

VALUE HOUSE STORES LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE PERIOD ENDED 1 AUGUST 2021

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COMPANIES HOUSE

VALUE HOUSE STORES LIMITED
REGISTERED NUMBER:04728150

STATEMENT OF FINANCIAL POSITION
AS AT 1 AUGUST 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	4	29,309	30,117
Investments		205,357	-
CURRENT ASSETS			
Stocks		767,751	548,505
Debtors: amounts falling due within one year	6	26,519	67,560
Cash at bank and in hand		862,055	853,212
		<u>1,656,325</u>	<u>1,469,277</u>
Creditors: amounts falling due within one year	7	(559,513)	(585,088)
NET CURRENT ASSETS		<u>1,096,812</u>	<u>884,189</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,331,478</u>	<u>914,306</u>
NET ASSETS		<u>1,331,478</u>	<u>914,306</u>
CAPITAL AND RESERVES			
Called up share capital	8	20,001	20,001
Profit and loss account		1,311,477	894,305
		<u>1,331,478</u>	<u>914,306</u>

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 period 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.

VALUE HOUSE STORES LIMITED
REGISTERED NUMBER:04728150

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 1 AUGUST 2021

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: 28 April 2022

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

VALUE HOUSE STORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 AUGUST 2021

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 outbreak of COVID-19 in early 2020 and what impact it will have on the ongoing operations of the business. At the outset of the government imposed lockdown all retail stores were closed whilst the directors assessed and understood the risk associated with trading. All sites have since now opened carefully following government guidance on social distancing measures. Recent trade has been strong, the Company is able to meet its liabilities and has built up significant cash reserves again.

The company relies upon its retail sites being able to open and operate fully across its product range. The directors' assumptions and outlook assumes that COVID-19 causes no material unanticipated changes to the business model. The financial statements do not reflect the adjustments that would be necessary should the ability of the Company to trade be jeopardised due to further restrictions on trading within stores being put in place.

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 PERIOD ENDED 1 AUGUST 2021

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 FINANCE COSTS

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 BORROWING COSTS

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

2.9 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.

2.10 TAXATION

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.

2.11 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.

VALUE HOUSE STORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 AUGUST 2021

2. ACCOUNTING POLICIES (continued)

2.11 TANGIBLE FIXED ASSETS (CONTINUED)

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.

2.12 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.

2.13 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.

2.14 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.

2.15 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.

2.16 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.

VALUE HOUSE STORES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 AUGUST 2021****2. ACCOUNTING POLICIES (continued)****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 59 (2020: 58).

4. TANGIBLE FIXED ASSETS

	Leasehold Property improvements £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
COST OR VALUATION					
At 2 August 2020	83,496	38,800	125,560	1,356	249,212
Additions	-	-	3,994	8,800	12,794
At 1 August 2021	83,496	38,800	129,554	10,156	262,006
DEPRECIATION					
At 2 August 2020	76,482	17,053	125,560	-	219,095
Charge for the period on owned assets	7,014	5,802	-	786	13,602
At 1 August 2021	83,496	22,855	125,560	786	232,697
NET BOOK VALUE					
At 1 August 2021	-	15,945	3,994	9,370	29,309
At 1 August 2020	7,014	21,747	-	1,356	30,117

VALUE HOUSE STORES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 AUGUST 2021**

5. FIXED ASSET INVESTMENTS

	Listed investments £
COST OR VALUATION	
Additions	205,357
At 1 August 2021	<u>205,357</u>

VALUE HOUSE STORES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 AUGUST 2021****6. DEBTORS**

	2021 £	2020 £
Trade debtors	710	2,916
Other debtors	726	531
Prepayments and accrued income	25,083	64,113
	<u>26,519</u>	<u>67,560</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other loans	34,699	34,699
Trade creditors	214,381	245,581
Other taxation and social security	118,676	189,788
Other creditors	111,287	64,042
Accruals and deferred income	80,470	50,978
	<u>559,513</u>	<u>585,088</u>

Included within other loans are director's loan accounts totalling £Nil (2020: £Nil) and associated interest of £34,699 (2020: £34,699). Interest on this loan is calculated at 2% above base rate and is repayable on demand.

8. SHARE CAPITAL

	2021 £	2020 £
ALLOTTED, CALLED UP AND FULLY PAID		
20,001 (2020: 20,001) Ordinary shares of £1.00 each	<u>20,001</u>	<u>20,001</u>

9. 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 £5,620 (2020: £5,620). Contributions totalling £Nil (2020: £Nil) were payable to the fund at the balance sheet date.

VALUE HOUSE STORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 AUGUST 2021

10. RELATED PARTY TRANSACTIONS

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

During the year, the company recharged expenses of £Nil (2020: £Nil) to Ippepen Property Limited. The company also received income of £Nil (2020: £Nil) from Ippepen Property Limited. As at the 26 July 2021, £Nil (2020: £Nil) was receivable from Ippepen Property Limited. The prior year balance had been released by way of a formal debt waiver.

11. 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.