

**VALUE HOUSE STORES LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 1 AUGUST 2022**

STATEMENT OF FINANCIAL POSITION  
AS AT 1 AUGUST 2022

	Note	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible assets	4	60,761	29,309
Investments	5	220,729	205,357
		<u>281,490</u>	<u>234,666</u>
<b>CURRENT ASSETS</b>			
Stocks		884,886	767,751
Debtors: amounts falling due within one year	6	46,693	26,519
Cash at bank and in hand		774,512	862,055
		<u>1,706,091</u>	<u>1,656,325</u>
Creditors: amounts falling due within one year	7	(468,191)	(559,513)
<b>NET CURRENT ASSETS</b>		<u>1,237,900</u>	<u>1,096,812</u>
<b>NET ASSETS</b>		<u><u>1,519,390</u></u>	<u><u>1,331,478</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	20,001	20,001
Profit and loss account		1,499,389	1,311,477
		<u><u>1,519,390</u></u>	<u><u>1,331,478</u></u>

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 1 AUGUST 2022**

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The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**R W J Ford**  
Director

Date: 3 May 2023

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 1 AUGUST 2022**

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**1. GENERAL INFORMATION**

The company is limited by shares, incorporated in England within the United Kingdom. The address of the registered office is given in the company information page of these financial statements.

**2. ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

**2.2 GOING CONCERN**

The directors have considered the ongoing COVID pandemic and the economic environment in which the business operates. Recent trade has been strong, and the Company is able to meet its liabilities and has built up significant cash reserves. On that basis, the directors have been prepared the financial statements on a going concern basis.

**2.3 REVENUE**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**2.4 OPERATING LEASES: THE COMPANY AS LESSEE**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 1 AUGUST 2022**

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**2. ACCOUNTING POLICIES (continued)**

**2.5 GOVERNMENT GRANTS**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

**2.6 INTEREST INCOME**

Interest income is recognised in profit or loss using the effective interest method.

**2.7 BORROWING COSTS**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**2.8 PENSIONS**

**DEFINED CONTRIBUTION PENSION PLAN**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

**2.9 CURRENT AND DEFERRED TAXATION**

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 1 AUGUST 2022**

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**2. ACCOUNTING POLICIES (continued)**

**2.10 TANGIBLE FIXED ASSETS**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold property improvements	-	Over the lease term
Motor vehicles	-	25% straight line.
Fixtures and fittings	-	33% straight line.
Office equipment	-	33% straight line.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.11 VALUATION OF INVESTMENTS**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Statement of Income and Retained Earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**2.12 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is based on selling price less and estimated profit margin.

**2.13 DEBTORS**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.14 CASH AND CASH EQUIVALENTS**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 1 AUGUST 2022**

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**2. ACCOUNTING POLICIES (continued)**

**2.15 CREDITORS**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.16 PROVISIONS FOR LIABILITIES**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

**2.17 FINANCIAL INSTRUMENTS**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

**2.18 DIVIDENDS**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**3. EMPLOYEES**

The average monthly number of employees, including directors, during the period was 47 (2021: 59).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 1 AUGUST 2022

4. TANGIBLE FIXED ASSETS

	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
<b>COST OR VALUATION</b>					
At 2 August 2021	83,496	38,800	129,554	10,156	262,006
Additions	-	4,000	42,307	2,708	49,015
At 1 August 2022	83,496	42,800	171,861	12,864	311,021
<b>DEPRECIATION</b>					
At 2 August 2021	83,496	22,855	125,560	786	232,697
Charge for the year on owned assets	-	6,303	6,687	4,573	17,563
At 1 August 2022	83,496	29,158	132,247	5,359	250,260
<b>NET BOOK VALUE</b>					
At 1 August 2022	-	13,642	39,614	7,505	60,761
At 1 August 2021	-	15,945	3,994	9,370	29,309

5. FIXED ASSET INVESTMENTS

	Listed investments £
<b>COST OR VALUATION</b>	
At 2 August 2021	205,357
Additions	44,306
Disposals	(11,032)
Revaluations	(17,902)
At 1 August 2022	220,729



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 1 AUGUST 2022**

**6. DEBTORS**

	2022 £	2021 £
Trade debtors	874	710
Other debtors	485	726
Prepayments and accrued income	21,539	25,083
Deferred taxation	23,795	-
	<u>46,693</u>	<u>26,519</u>

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Other loans	33,250	34,699
Trade creditors	166,305	214,381
Other taxation and social security	143,660	118,676
Other creditors	48,362	111,287
Accruals and deferred income	76,614	80,470
	<u>468,191</u>	<u>559,513</u>

Included within other loans are director's loan accounts totalling £-1,449 (2021: £Nil) and associated interest of £34,669 (2021: £34,699). Interest on this loan is calculated at 2% above base rate and is repayable on demand.

**8. DEFERRED TAXATION**

	2022 £
Charged to profit or loss	23,795
<b>AT END OF YEAR</b>	<u><b>23,795</b></u>

The deferred tax is made up as follows:

	2022 £	2016 £
Accelerated capital allowances	23,795	-
	<u>23,795</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 1 AUGUST 2022**

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**9. SHARE CAPITAL**

	<b>2022</b>	2021
	<b>£</b>	£
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
20,001 (2021: 20,001) Ordinary shares of £1.00 each	<u><b>20,001</b></u>	<u>20,001</u>

Each ordinary share entitles the holder to full rights regarding voting, payment of dividends and distributions.

**10. PENSION COMMITMENTS**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £14,790 (2021: £5,620). Contributions totalling £Nil (2021: £Nil) were payable to the fund at the balance sheet date.

**11. CHARGES AND GUARANTEES**

NatWest Bank plc has a fixed and floating charges over the undertaking and all property and assets present and future including goodwill, bookdebts, uncalled capital, buildings, fixtures, fixed plant, and machinery.

**12. RELATED PARTY TRANSACTIONS**

The directors and shareholders of the company are also directors of Ippepen Property Limited and Ippepen Property Holdings Limited.

**13. CONTROLLING PARTY**

The company is a wholly owned subsidiary of Solo Retail Limited, a company registered in England and Wales. Solo Retail Limited is the ultimate parent undertaking.

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