

REGISTERED NUMBER: 02587709 (England and Wales)

HUNTERS (MIDLANDS) LIMITED
REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022



HUNTERS (MIDLANDS) LIMITED
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FOR THE YEAR ENDED 31 DECEMBER 2022

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HUNTERS (MIDLANDS) LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022

DIRECTORS:

G J Fiew
D A Raggett
G M Samples
D R Curwen

REGISTERED OFFICE:

2 St Stephens Court
St. Stephens Road
Bournemouth
BH2 6LA

REGISTERED NUMBER:

02587709 (England and Wales)

HUNTERS (MIDLANDS) LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

PRINCIPAL ACTIVITY

The principal of the company continued to be that of an estate agency.

The company has taken the exemptions conferred by S414(B) of the Companies Act 2006 to not prepare a strategic report on the grounds that it would likely qualify as small but for being a member of an ineligible group.

The company has taken the exemption conferred by S415(A) of the Companies Act 2006 permitting it to prepare a directors' report in accordance with the small companies regime on the grounds that it would qualify as small but for being a member of an ineligible group.

DIVIDENDS

The results for the year are set out on page 4.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

G J Frew
D A Raggett
G M Samples
D R Curwen

AUDIT EXEMPTION

The company is entitled to exemption from audit under Section 479A of the Companies Act 2006 for the year ended 31 December 2022.

ON BEHALF OF THE BOARD:



D A Raggett - Director

Date: 20 September 2023

HUNTERS (MIDLANDS) LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

The directors are responsible for preparing the Report of the Directors 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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;
- 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.

HUNTERS (MIDLANDS) LIMITED
STATEMENT OF COMPREHENSIVE
INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
TURNOVER	4	2,239,276	2,963,585
Administrative expenses		<u>(2,162,449)</u>	<u>(2,555,158)</u>
OPERATING PROFIT		76,827	408,427
Interest receivable and similar income	6	<u>-</u>	<u>34</u>
		76,827	408,461
Interest payable and similar expenses	7	<u>(19,285)</u>	<u>(15,017)</u>
PROFIT BEFORE TAXATION	8	57,542	393,444
Tax on profit	9	<u>(10,655)</u>	<u>(69,114)</u>
PROFIT FOR THE FINANCIAL YEAR		46,887	324,330
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>46,887</u>	<u>324,330</u>

The notes form part of these financial statements

HUNTERS (MIDLANDS) LIMITED (REGISTERED NUMBER: 02587709)

**BALANCE SHEET
31 DECEMBER 2022**

	Notes	£	2022 £	£	2021 £
FIXED ASSETS					
Tangible assets	10		378,474		479,691
Investments	11		<u>4</u>		<u>4</u>
			378,478		479,695
CURRENT ASSETS					
Debtors	12	5,520,942		1,113,435	
Cash at bank		<u>839</u>		<u>11,540</u>	
		5,521,781		1,124,975	
CREDITORS					
Amounts falling due within one year	13	<u>4,832,735</u>		<u>494,803</u>	
NET CURRENT ASSETS			<u>689,046</u>		<u>630,172</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,067,524		1,109,867
CREDITORS					
Amounts falling due after more than one year	14		(292,323)		(381,553)
PROVISIONS FOR LIABILITIES	18		<u>(110,648)</u>		<u>(110,648)</u>
NET ASSETS			<u>664,553</u>		<u>617,666</u>
CAPITAL AND RESERVES					
Called up share capital	19		8,600		8,600
Share premium			84,000		84,000
Retained earnings			<u>571,953</u>		<u>525,066</u>
			<u>664,553</u>		<u>617,666</u>

The company is entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

HUNTERS (MIDLANDS) LIMITED (REGISTERED NUMBER: 02587709)

BALANCE SHEET - continued
31 DECEMBER 2022

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 20 September 2023 and were signed on its behalf by:



.....
D A Raggett - Director

The notes form part of these financial statements

HUNTERS (MIDLANDS) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 January 2021	8,600	200,736	84,000	293,336
Changes in equity				
Total comprehensive income	-	324,330	-	324,330
Balance at 31 December 2021	8,600	525,066	84,000	617,666
Changes in equity				
Total comprehensive income	-	46,887	-	46,887
Balance at 31 December 2022	8,600	571,953	84,000	664,553

The notes form part of these financial statements

HUNTERS (MIDLANDS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. COMPANY INFORMATION

Hunters (Midlands) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2 St Stephens Court, St. Stephens Road, Bournemouth, England, BH2 6LA.

