GL52 6UT	Ordinary shares	100%	100%

The profit for the financial period of Candlyn Properties Developments Limited was £nil and the aggregate amount of capital and reserves at the end of the period was £52.

The profit for the financial period of Cult Clothing Limited was £nil and the aggregate amount of capital and reserves at the end of the period was £20,000.

Cult Clothing Cheltenham Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

7 Debtors

	Note	2020 £	2019 £
Trade debtors		4,150	4,150
Amounts owed by related parties	9	-	198,386
Other debtors		1,055,362	1,055,363
Prepayments		1,020	945
		<u>1,060,532</u>	<u>1,258,844</u>

8 Creditors

	Note	2020 £	2019 £
Due within one year			
Trade creditors		1,359	2,434
Amounts due to related parties	9	2,020,868	2,020,868
Accrued expenses		2,000	2,000
		<u>2,024,227</u>	<u>2,025,302</u>
Due after one year			
Director's loan		<u>7,200,460</u>	<u>7,304,951</u>

9 Related party transactions

Summary of transactions with other related parties

At 31 March 2020, the company was owed £nil (2019: £198,386) by Brimscombe Court Limited, a company under common control of the director.

At 31 March 2020, the company owed £20,000 (2019: £20,000) and £52 (2019: £52) to Cult Clothing Limited and Candlyn Property Developments Limited respectively, its wholly owned subsidiaries.

At 31 March 2020, the company owed £2,000,816 (2019: £2,000,816) to Cult Clothing Cheltenham Limited Furbs in the form of a loan. Interest is charged on the loan at a fixed rate per annum.

At 31 March 2020, the company owed £7,200,460 (2019: £7,304,951) to J M Dunkerton. This balance is repayable after more than one year.

No interest was charged on the above balances, and there are no fixed repayment terms, unless otherwise stated.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.