

Unaudited Financial Statements
for the Year Ended 31 March 2023
for
Lees House Limited

Contents of the Financial Statements
for the Year Ended 31 March 2023

| | Page |
|--|-------------|
| Company Information | 1 |
| Balance Sheet | 2 |
| Notes to the Financial Statements | 3 |

Lees House Limited

Company Information
for the Year Ended 31 March 2023

DIRECTORS:

D R Hill
R E Hill

SECRETARY:

C A Cross

REGISTERED OFFICE:

The Orchard
Strawberry How Road
Cockermouth
Cumbria
CA13 9XQ

REGISTERED NUMBER:

04344346 (England and Wales)

ACCOUNTANTS:

A C Mole
Chartered Accountants
Stafford House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Balance Sheet
31 March 2023

| | Notes | 2023 £ | £ | 2022 £ | £ |
|--|-------|------------------|--------------------|-------------------|---------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 4 | | 10,658,788 | | 15,851,563 |
| CURRENT ASSETS | | | | | |
| Stocks | 5 | 147,037 | | 260,885 | |
| Debtors | 6 | 2,421,953 | | 3,733,305 | |
| Cash at bank | | <u>267,555</u> | | <u>372,999</u> | |
| | | 2,836,545 | | 4,367,189 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 7 | <u>7,875,422</u> | | <u>15,676,077</u> | |
| NET CURRENT LIABILITIES | | | <u>(5,038,877)</u> | | <u>(11,308,888)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 5,619,911 | | 4,542,675 |
| PROVISIONS FOR LIABILITIES | | | <u>706,500</u> | | <u>853,500</u> |
| NET ASSETS | | | <u>4,913,411</u> | | <u>3,689,175</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | | | 2 | | 2 |
| Revaluation reserve | | | 3,635,904 | | 3,635,904 |
| Retained earnings | | | <u>1,277,505</u> | | <u>53,269</u> |
| SHAREHOLDERS' FUNDS | | | <u>4,913,411</u> | | <u>3,689,175</u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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 financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 5 September 2023 and were signed on its behalf by:

D R Hill - Director

Notes to the Financial Statements
for the Year Ended 31 March 2023

1. STATUTORY INFORMATION

Lees House Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of value added tax, and represents rent receivable for the year.

Tangible fixed assets

The long leasehold property is stated in the balance sheet at directors' valuation.

The property is not depreciated as it is regularly revalued and it is considered that depreciation would be immaterial. Annual impairment reviews are undertaken to ensure the carrying value can be supported.

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits

The company contributes to an employee personal pension plan. Contributions payable to the pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 2 (2022 - NIL).

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

4. TANGIBLE FIXED ASSETS

| | Freehold property £ | Long leasehold £ | Computer equipment £ | Totals £ |
|--------------------------|---------------------------|------------------------|----------------------------|-------------|
| COST OR VALUATION | | | | |
| At 1 April 2022 | 7,600,512 | 8,250,000 | 1,402 | 15,851,914 |
| Additions | 311,229 | - | - | 311,229 |
| Disposals | (5,503,654) | - | - | (5,503,654) |
| At 31 March 2023 | 2,408,087 | 8,250,000 | 1,402 | 10,659,489 |
| DEPRECIATION | | | | |
| At 1 April 2022 | - | - | 351 | 351 |
| Charge for year | - | - | 350 | 350 |
| At 31 March 2023 | - | - | 701 | 701 |
| NET BOOK VALUE | | | | |
| At 31 March 2023 | 2,408,087 | 8,250,000 | 701 | 10,658,788 |
| At 31 March 2022 | 7,600,512 | 8,250,000 | 1,051 | 15,851,563 |

Cost or valuation at 31 March 2023 is represented by:

| | Freehold property £ | Long leasehold £ | Computer equipment £ | Totals £ |
|-------------------|---------------------------|------------------------|----------------------------|-------------------|
| Valuation in 2017 | - | 3,555,680 | - | 3,555,680 |
| Valuation in 2022 | - | 650,224 | - | 650,224 |
| Cost | 2,408,087 | 4,044,096 | 1,402 | 6,453,585 |
| | <u>2,408,087</u> | <u>8,250,000</u> | <u>1,402</u> | <u>10,659,489</u> |

If the leasehold property had not been revalued it would have been included at the following historical cost:

| | 2023 £ | 2022 £ |
|------|------------------|------------------|
| Cost | <u>4,044,096</u> | <u>4,044,096</u> |

The leasehold property was last valued on an open market basis on 31 March 2022 by the directors .

5. STOCKS

| | 2023 £ | 2022 £ |
|------------------|----------------|----------------|
| Work-in-progress | <u>147,037</u> | <u>260,885</u> |

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 £ | 2022 £ |
|-----------------------------------|------------------|------------------|
| Trade debtors | 17,876 | 67,991 |
| Other debtors | 2,365,760 | 3,599,462 |
| Service charge account net assets | - | 36,411 |
| Prepayments and accrued income | 38,317 | 29,441 |
| | <u>2,421,953</u> | <u>3,733,305</u> |

Included in other debtors is a loan made to Dentons SIPP DR Hill and Dentons SIPP RE Hill. The loan documentation was completed on 30 April 2021. The loan carries interest at 2.75% per annum and is repayable in 36 quarterly instalments. The loan is repayable by 30 April 2031.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 | 2022 |
|--|------------------|-------------------|
| | £ | £ |
| Trade creditors | 36,754 | 14,514 |
| Amounts owed to group undertakings | 7,326,276 | 14,722,782 |
| Corporation tax | 74,606 | 130,302 |
| Other taxes and social security | 16,904 | 61,659 |
| Other creditors | 189,113 | 366,695 |
| Amounts owed to service charge tenants | - | 36,411 |
| Directors' current accounts | 1,550 | 334 |
| Accruals and deferred income | 230,219 | 343,380 |
| | <u>7,875,422</u> | <u>15,676,077</u> |

8. LEASE COMMITMENTS

The company is committed to annual lease payments of £76,400 in respect of a long lease which expires in 2108.

9. ULTIMATE CONTROLLING PARTY

The ultimate parent company is L F D Group Limited, a company incorporated in England and Wales.

The directors, Mr D R and Mrs R E Hill, own 99.9% of the issued share capital of L F D Group Limited and are therefore the ultimate controlling party.

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.