

COMPANY REGISTRATION NUMBER: 07109514

Better Homes (Newcastle under Lyme) Limited
Filleted Unaudited Financial Statements
31 December 2020



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Better Homes (Newcastle under Lyme) Limited

Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	6	–	2,200
Tangible assets	7	87,136	34,974
		<u>87,136</u>	<u>37,174</u>
Current assets			
Stocks		65,883	43,987
Debtors	8	3,002	92,634
Cash at bank and in hand		286,623	169,851
		<u>355,508</u>	<u>306,472</u>
Creditors: amounts falling due within one year	9	247,713	300,952
Net current assets		<u>107,795</u>	<u>5,520</u>
Total assets less current liabilities		194,931	42,694
Creditors: amounts falling due after more than one year	10	65,139	10,258
Provisions		<u>3,210</u>	<u>4,615</u>
Net assets		<u>126,582</u>	<u>27,821</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		126,482	27,721
Member's funds		<u>126,582</u>	<u>27,821</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ended 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

The statement of financial position
continues on the following page.

The notes on pages 3 to 8 form part of these financial statements.

Better Homes (Newcastle under Lyme) Limited

Statement of Financial Position *(continued)*

31 December 2020

These financial statements were approved by the board of directors and authorised for issue on 30 March 2021, and are signed on behalf of the board by:

A handwritten signature in black ink, appearing to be 'P. S. Furnival', written over a horizontal line.

P S Furnival
Director

Company registration number: 07109514

The notes on pages 3 to 8 form part of these financial statements.

Better Homes (Newcastle under Lyme) Limited

Notes to the Financial Statements

Year ended 31 December 2020

1. Statutory information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 38 High Street, Wolstanton, Newcastle under Lyme, Staffordshire, ST5 0HE.

2. Statement of compliance

These financial statements have been prepared in compliance with the provision of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and Companies Act 2006.

3. Accounting policies

(a) Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

(b) Going concern

The financial statements have been prepared on the going concern basis as disclosed in note 11.

(c) Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied, stated net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

(d) Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Better Homes (Newcastle under Lyme) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

(e) Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

(f) Goodwill

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life.

(g) Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - straight line over 10 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

(h) Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

(i) Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	15% reducing balance
Fixtures and fittings	-	15% reducing balance
Motor vehicles	-	25% reducing balance
Computer equipment	-	33% straight line
Improvements to property	-	10% straight line

(j) Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

(k) Stocks

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

Better Homes (Newcastle under Lyme) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

(l) Finance leases and hire purchase contracts

Assets held under finance leases are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

(m) Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset.

(n) Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

(o) Defined contribution pension plans

Contributions to defined contribution pension plans are recognised as an expense in the period in which the related service is provided.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 7 (2019: 6).

5. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2020	2019
	£	£
Remuneration	<u>48,986</u>	<u>46,108</u>

Better Homes (Newcastle under Lyme) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

6. Intangible assets

	Goodwill £
Cost	
At 1 January 2020 and 31 December 2020	22,000
Amortisation	
At 1 January 2020	19,800
Charge for the year	2,200
At 31 December 2020	22,000
Carrying amount	
At 31 December 2020	—
At 31 December 2019	2,200

7. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Improvements to property £	Total £
Cost						
At 1 Jan 2020	4,817	8,071	37,068	2,864	19,707	72,527
Additions	2,135	4,683	35,531	—	33,962	76,311
Disposals	—	—	(17,700)	—	—	(17,700)
At 31 Dec 2020	6,952	12,754	54,899	2,864	53,669	131,138
Depreciation						
At 1 Jan 2020	3,273	5,959	14,215	2,864	11,242	37,553
Charge for the year	419	539	4,223	—	2,374	7,555
Disposals	—	—	(1,106)	—	—	(1,106)
At 31 Dec 2020	3,692	6,498	17,332	2,864	13,616	44,002
Carrying amount						
At 31 Dec 2020	3,260	6,256	37,567	—	40,053	87,136
At 31 Dec 2019	1,544	2,112	22,853	—	8,465	34,974

8. Debtors

	2020 £	2019 £
Trade debtors	—	64,840
Other debtors	3,002	27,794
	3,002	92,634

Better Homes (Newcastle under Lyme) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

9. Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank and funding loans	16,091	38,154
Trade creditors	84,364	76,386
Corporation tax	26,326	8,742
Social security and other taxes	26,966	14,964
Other creditors	93,966	162,706
	<u>247,713</u>	<u>300,952</u>

The funding loan, in the sum of £10,258 (2019: £38,154) and included in the balance of £16,091, is secured by way of fixed and floating charges, dated 21 April 2018, over the current and future assets of the company.

10. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank and funding loans	41,642	10,258
Other creditors	23,497	–
	<u>65,139</u>	<u>10,258</u>

Included within creditors: amounts falling due after more than one year is an amount of £1,642 (2019: £nil) in respect of loans repayable by instalments, which fall due for payment after more than five years from the reporting date.

The funding loan, in the sum of nil (2019: £10,258), is secured by way of fixed and floating charges, dated 21 April 2018, over the current and future assets of the company.

11. Going concern

The director has confirmed that the company will have adequate resources available to finance its trading and other obligations for the foreseeable future.

Based on the above, the financial statements have been prepared on the going concern basis.

12. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020	2019
	£	£
Not later than 1 year	13,368	13,368
Later than 1 year and not later than 5 years	31,192	44,560
	<u>44,560</u>	<u>57,928</u>

13. Pension commitments

At the year end, the company had a liability of £nil (2019: £229) in relation to its defined contribution pension plan.

Better Homes (Newcastle under Lyme) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

14. Related party transactions

P S Furnival is a related party by virtue of his directorship of and shareholding in the company. Miss N Marksuvan is a related party by virtue of her directorship of the company.

During the year, P S Furnival and Miss N Marksuvan operated a directors' loan account with the company such that, at the year end, they were owed the combined sum of £80,373 (2019: £13,628). This loan was interest free and repayable on demand.

Better Homes of Stone Limited was a related party by virtue of the common directorship and shareholding of P S Furnival. During the year, a balance of £24,497 (2019: £24,497) was owed by Better Homes of Stone Limited which, as a result of its dissolution, was offset against the directors' loan account.