The principal activity of the company continued to be that of a letting and estate agency.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- 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;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

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 £1.

Business combinations

The cost of business combination is the fair value at the acquisition at the date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

Going concern

The parent company has produced detailed budgets, projections and cash flow forecasts. These have been stress tested to understand the impacts of reductions in revenue and costs. The Directors have concluded after reviewing these budgets, projections and forecasts, making appropriate enquiries of the business, that there is a reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future. Accordingly, they have adopted the going concern basis in preparing the financial statements.

HUNTERS (MIDLANDS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

Revenue

Under IFRS 15, the company applies the 5-step method to identify contracts with customers, determine performance obligations arising under those contracts, set an expected transaction price, allocate that price to the performance obligations, and then recognises revenue as and when those obligations are satisfied.

Revenue from residential, commercial and land sales

This represents revenue from the sale of residential property, sale of commercial property or the sale of land. The revenue is recognised at the point the company has performed its performance obligation to see the transaction through to the exchange of contracts between the buyer and vendor.

Lettings revenue

This represents revenue from commission earned as letting agents. The company's performance obligations under these contracts are to provide services to manage the letting of properties. Where the performance obligation relates to letting of a property the revenue is recognised at the point the property has been let. Where the performance obligation relates to the management of the lettings property, revenue is recognised over the period the property is managed.

Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Short term leasehold property	Over the period of the lease
Fixtures and fittings	25% straight line
Motor vehicles	25% straight line
Right of use asset	Over the period of the lease

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is created or charged to profit or loss.

Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Other investments in equity instruments are carried at fair value where materially different from cost.

Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

HUNTERS (MIDLANDS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

Financial assets

Financial assets are recognised in the statement of financial position when, and only when, the company becomes a party to the contractual provisions of the instrument.

Financial assets are initially recognised at fair value plus directly attributable transaction costs.

After initial recognition, financial assets are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Impairment losses on trade receivables are measured based on estimated expected credit losses.

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or when the financial asset and all substantial risks and rewards are transferred.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

The company applies a forward-looking model of IFRS 9 to create an estimation of the expected credit losses arising in the next year on its financial assets, using an expectation derived from historic irrecoverable percentages as adjusted for predicted credit risk adjustments arising through forecast market changes.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Equity instruments

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

HUNTERS (MIDLANDS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years 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 reporting end date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions.

Deferred tax liabilities are provided in full. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date. Changes in deferred tax assets or liabilities are recognised as a component of tax expenses in the Statement of Comprehensive Income.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Leases

Under IFRS 16, leases are accounted for on the right of use model. At inception, the company assesses whether a contract contains a lease. The assessment involved the exercise of judgment about whether the company obtains substantially all the economic benefits from the use of that asset, and whether the company has the right to direct the use of the asset.

IFRS 16 permits leases to elect not to apply the recognition requirements to short term leases and leases for which the underlying asset is of low value. The company has elected not to recognise short term leases of less than one year at inception and low value leases which will continue to be reflected in the Income Statement. There are no right of use assets or lease liabilities recognised for these leases, and the expense is recognised in the Statement of Comprehensive Income on a straight line basis.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the company uses an incremental borrowing rate which is the rate of interest that the lessee would have to pay to borrow over a similar term, and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset and are presented within property, plant and equipment.

