

**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019**

**FOR**

**SHEPPY LIMITED**

Vista Partners Limited  
Accountants and Tax Advisers  
Chancery House  
3 Hatchlands Road  
Redhill  
Surrey  
RH1 6AA

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

	<b>Page</b>
<b>Statement of Financial Position</b>	<b>1</b>
<b>Notes to the Financial Statements</b>	<b>3</b>

**STATEMENT OF FINANCIAL POSITION**  
**30 NOVEMBER 2019**

	Notes	2019 £	£	2018 £	£
<b>FIXED ASSETS</b>					
Tangible assets	5		20,817		26,886
Investments	6		788,987		831,797
Investment property	7		1,076,006		1,076,006
			<u>1,885,810</u>		<u>1,934,689</u>
<b>CURRENT ASSETS</b>					
Debtors	8	671,300		785,877	
Cash at bank		<u>5,491</u>		<u>813</u>	
		676,791		786,690	
<b>CREDITORS</b>					
Amounts falling due within one year	9	<u>2,423,438</u>		<u>2,571,094</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(1,746,647)</u>		<u>(1,784,404)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			139,163		150,285
<b>CREDITORS</b>					
Amounts falling due after more than one year	10		(265,210)		(265,210)
<b>PROVISIONS FOR LIABILITIES</b>			-		(13,619)
<b>NET LIABILITIES</b>			<u>(126,047)</u>		<u>(128,544)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			48,892		48,892
Share premium			19,323		19,323
Revaluation reserve	11		66,492		66,492
Capital redemption reserve			261,007		261,007
Retained earnings			<u>(521,761)</u>		<u>(524,258)</u>
			<u>(126,047)</u>		<u>(128,544)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 November 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 November 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

**STATEMENT OF FINANCIAL POSITION - continued**  
**30 NOVEMBER 2019**

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive income has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 24 August 2020 and were signed on its behalf by:

C K Stevens - Director

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

**1. STATUTORY INFORMATION**

Sheppy Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address are as below:

<b>Registered number:</b>	01543842
<b>Registered office:</b>	Edgehill Mayfield Lane Wadhurst Kent TN5 6HX

The presentation currency of the financial statements is the Pound Sterling (£).

**2. STATEMENT OF COMPLIANCE**

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.

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**Preparation of consolidated financial statements**

The financial statements contain information about Sheppy Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

**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 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:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

**3. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Tangible fixed assets under the cost model, other than investment properties, 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, on a reducing balances basis.

Depreciation is provided on the following basis:

Plant and machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Office equipment	- 20% reducing balance

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 the Income Statement.

**Financial instruments**

The Company only enters into basic financial instruments 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 non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at market rate or interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

**3. ACCOUNTING POLICIES - continued**

**Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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 Statement of Financial Position 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.

**Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

**Investment property**

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specified asset. No depreciation is provided. Changes in fair value are recognised in the Income Statement.

**Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**4. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 2 (2018 - 3) .

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

**5. TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
<b>COST</b>	
At 1 December 2018	76,097
Additions	765
At 30 November 2019	<u>76,862</u>
<b>DEPRECIATION</b>	
At 1 December 2018	49,211
Charge for year	6,834
At 30 November 2019	<u>56,045</u>
<b>NET BOOK VALUE</b>	
At 30 November 2019	<u>20,817</u>
At 30 November 2018	<u>26,886</u>

**6. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST OR VALUATION</b>	
At 1 December 2018	831,797
Disposals	(100)
Revaluations	(42,710)
At 30 November 2019	<u>788,987</u>
<b>NET BOOK VALUE</b>	
At 30 November 2019	<u>788,987</u>
At 30 November 2018	<u>831,797</u>

Cost or valuation at 30 November 2019 is represented by:

	Shares in group undertakings £
Cost	<u>788,987</u>



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019****7. INVESTMENT PROPERTY**

	Total £
<b>FAIR VALUE</b>	
At 1 December 2018 and 30 November 2019	<u>1,076,006</u>
<b>NET BOOK VALUE</b>	
At 30 November 2019	<u>1,076,006</u>
At 30 November 2018	<u>1,076,006</u>

The 2019 valuations were made by a director on an open market value for existing use basis.

**8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Trade debtors	41,097	62,077
Amounts owed by group undertakings	588,648	657,648
Other debtors	<u>41,555</u>	<u>66,152</u>
	<u>671,300</u>	<u>785,877</u>

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

	2019 £	2018 £
Trade creditors	36,597	191,127
Amounts owed to group undertakings	1,976,098	1,968,411
Taxation and social security	3,067	-
Other creditors	<u>407,676</u>	<u>411,556</u>
	<u>2,423,438</u>	<u>2,571,094</u>

**10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019 £	2018 £
Other creditors	<u>265,210</u>	<u>265,210</u>

**11. RESERVES**

	Revaluation reserve £
At 1 December 2018 and 30 November 2019	<u>66,492</u>

**12. CONTINGENT LIABILITIES**

Sheppy Limited has entered into an unlimited cross guarantee in respect of bank facilities of the group.

The potential liability in respect of the guarantee given over the group borrowings as at 30 November 2019 was £925,112 (2018: £670,525).

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.