

Tunbridge Wells Property Holdings Ltd

Statement of Accounts for 2024/25



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Company Information

Company Name: Tunbridge Wells Property Holdings Limited

Registered Office: Town Hall, Civic Way, Royal Tunbridge Wells, Kent, UK. TN1 1RS

Company: Registration Number: 09477122

Directors: Mr David Candlin
Ms Beverley Palmer
Mr Hugh Patterson

Auditor: Perrys Audit Limited

Auditor Address: 10 Upper Grosvenor Road, Tunbridge Wells, Kent, TN1 2EP

Banker: Lloyds Bank

Banker Address: PO Box 1000, Andover, BX1 1LT

Directors' Report

The Directors present their report with the financial statements of the company for the year ended 31 March 2025.

Directors

Mr David Candlin became a Director on 9 March 2015 when the company was incorporated.

Ms Beverley Palmer has held office for the period 9 April 2015 to the current date.

Mr Hugh Patterson has held office for the period 15 July 2024 to the current date.

Principal Activity

The principal activity of the company in the period under review was:

Letting of property in the private rented sector.

Dividend

The company has made a cumulative loss and therefore there is no dividend to be made.

Business Review

In the tenth period of operation the company has a portfolio of 19 properties leased from Tunbridge Wells Borough Council. The properties are rented out via Bracketts Estate Agents under Assured Shorthold Tenancies.

Going Concern Review

The Directors have considered all available information about the events after the reporting period and future development plans when considering going concern. The Directors have also reviewed forecast cash flows for two years following the date of these accounts and have obtained confirmation that funding and support from Tunbridge Wells Borough Council will be available for a period of 12 months from the date of this report. We have therefore concluded that Tunbridge Wells Property Holdings Ltd remains able to meet its obligations as they fall due for the foreseeable future.

All compliance returns required to date, have been filed. The accounts for the year to 31 March 2025 must be filed at Companies House by 31 December 2025.

This report has been prepared in accordance with the provisions in part 15 of the Companies Act 2006, relating to the Small Companies regime for reporting.

This report was approved by the Board of Directors on 26 November 2025 and

Signed on behalf of the Board by:



David Candlin (Director)

Directors' Responsibilities Statement

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws), including International Financial Reporting Standards (IFRS's) as adopted by the UK. 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 and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- make 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
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements

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.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors, in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Tunbridge Wells Property Holdings Limited

Opinion

We have audited the financial statements for Tunbridge Wells Property Holdings Limited (the 'company') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows 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 International Financial Reporting Standards (IFRSs) as adopted by the UK.

In our opinion, the financial statements:

- Give a true and fair view of the company's affairs as at 31 March 2025 and of its profit for the year then ended;
- Have been properly prepared in accordance with IFRSs as adopted by the UK; 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our 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 where 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
- we have not received all the information and explanations we require for our audit.

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 for 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on 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.



Stephen Hale
Senior Statutory Auditor
for and on behalf of Perrys Audit Limited
Chartered Accountants
Statutory Auditor
10 Upper Grosvenor Road
Tunbridge Wells
Kent
TN1 2EP

Date: 27 November 2025

Statement of Comprehensive Income for the period ended 31 March 2025

2023/24	Note		2024/25
£			£
Continuing Operations			
291,883	6	Revenue	305,178
(113,919)	7	Cost of Sales	(122,244)
177,964		Gross Profit	182,934
3,974	6	Other Income	5,574
(122)	7	Administrative Expenses	(16)
(8,904)	7	Audit Fee	(9,348)
(57,281)	11	Depreciation	(72,960)
115,631		Profit from Operations	106,184
(80,665)	10	Finance Expenses	(96,144)
34,966		Profit before Tax	10,040
0	9	Income Tax Expense	(384)
34,966		Profit/(Loss) for the Period	9,656

Statement of Financial Position at 31 March 2025

Company Registration number: 09477122 (England and Wales)

