

Company registration number 03748060 (England and Wales)

VILLAGE HEATING LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2022
PAGES FOR FILING WITH REGISTRAR

VILLAGE HEATING LIMITED

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VILLAGE HEATING LIMITED

BALANCE SHEET

AS AT 31 MAY 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	4		101,965		133,092
Current assets					
Stocks		129,282		110,036	
Debtors	5	461,992		597,434	
Cash at bank and in hand		1,495,330		948,870	
		<u>2,086,604</u>		<u>1,656,340</u>	
Creditors: amounts falling due within one year	6	<u>(994,530)</u>		<u>(1,047,341)</u>	
Net current assets			<u>1,092,074</u>		<u>608,999</u>
Total assets less current liabilities			<u>1,194,039</u>		<u>742,091</u>
Creditors: amounts falling due after more than one year	7		(185,000)		(240,000)
Provisions for liabilities			<u>(2,124)</u>		<u>(2,249)</u>
Net assets			<u><u>1,006,915</u></u>		<u><u>499,842</u></u>
Capital and reserves					
Called up share capital			22,000		22,000
Capital redemption reserve			20,000		20,000
Profit and loss reserves			<u>964,915</u>		<u>457,842</u>
Total equity			<u><u>1,006,915</u></u>		<u><u>499,842</u></u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 May 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

VILLAGE HEATING LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2022

The financial statements were approved by the board of directors and authorised for issue on 22 February 2023 and are signed on its behalf by:

Mr D Kelly
Director

Company Registration No. 03748060

VILLAGE HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

Company information

Village Heating Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2nd Floor, Hygeia House, 66 College Road, Harrow, Middlesex, England, HA1 1BE.

1.1 Accounting convention

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

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 £.

1.2 Turnover

Turnover is measured at the fair value of the consideration received or receivable from net invoiced sales of goods and services, excluding value added tax. The income is recognised when a sales invoice is raised once the services have been provided. An adjustment is made at the year-end for accrued income for all services carried out to the year but invoiced after the year end.

1.3 Tangible fixed assets

Tangible fixed assets 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:

Leasehold land and buildings	20% on cost
Plant and equipment	15% reducing balance
Fixtures and fittings	15% reducing balance
Computers	3 years straight line
Motor vehicles	20% reducing balance

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 credited or charged to profit or loss.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

VILLAGE HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.6 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.

1.7 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 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.

VILLAGE HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.9 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 tax

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 statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

1.10 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 stock or fixed 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.

1.11 Retirement benefits

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

1.12 Leases

Amounts due from lessees under finance leases are recognised as receivables at the amount of the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the company's net investment outstanding in respect of leases.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

VILLAGE HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is 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.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	65	65

4 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 June 2021	130,834	108,442	33,892	104,647	72,485	450,300
Additions	-	159	-	7,703	-	7,862
Disposals	-	-	-	-	(8,250)	(8,250)
At 31 May 2022	130,834	108,601	33,892	112,350	64,235	449,912
Depreciation and impairment						
At 1 June 2021	52,334	89,747	23,795	100,797	50,535	317,208
Depreciation charged in the year	26,167	2,820	1,515	4,636	3,397	38,535
Eliminated in respect of disposals	-	-	-	-	(7,796)	(7,796)
At 31 May 2022	78,501	92,567	25,310	105,433	46,136	347,947
Carrying amount						
At 31 May 2022	52,333	16,034	8,582	6,917	18,099	101,965
At 31 May 2021	78,500	18,695	10,097	3,850	21,950	133,092

VILLAGE HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

5 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	435,232	571,191
Other debtors	26,760	26,243
	<u>461,992</u>	<u>597,434</u>

6 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans	60,000	60,000
Trade creditors	525,465	610,601
Taxation and social security	381,030	205,939
Other creditors	28,035	170,801
	<u>994,530</u>	<u>1,047,341</u>

7 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	<u>185,000</u>	<u>240,000</u>

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022	2021
	£	£
	<u>120,860</u>	<u>69,675</u>

9 Secured Debts

Lloyds Bank Commercial Finance Limited, has a fixed and floating charge which covers all the property or undertakings of the company dated 26 March 2021.

Lloyds Bank PLC, also has a debenture dated 2 June 2020, incorporating a fixed and floating charge which covers all the property or undertakings of the company.

VILLAGE HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

10 RELATED PARTY DISCLOSURES

During the year, total dividends of £8,000 (2021: £2,000) were paid to the directors.

At the year end date, the director Mrs. D Kelly had a credit balance of £109 (2021: £142,109) on his director's current account. This is an interest free loan to the company and is shown within the other debtors.

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.