HUNTERS (MIDLANDS) LIMITED

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

3. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

There were no judgements (apart from those involving estimates) expected to have a significant impact on amounts recognised in the financial statements.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

IFRS 16

In the comparative period the company adopted IFRS 16 for the first time. The liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. All leases were discounted using an estimated implicit rate of 4.5% with almost all leases by value relating to properties.

Liabilities, accruals and provisions

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date. Each period the Directors assess the risks and uncertainties surrounding the balance and review the discount rates applied when calculating the present value where material. In particular, estimation uncertainty arises on the dilapidation provisions and typical rates based on experience have been used to determine the extent of the dilapidations taking into account post year end dilapidation costs incurred. Further details on the assumptions made for specific provisions are disclosed in note 18.

4. TURNOVER

Revenue

	2022 £	2021 £
Revenue analysed by class of business		
Revenue from contracts with customers	<u>2,239,276</u>	<u>2,963,585</u>

	2022 £	2021 £
Other significant revenue		
Interest income	<u>-</u>	<u>34</u>

	2022 £	2021 £
Revenue analysed by geographical group		
United Kingdom	<u>2,239,276</u>	<u>2,963,585</u>

The company does not have any major customers which account for 10% of more of revenues.

HUNTERS (MIDLANDS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

5. EMPLOYEES AND DIRECTORS

	2022	2021
	£	£
Wages and salaries	1,014,711	973,702
Social security costs	96,908	113,253
Other pension costs	21,936	23,769
	<u>1,133,555</u>	<u>1,110,724</u>

The average number of employees during the year was as follows:

	2022	2021
Directors	4	4
Sales and administration	<u>3</u>	<u>5</u>
	<u>7</u>	<u>9</u>

	2022	2021
	£	£
Directors' remuneration	-	96,885
Directors' pension contributions to money purchase schemes	<u>-</u>	<u>5,568</u>

The number of directors remunerated through the company amounted to nil (2021 - 1). In 2022, all director costs were borne by the ultimate parent company, The Property Franchise Group PLC.

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to nil (2021 - 1).

The wages and salaries going through the Statement of Comprehensive Income also include recharges for a number of employees that are employed by a fellow group undertaking, Hunters Property Group Limited.

6. INTEREST RECEIVABLE AND SIMILAR INCOME

Investment income

	2022	2021
	£	£
Interest income		
Interests on bank deposits	<u>-</u>	<u>34</u>
Total income	<u>-</u>	<u>34</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>-</u>	<u>34</u>
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HUNTERS (MIDLANDS) LIMITED

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

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022	2021
	£	£
Hire purchase and finance lease charges	-	495
Leasing	<u>19,285</u>	<u>14,522</u>
	<u>19,285</u>	<u>15,017</u>

8. PROFIT BEFORE TAXATION

	2022	2021
	£	£
Operating profit is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	16,000	10,000
Depreciation of owned property, plant and equipment	14,572	15,535
Depreciation of property, plant and equipment held under leases	94,387	84,415
Profit on disposal of property, plant and equipment	<u>(4,205)</u>	<u>-</u>

9. TAXATION

Analysis of tax expense

	2022	2021
	£	£
Current tax:		
Tax	7,485	69,114
Over/under provision in prior year	<u>3,170</u>	<u>-</u>
Total tax expense in statement of comprehensive income	<u>10,655</u>	<u>69,114</u>

Factors affecting the tax expense

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2022	2021
	£	£
Profit before income tax	<u>57,542</u>	<u>393,444</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	10,933	74,754
Effects of:		
Tax effect of expenses that are not deductible in determining taxable profit corporation tax rate	(2,943)	99
Depreciation on assets not qualifying for tax allowances	1,775	(4,030)
Other differences	(2,280)	(1,709)
Adjustments to tax charge in respect of previous periods	<u>3,170</u>	<u>-</u>
Tax expense	<u>10,655</u>	<u>69,114</u>

HUNTERS (MIDLANDS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

9. TAXATION - continued

The UK corporation tax rate was 19% throughout the year.