31 March 2024			31 March 2025
£			£
	Assets		
	Non-Current Assets		
834,382	10	Right-of-use Assets	988,177
834,382		Total Non-Current Assets	988,177
	Current Assets		
4,482	12	Trade and Other Receivables	6,876
185,735	13	Cash and Cash Equivalents	234,933
190,217		Total Current Assets	241,809
1,024,599		Total Assets	1,229,986
	Liabilities		
	Current Liabilities		
(53,314)	15	Trade and Other Payables	(59,269)
(8,904)	15	Audit Fee	(9,348)
0	9	Current Tax Liability	(384)
(37,664)	10	Current Lease Liability	(48,074)
(99,882)		Total Current Liabilities	(117,075)
	Non-Current Liabilities		
(937,376)	10	Non-Current Lease Liability	(1,115,914)
(937,376)		Total Non-Current Liabilities	(1,115,914)
(1,037,258)		Total Liabilities	(1,232,989)
(12,659)		Net Liabilities	(3,003)

31 March 2024			31 March 2025
£			£
Equity			
100	14	Share Capital	100
(12,759)		Retained Earnings	(3,103)
(12,659)		Total Equity Deficit	(3,003)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 November 2025.



David Candlin (Director)

Statement of Changes in Equity for the period ended 31 March 2025

	Ordinary Shares	Retained Earnings	Total Equity
	£	£	£
Balance as at 1 April 2023	100	(47,725)	(47,625)
Changes in Equity for 2023/24			
Gain/(Loss) for the period	0	58,980	58,980
IFRS16 Leases	0	(24,014)	(24,014)
Total Comprehensive Income for the Period Gain/(Loss)	0	34,966	34,966
Dividends	0	0	0
Issue of Share Capital	0	0	0
Balance as at 31 March 2024	100	(12,759)	(12,659)

	Ordinary Shares	Retained Earnings	Total Equity
	£	£	£
Balance as at 1 April 2024	100	(12,759)	(12,659)
Changes in Equity for 2024/25			
Gain/(Loss) for the period	0	44,809	44,809
IFRS16 Leases	0	(35,153)	(35,153)
Total Comprehensive Income for the Period Gain/(Loss)	0	9,656	9,656
Dividends	0	0	0
Issue of Share Capital	0	0	0
Balance as at 31 March 2025	100	(3,103)	(3,003)

Statement of Cash Flows for the period ended 31 March 2025

2023/24		2024/25
£		£
Cash flows from operating activities		
34,966	Profit/(Loss) before taxation	10,040
Adjustments for:		
(1,004)	Increase/decrease in trade receivables	(2,394)
(10,412)	Increase/decrease in trade and other payables	6,399
57,281	Add Depreciation Expense	72,960
80,665	Interest charges	96,144
161,496	Net Cash from Operating Activities	183,149
Cash flows from financing activities		
(113,932)	Repayment of borrowings and leasing liabilities	(133,951)
(113,932)	Net cashflows from financing activities	(133,951)
47,564	Net increase/(decrease) in cash and cash equivalents	49,198
138,171	Cash and cash equivalents at beginning of period	185,735
185,735	Cash and cash equivalents at end of period	234,933
47,564	Net increase/(decrease) in cash and cash equivalents	49,198

Notes to the Financial Statements

The principal accounting policies applied in the preparation of these financial statements are set out below:

1 General Information

Tunbridge Wells Property Holdings Limited is a private company limited by shares, incorporated in England and Wales. The address of its registered office and principal place of business is Town Hall, Civic Way, Royal Tunbridge Wells, Kent, UK. TN1 1RS. The principal activity of the company is the letting of property in the private rented sector.

Tunbridge Wells Property Holdings Ltd is a wholly owned subsidiary of Tunbridge Wells Borough Council which is a Local Government organisation.

2 Basis of Preparation

These financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the UK and the Companies Act 2006.

The financial statements have been prepared on the basis that the company is a going concern and will continue in operation for the foreseeable future.

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.

Tunbridge Wells Property Holdings Ltd has not adopted any standards or interpretations in advance of the required implementation dates. It is not expected that any other standards or interpretations which have been issued by the International Accounting Standards Board but have not been adopted, will have a material impact on the financial statements.

3 Events after the Reporting Period

There have been no events to report since the end of the reporting period, that would materially affect the accounts. There is agreement between the Council and the Company to sell rental properties at 18 Grove Hill House, 25 Monson Road and Cemetery Lodge and following the reporting period they have been placed on the market for disposal. The sale of 25 Monson Road completed on 29 October 2025 and the Council surrendered the lease with the Company from this date.

4 Accounting Policies

4.1 Changes in Accounting Policies

There have been no changes in Accounting Policies for this period. The company has applied International Financial Reporting Standard (IFRS) 16 Leases from 1 April 2019.

