

Company registration number 02590519 (England and Wales)

ABBEYMILL HOMES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
PAGES FOR FILING WITH REGISTRAR

ABBEYMILL HOMES LIMITED

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ABBEYMILL HOMES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		926,092		1,074,031
Investment property	5		225,000		225,000
			<u>1,151,092</u>		<u>1,299,031</u>
Current assets					
Stocks		6,062,950		4,938,911	
Debtors	6	1,930,994		2,095,924	
Cash at bank and in hand		2,568,567		168,827	
		<u>10,562,511</u>		<u>7,203,662</u>	
Creditors: amounts falling due within one year	7	<u>(10,261,147)</u>		<u>(6,539,021)</u>	
Net current assets			<u>301,364</u>		<u>664,641</u>
Total assets less current liabilities			<u>1,452,456</u>		<u>1,963,672</u>
Creditors: amounts falling due after more than one year	8		(697,745)		(772,012)
Provisions for liabilities			<u>(55,226)</u>		<u>(72,014)</u>
Net assets			<u><u>699,485</u></u>		<u><u>1,119,646</u></u>
Capital and reserves					
Called up share capital			15,000		15,000
Profit and loss reserves			684,485		1,104,646
Total equity			<u><u>699,485</u></u>		<u><u>1,119,646</u></u>

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

For the financial year ended 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 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.

ABBEYMILL HOMES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2023

The financial statements were approved by the board of directors and authorised for issue on 17 January 2024 and are signed on its behalf by:

J Pacifici
Director

Company registration number 02590519 (England and Wales)

ABBEYMILL HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Abbeymill Homes Limited is a private company limited by shares incorporated in England and Wales. The registered office is Market House, Silver End, Olney, Buckinghamshire, MK46 4AL.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised on legal completion at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of property is recognised when the significant risks and rewards of ownership of the property have passed to the buyer, the work has been completed, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

The company recognises the full value of sales that have been developed in joint venture projects and amounts due to joint venture partners are included within cost of sales.

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 provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	No depreciation is provided in respect of freehold land and buildings
Plant and equipment	33% reducing balance
Computer equipment	25% straight line
Motor vehicles	25% reducing balance

In accordance with the requirements of FRS 102, the directors perform annual impairment reviews of the land and buildings to ensure that the carrying value is not higher than the recoverable amount. No depreciation has been provided in respect of the freehold land and buildings. Whilst this is a departure from the general requirement of the Companies Act 2006 for depreciation to be charged on buildings, the effect is not material given the expected residual value and the directors consider it necessary for the financial statements to give a true and fair view.

ABBEYMILL HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.4 Investment property

Investment property, which is property held to earn rentals and / or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit or loss account.

1.5 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 the profit and loss account, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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 the profit and loss account, 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.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the profit and loss account. Reversals of impairment losses are also recognised in the profit and loss account.

The company recognises within its stock and work in progress the full cost of land and developments that are being developed under joint venture agreements. No separate legal entity exists under such agreements. The joint venture agreements allow for the financier to have legal ownership of the development until completion, whereupon they must transfer legal title to the company's customers. Where land has been acquired by a financier and not paid for by the company, the full cost of the land is recognised in the accounts, along with a corresponding creditor due to the financier for that land. This is because under these agreements the control and management of the land and related developments is placed with the company by the financier party.

1.7 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.

ABBEYMILL HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

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.

Impairment of financial assets

Financial assets, other than those held at fair value through the profit and loss account, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the profit and loss account.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the profit and loss account.

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 and other loans, 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.

ABBEYMILL HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.9 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.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 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.

1.12 Retirement benefits

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

ABBEYMILL HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Government grants

Government grants received do not specify performance conditions and as such are recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are 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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Stage of completion of work in progress

Properties under construction or completed but not sold at year end are held in work in progress. The stage of completion of these properties is estimated based on the stage of construction. Similarly, the costs of the development as a whole are apportioned between the various properties under that development based upon factors such as square footage. Where some, but not all, properties have been sold on developments in work in progress at year end, the release of costs into the profit and loss will be based upon the judgement as to allocation of costs between the individual properties.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Costs to complete work in progress

Work in progress is stated at the lower of cost and net realisable value, with net realisable value being future proceeds less costs to complete. Where costs to complete exceed future proceeds, then net realisable value will be lower than cost and subsequently work in progress is impaired. Therefore in assessing impairment, the directors will consider the stage of completion and estimate the future costs using forecasts in order to determine whether net realisable value exceeds cost. It may also be necessary for the directors to estimate the sales prices that will be achieved for unsold properties.

Snagging accrual

The revenue and corresponding costs associated with the construction of a property are recognised on the sale of that property. On sale, properties are covered by guarantee periods relating to fixtures and fittings and the structure of the property of 2 and 10 years respectively. Under these warranties, the company is responsible for and will bear the cost of any subsequent works to remedy faults, known as snagging. The directors consider past experience of such costs and the developments under guarantee at year end to estimate an average snagging cost per property, which is used to calculate a provision that is included within accruals.

ABBEYMILL HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Employees

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

	2023 Number	2022 Number
Total	15	14

4 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2022	657,518	322,930	38,772	287,269	1,306,489
Additions	-	1,804	11,392	40,599	53,795
Disposals	-	-	-	(125,584)	(125,584)
At 31 March 2023	657,518	324,734	50,164	202,284	1,234,700
Depreciation and impairment					
At 1 April 2022	-	140,349	20,542	71,567	232,458
Depreciation charged in the year	-	60,351	10,045	54,262	124,658
Eliminated in respect of disposals	-	-	-	(48,508)	(48,508)
At 31 March 2023	-	200,700	30,587	77,321	308,608
Carrying amount					
At 31 March 2023	657,518	124,034	19,577	124,963	926,092
At 31 March 2022	657,518	182,581	18,230	215,702	1,074,031

5 Investment property

	2023 £
Fair value	
At 1 April 2022 and 31 March 2023	225,000

Investment property comprise of property held for investment purposes. At 31 March 2023 the directors performed an interim valuation based on advice from a third party valuer and in their opinion the open market value was not materially different to the book value, so no adjustment to the carrying value was required. On a historical cost basis the property would be included at a cost of £225,000.

ABBEYMILL HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	944,371	1,218,029
Amounts owed by group undertakings	749,049	740,292
Other debtors	237,574	137,603
	<u>1,930,994</u>	<u>2,095,924</u>

7 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans	566,127	278,100
Trade creditors	1,889,917	1,366,091
Corporation tax	24,093	-
Other taxation and social security	50,458	12,686
Other creditors	7,730,552	4,882,144
	<u>10,261,147</u>	<u>6,539,021</u>

8 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	-	565,344
Other creditors	697,745	206,668
	<u>697,745</u>	<u>772,012</u>

9 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:

	2023	2022
	£	£
	<u>7,525</u>	<u>20,426</u>

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.