In the March 2021 Budget, a further change to the future UK corporation tax rate was announced, indicating that the rate will increase to 25% from April 2023. Deferred tax balances at the reporting date are therefore measured at 25% (2021 - 25%).

10. TANGIBLE FIXED ASSETS

	Short leasehold property £	Fixtures and fittings £	Motor vehicles £	Right of use asset £	Totals £
COST					
At 1 January 2022	76,102	226,878	11,058	868,726	1,182,764
Disposals	-	-	-	(114,687)	(114,687)
At 31 December 2022	<u>76,102</u>	<u>226,878</u>	<u>11,058</u>	<u>754,039</u>	<u>1,068,077</u>
DEPRECIATION					
At 1 January 2022	74,869	190,819	11,058	426,327	703,073
Charge for year	763	13,808	-	86,646	101,217
Eliminated on disposal	-	-	-	(114,687)	(114,687)
At 31 December 2022	<u>75,632</u>	<u>204,627</u>	<u>11,058</u>	<u>398,286</u>	<u>689,603</u>
NET BOOK VALUE					
At 31 December 2022	<u>470</u>	<u>22,251</u>	<u>-</u>	<u>355,753</u>	<u>378,474</u>
At 31 December 2021	<u>1,233</u>	<u>36,059</u>	<u>-</u>	<u>442,399</u>	<u>479,691</u>

The net carrying value of tangible fixed assets includes the following in respect of assets held under lease contracts.

Leased assets	2022 £	2021 £
Net values	355,753	297,582
Depreciation charge for the year	<u>86,646</u>	<u>84,415</u>

11. INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2022 and 31 December 2022	<u>4</u>
NET BOOK VALUE	
At 31 December 2022	<u>4</u>
At 31 December 2021	<u>4</u>

HUNTERS (MIDLANDS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

11. INVESTMENTS - continued

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Country of incorporation	Nature of business	Class of shares held	% Held direct
Hunters Financial Services Limited	England and Wales	Mortgage and related services	Ordinary	100.00
Hunters Survey & Valuation Limited	England and Wales	Dormant	Ordinary	100.00

All subsidiaries have a registered office of 2 St Stephens Court, St. Stephens Road, Bournemouth, England, BH2 6LA.

12. DEBTORS

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	2,122	-
Amounts owed by group undertakings	5,472,888	1,058,915
Other debtors	20,449	29,037
	<u>5,495,459</u>	<u>1,087,952</u>
Amounts falling due after more than one year:		
Other debtors	25,483	25,483
	<u>25,483</u>	<u>25,483</u>
Aggregate amounts	<u>5,520,942</u>	<u>1,113,435</u>
Deferred tax asset		
	2022 £	2021 £
Deferred tax due within 1 year	1,626	1,626
Deferred tax due after 1 year	25,483	25,483
	<u>27,109</u>	<u>27,109</u>

Other debtors includes deferred tax assets.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Leases (see note 16)	88,565	84,888
Trade creditors	1,926	9,970
Amounts owed to group undertakings	4,652,475	323,782
Corporation tax	79,769	69,114
Accruals and deferred income	10,000	7,049
	<u>4,832,735</u>	<u>494,803</u>

HUNTERS (MIDLANDS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Leases (see note 16)	<u>292,323</u>	<u>381,553</u>

15. DEFERRED TAXATION

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2022 £	Liabilities 2021 £	Assets 2022 £	Assets 2021 £
Balances:				
Accelerated capital allowances	2,648	2,648	-	-
Provisions	-	-	22,230	22,230
IFRS 16 transitional adjustment	<u>-</u>	<u>-</u>	<u>4,879</u>	<u>4,879</u>
	<u>2,648</u>	<u>2,648</u>	<u>27,109</u>	<u>27,109</u>
Movements in the year:				2022 £
Asset at 1 January 2022				(24,461)
Credit to profit or loss				-
Effect of change in tax rate - profit or loss				<u>-</u>
Asset at 31 December 2022				<u>(24,461)</u>