4.2 Trade Receivables

Trade receivables are initially measured at fair value and are subsequently carried at amortised cost in the Financial Statements. Consideration will be given to balances throughout the period to determine if any amounts are deemed irrecoverable. Where irrecoverable amounts are identified, the impairment is recognised immediately through the Statement of Comprehensive Income.

4.3 Cash and Cash Equivalents

Cash equivalents comprise of short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Short term is defined as having a maturity within 3 months.

4.4 Trade and Other Payables

Trade payables are initially measured at fair value and are subsequently carried at amortised cost in the Financial Statements at year end.

4.5 Revenue

Revenue comprises of rental income from tenanted properties. Tunbridge Wells Property Holdings Limited's parent manages the contract with Bracketts Estate Agent, who manage the billings, collection and recovery of rental income and provide statements to the company on a regular basis.

Rental revenues are recognised on an accrual basis for the period in accordance with the individual tenancy agreements.

4.6 Taxation

Income tax for the period is based on taxable income for the period. Taxable income differs from profit as reported in the Statement of Comprehensive Income for the period as there are some items which may never be taxable or deductible for tax and other items which may be deductible or taxable in other periods. Income tax for the period is calculated using the current ruling tax rate.

4.7 Fair Value Measurement and Valuation Process

Tunbridge Wells Property Holding Ltd measures payables and receivables at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to

transfer a liability in an orderly transaction between market participants at the measurement date.

4.8 Leases

A lease is an agreement whereby the lessor conveys to the lessee, in return for a payment or a number of payments, the right to use an asset for an agreed period of time.

Company as Lessor

As a lessor the company classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset and classified as an operating lease if it does not.

Company as Lessee

IFRS 16 which relates to leases, was introduced for the financial year commencing 1 April 2019 and requires that a Lessee should recognise all leases on their Balance Sheet unless they are of very low value or for less than 12 months in duration.

The “right-of-use” asset values are calculated as the present value of the remaining, non-cancellable, property lease payments. There is significant demand for Housing in the Borough and historically the vacant periods for the properties have been very short.

Whilst the Company could borrow from the Tunbridge Wells Borough Council as it is a wholly owned subsidiary, in order to comply with UK Subsidy Control regulations the interest rate must be set on substantially commercial terms. The discount rate adopted at transition was 8%, which was a market interest rate as at 1st April 2019, the Company’s initial application date. The same rate has been used for all leases as they all relate to residential housing properties, of reasonably similar value, with 22 year leases and similar remaining lease terms, in the Borough of Tunbridge Wells. This rate will continue to be used, unless there is a lease modification or reassessment that requires the company to determine a new rate. If there are further leases added to the portfolio in the future, the incremental borrowing rate at that point in time will be applied.

4.9 Depreciation

The only assets held are the property leases brought onto the Balance Sheet as “Right of Use Assets”. Depreciation is based on the net present value of each of the leases, including any additions or deletions, over the remaining life of the lease on a straight line basis.

Depreciation is charged to the Statement of Comprehensive Income.

5 Critical Judgements

The critical judgements made in preparing the Company’s 2024/25 accounts are as follows:

5.1 Going Concern

It is assumed that the Council will continue in operational existence for the foreseeable future and accordingly the Accounts have been prepared on a going concern basis.

The Directors have reviewed forecast cash flows for two years following the date of these accounts and have obtained confirmation that funding and support from Tunbridge Wells Borough Council will be available for a period of 12 months from the date of this report. It is concluded therefore that Tunbridge Wells Property Holdings Ltd remains able to meet its obligations as they fall due for the foreseeable future. It is also considered that the current economic conditions are unlikely to adversely impact the company's financial position, as demand for housing remains high and rents are remaining stable.

There is agreement between the Council and the Company to sell some of the rental properties currently leased to the Company, but as its parent the Council will ensure the Company's continuity.

5.2 Group Accounts

The Tunbridge Wells Property Holdings Ltd Company began trading on 18 May 2015 and is a wholly owned subsidiary of the Tunbridge Wells Borough Council. The revenue has only been £305,178 during the year and is considered immaterial to the Council's accounts. The Council has determined that it is not yet necessary to provide Group Accounts. This will be monitored in the future and should the revenue become material, Group Accounts will be provided.

5.3 Key Estimates

Leases

The discount rate adopted at transition to estimate the Right-Of-Use Asset Value of the leases was 8%, which was a market interest rate obtained from MUFG Corporate Markets (formerly Link Asset Services), an investment management advisory company. The same rate has been used for the reassessment of the leases carried out since transition.

6 Revenue

The revenue for Tunbridge Wells Property Holdings Ltd is comprised of income from rental activities and interest from its bank account.

2023/24		2024/25
£		£
Revenue		
291,883	Revenue from Rental Activities	305,178
3,974	Other Income	5,574

295,857	Total	310,752
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7 Disclosure of Expenses

The following items have been recognised as expenses in determining loss before tax:

2023/24		2024/25
£		£
Expenses		
(113,919)	Cost of Sales	(122,244)
(122)	Other Expenses	(16)
(7,956)	Audit Fee	(8,352)
(948)	Taxation Fees	(996)
(122,945)	Total	(131,608)

The audit fees of £8,352 are in respect of Perrys Audit Limited who are the company's external auditor for the audit of the 2024/25 accounts.

8 Finance Costs

Tunbridge Wells Property Holding Ltd was given approval to borrow up to the sum of £10,000 from Tunbridge Wells Borough Council for cash flow purposes at the start of trading. The cash received from rental income has been sufficient to fund the cashflow required for costs and the borrowing has not been required. The facility, however, is ongoing.

9 Income Tax Expenses

The company had unrelieved tax losses of £8,018 available to it which have been used to offset tax due in this period. The tax due for the year was as follows:

2023/24		2024/25
£		£
Income Tax		
0	Current Corporation Tax	384
0	Total	384

10 Leases

10.1 The Company as Lessee

Tunbridge Wells Property Holdings Limited has 10 leases with its parent company, Tunbridge Wells Borough Council, for the lease of a total of 19 residential properties. The term of the leases is for a period of 22 years. None have an option to extend. All leases have been recognised as a liability.

Right-of Use Assets

Right-of-Use Assets are presented in the Statement of Financial Position as follows:

31 March 2024		31 March 2025
£		£
	Right-of-Use Asset	
834,382	Right-of-Use Asset	988,177
834,382	Total	988,177

Lease Liabilities

Lease liabilities are presented in the Statement of Financial Position as follows:

31 March 2024		31 March 2025
£		£
(37,664)	Current Lease Liability	(48,074)
(937,376)	Non-current Lease Liability	(1,115,914)
(975,040)	Total	(1,163,988)

As at 31 March 2025 the total of the company's future minimum lease payments is broken down as follow:

	31 March 2025	31 March 2025	31 March 2025
	Lease Payments	Finance Charges	Net Present Value
	£	£	£

Within 1 year	141,193	93,119	48,074
1 to 2 years	144,026	89,273	54,753
2 to 5 years	433,734	239,972	193,762
5 to 10 years	722,890	281,804	441,086
10 to 25 years	528,478	102,165	426,313
Total	1,970,321	806,333	1,163,988

As at 31 March 2024 the total of the company's future minimum lease payments is broken down as follows:

	31 March 2024	31 March 2024	31 March 2024
	Lease Payments	Finance Charges	Net Present Value
	£	£	£
Within 1 year	115,667	78,003	37,664
1 to 2 years	116,072	74,990	41,082
2 to 5 years	348,216	204,178	144,038
5 to 10 years	580,360	252,467	327,893
10 to 25 years	538,974	114,611	424,363
Total	1,699,289	724,249	975,040

10.2 The Company as Lessor

The company has 19 Assured Shorthold Tenancy (AST) agreements with the residents of the properties they let. They are all treated as operating leases.

At 31 March 2025 the total of the company's future minimum lease receivables under non-cancellable operating leases was:

31 March 2024		31 March 2025
£		£
	Minimum Lease Receivables	
148,107	Not later than 1 year	138,764

148,107	Total	138,764
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11 Depreciation

Depreciation is chargeable on the Right-of Use Assets as shown in the table below:

2023/24		2024/25
£		£
	Depreciation Right of Use Asset	
57,281	Depreciation	72,960
57,281	Total	72,960

12 Trade and Other Receivables

The trade debtors relate to Bracketts Estate Agent, who manage the billings, collection and recovery of rental income and therefore no provision for bad and doubtful debt has been made.

31 March 2024		31 March 2025
£		£
	Trade and Other Receivables	
4,482	Trade Receivables	6,876
4,482	Total	6,876

13 Cash and Cash Equivalents

Cash and cash equivalents consist of the bank balance only.