16. FINANCIAL LIABILITIES - BORROWINGS

	2022 £	2021 £
Current:		
Leases (see note 17)	<u>88,565</u>	<u>84,888</u>
Non-current:		
Leases (see note 17)	<u>292,323</u>	<u>381,553</u>

Terms and debt repayment schedule

	1 year or less £	1-2 years £	More than 5 years £	Totals £
Leases	<u>88,565</u>	<u>219,003</u>	<u>73,320</u>	<u>380,888</u>

HUNTERS (MIDLANDS) LIMITED

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

17. LEASING

Lease liabilities

Minimum lease payments fall due as follows:

	2022 £	2021 £
Gross obligations repayable:		
Within one year	103,590	103,507
Between one and five years	255,162	281,949
In more than five years	77,358	155,832
	<u>436,110</u>	<u>541,288</u>
Finance charges repayable:		
Within one year	15,025	18,619
Between one and five years	36,159	41,415
In more than five years	4,038	14,813
	<u>55,222</u>	<u>74,847</u>
Net obligations repayable:		
Within one year	88,565	84,888
Between one and five years	219,003	240,534
In more than five years	73,320	141,019
	<u>380,888</u>	<u>466,441</u>

18. PROVISIONS FOR LIABILITIES

	2022 £	2021 £
Dilapidations	<u>108,000</u>	<u>108,000</u>
Movements in provisions:		
		Dilapidations
		£
Reduction in provision in the year		<u>-</u>

Dilapidations provision

The company holds a number of office leases under which it is obliged to make good certain elements of the buildings. During the year the provision has been estimated for the amount that will be due on expiry of the lease. The dilapidations provision has been created in respect of restoration costs anticipated for offices leased by the Group which are recognised over the term of each lease.

HUNTERS (MIDLANDS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

19. CALLED UP SHARE CAPITAL

	2022	2021
	£	£
Ordinary share capital		
Authorised		
860,000 Ordinary shares of 10p each	<u>86,000</u>	<u>86,000</u>
	<u>86,000</u>	<u>86,000</u>
Issued and fully paid		
86,000 Ordinary shares of 10p each	<u>8,600</u>	<u>8,600</u>
	<u>8,600</u>	<u>8,600</u>

21. RETIREMENT BENEFIT SCHEMES

Defined contribution schemes	2022	2021
	£	£
Charge to profit or loss in respect to defined contribution schemes	<u>21,936</u>	<u>23,769</u>

The company operates a defined contribution pension schemes for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

22. EVENTS AFTER THE REPORTING PERIOD

On 31 January 2023 Hunters (Midlands) Limited acquired the entire issued share capital of Michael Searchers Property Management Limited for consideration of £257k. This consisted of £225k paid on completion, £7k paid for excess working capital and £25k deferred consideration to be paid in August 2023. The business was immediately hived up into Hunters (Midlands) Limited. Net assets of £33k were acquired and £224k recognised in intangible assets as a customer list.

23. FINANCIAL COMMITMENTS, GUARANTEES AND CONTINGENT LIABILITIES

Effective 27 January 2021 the company has entered into a bank cross guarantee with its parent company and fellow subsidiaries. The total guarantee amounted to the £5m outstanding on the loan as at 31 December 2022.

The assets of the company are pledged as security for the bank borrowings of the parent company, by way of a fixed and floating charge.

The company had no other contingent liabilities as at 31 December 2022.

24. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available in FRS 101 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group, which would otherwise be required by IAS 24 'Related party disclosures'.

25. ULTIMATE CONTROLLING PARTY

As at the year end, Hunters (Midlands) Limited's immediate parent company is Hunters Franchising Limited, and its ultimate parent company is The Property Franchise Group Plc. The Property Franchise Group Plc is the smallest and largest group into which Hunters (Midlands) Limited is consolidated. Copies of The Property Franchise Group Plc's financial statement can be obtained from 2 St. Stephen's Court, St. Stephen's Road, Bournemouth, Dorset, BH2 6LA.