31 March 2024		31 March 2025
£		£
	Cash and Cash Equivalents	
185,735	Bank Account	234,933
185,735	Total	234,933

14 Ordinary Shares

All fully paid up shares have a par value of £1 and entitle the holder to one vote and equal rights to dividends declared.

31 March 2024		31 March 2025
£		£
	Authorised	
100	100 Ordinary Shares of £1 each	100
100	Total	100
	Issued and fully paid for	
100	100 Ordinary Shares of £1 each	100
100	Total	100

15 Trade and Other Payables

31 March 2024		31 March 2025
£		£
	Trade and Other Payable	
11,814	Trade Creditors	7,968
41,500	Related Party Payables	51,301
8,904	Audit & Taxation Fees	9,348
0	Income Tax	384
62,218	Total	69,001

16 Related Parties

Tunbridge Wells Property Holdings Ltd is a wholly owned and controlled subsidiary of Tunbridge Wells Borough Council which is the ultimate parent of the company.

All Directors of the company are either Officers or Members of Tunbridge Wells Borough Council and do not receive any remuneration from the Company. The Company also had no employees for the financial period ended 31 March 2025.

The following amounts reflect balances between Tunbridge Wells Property Holdings Ltd and Tunbridge Wells Borough Council.

31 March 2024		31 March 2025
£		£
Amount Owed to Related Party		
41,500	Trade Creditors	51,301
41,500	Total	51,301

During the year the company made purchases from Tunbridge Wells Borough Council of £195,139 of which £143,838 had been settled within the year. The equivalent amount for 2023/24 was £164,838 of which £123,338 had been settled within the year. Amounts owed to and by the parent are unsecured, interest free and have fixed repayment terms. The balances will be settled in cash.

17 Financial Instruments and Financial Risk Management

17.1 Categories of Financial Instrument

Below is the carrying value and the fair value of the company's financial instruments.

31 March 2024		31 March 2025
£		£
Financial Assets		
4,482	Trade and Other Receivables	6,876
185,735	Cash and Cash Equivalents	234,933
190,217	Total	241,809
Financial Liabilities		
(62,218)	Trade and Other Payables	(69,001)
(975,040)	Lease Liabilities	(1,163,988)
(1,037,258)	Total	(1,232,989)

It is the Directors' opinion that the carrying value of financial assets and liabilities is the same as their fair value due to the short-term maturities of these instruments.

17.2 Financial Instruments Risk Management

The company's operations expose it to a number of financial risks. The company is mindful of possible risks and they are considered on an ongoing basis for relevance and materiality. Where risks are relevant then the company shall ensure it has full understanding of the risks and manage them accordingly within the risk appetite of the company.

Market Risk

Market risk is the risk that the fair value of future cash flows of our financial instruments will fluctuate because of changes in market prices. The company had no financial instruments susceptible to market risk at year end.

The company could be exposed to fluctuations arising from movements in average rents chargeable for rented property but does not anticipate any reduction in the rental incomes.

Credit Risk

Credit Risk is the risk of default by one of the company's counterparties. For Tunbridge Wells Property Holdings Limited this is limited to its trade receivables and cash equivalents. The amounts exposed to credit risk are shown as financial assets under the classes of financial instruments.

Cash and cash equivalents relate to the Company's bank balance and these are held by a reputable bank, Lloyds, to minimise counter party risk.

Liquidity Risk

Liquidity risk arises where the Company does not have sufficient cash reserves to meet future working capital requirements and take advantage of business opportunities.

Liquidity risk is not a current risk for Tunbridge Wells Property Holdings Limited as cash equivalents are solely deposits placed in a bank deposit account which provides instant access. If the Company starts to make termed investments or use other financial instruments then liquidity risk will be considered through cash flow forecasting.

There is also the option to borrow £10,000 from the Council should that be necessary.

18 Capital Management

Tunbridge Wells Property Holdings Limited's objectives are:

- to safeguard the company's ability to continue as a going concern, so that it can provide a return for the shareholder
- to provide an adequate return to shareholders commensurate with the level of risk

The company is still in a position of retained losses, although small and reducing, and the level of shareholder risk is considered low. Going forward, before any returns are provided to stakeholders, an effective level of working capital will be determined to ensure that the company can manage and respond to changing market conditions.

19 Reserves

Called up share capital of £100, represents the nominal value of shares that have been issued. Retained Earnings of (£3,003), represents the total comprehensive loss since the incorporation of the company.