

Unaudited Financial Statements
for the Year Ended 31 December 2021
for
Encoreserve Limited

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for the Year Ended 31 December 2021

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Encoreserve Limited
Company Information
for the Year Ended 31 December 2021

DIRECTORS: Mr R D Alliban FCA
Mrs G Alliban

SECRETARY: Mrs G Alliban

REGISTERED OFFICE: Eldo House
Kempson Way
Suffolk Business Park
Bury St Edmunds
Suffolk
IP32 7AR

REGISTERED NUMBER: 03380507 (England and Wales)

ACCOUNTANTS: Knights Lowe
Chartered Accountants
Eldo House, Kempson Way
Suffolk Business Park
Bury St Edmunds
Suffolk
IP32 7AR

Encoreserve Limited (Registered number: 03380507)

Balance Sheet
31 December 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Tangible assets	4		1,667		2,108
Investment property	5		<u>1,920,000</u>		<u>1,780,000</u>
			1,921,667		1,782,108
CURRENT ASSETS					
Debtors	6	1,610		975	
Cash at bank		<u>5,421</u>		<u>4,601</u>	
		7,031		5,576	
CREDITORS					
Amounts falling due within one year	7	<u>600,749</u>		<u>79,544</u>	
NET CURRENT LIABILITIES			<u>(593,718)</u>		<u>(73,968)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,327,949</u>		<u>1,708,140</u>
CREDITORS					
Amounts falling due after more than one year	8		-		(501,796)
PROVISIONS FOR LIABILITIES	10		<u>(129,745)</u>		<u>(102,844)</u>
NET ASSETS			<u>1,198,204</u>		<u>1,103,500</u>
CAPITAL AND RESERVES					
Called up share capital	11		200		200
Share premium			162,900		162,900
Fair value reserve	12		908,200		794,800
Retained earnings			<u>126,904</u>		<u>145,600</u>
SHAREHOLDERS' FUNDS			<u>1,198,204</u>		<u>1,103,500</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- 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.

The notes on pages 4 to 8 form part of these financial statements

Balance Sheet - continued
31 December 2021

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 Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 24 February 2022 and were signed on its behalf by:

Mr R D Alliban FCA - Director

Mrs G Alliban - Director

Notes to the Financial Statements
for the Year Ended 31 December 2021

1. STATUTORY INFORMATION

Encoreserve Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover is recognised in the period in which the property is occupied.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Equipment - 20% on reducing balance

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

2. ACCOUNTING POLICIES - continued

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 accounts receivable and payable, and loans from banks or other related parties.

Debt instruments, like loans and other accounts receivable and payable, are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, 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 outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payment discounted at a market rate of interest for a similar debt instrument.

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 Statement of Comprehensive Income.

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, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

2. ACCOUNTING POLICIES - continued

Impairment

At each reporting date, goodwill and other fixed assets, including tangible fixed assets and investments but excluding investment properties, are assessed to determine whether there is an indication that the carrying amount of an asset may be more than its recoverable amount and that the asset should be impaired. If there is an indication of possible impairment, the recoverable amount of an asset, which is the higher of its value in use and its net realisable value, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is written down to its estimated recoverable amount and an impairment loss is recognised in the income statement.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 2 (2020 - 2) .

4. TANGIBLE FIXED ASSETS

Equipment
£

COST

At 1 January 2021
and 31 December 2021

6,376

DEPRECIATION

At 1 January 2021
Charge for year
At 31 December 2021

4,268

441

4,709

NET BOOK VALUE

At 31 December 2021
At 31 December 2020

1,667

2,108

5. INVESTMENT PROPERTY

Total
£

FAIR VALUE

At 1 January 2021
Revaluations
At 31 December 2021

1,780,000

140,000

1,920,000

NET BOOK VALUE

At 31 December 2021
At 31 December 2020

1,920,000

1,780,000

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

5. INVESTMENT PROPERTY - continued

Fair value at 31 December 2021 is represented by:

	£
Valuation in 2009	257,629
Valuation in 2015	260,000
Valuation in 2016	120,000
Valuation in 2017	60,000
Valuation in 2019	130,000
Valuation in 2020	70,000
Valuation in 2021	140,000
Cost	<u>882,371</u>
	<u>1,920,000</u>

If investment property had not been revalued it would have been included at the following historical cost:

	2021	2020
	£	£
Cost	<u>882,371</u>	<u>882,371</u>

Investment property was valued on an open market basis on 31 December 2021 by Mr R D Alliban (director) .

The director has sufficient knowledge and experience of the housing market in order to value the company's properties.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other debtors	<u>1,610</u>	<u>975</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts	501,796	-
Taxation and social security	1,332	1,148
Other creditors	<u>97,621</u>	<u>78,396</u>
	<u>600,749</u>	<u>79,544</u>

Other creditors includes an amount owed to the directors.

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Bank loans	<u>-</u>	<u>501,796</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

9. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020
	£	£
Bank loans	<u>501,796</u>	<u>501,796</u>

The bank loans are secured by a legal charge over the company's freehold property.

10. PROVISIONS FOR LIABILITIES

	2021	2020
	£	£
Deferred tax		
Accelerated capital allowances	317	400
Tax losses carried forward	-	(385)
Other timing differences	<u>129,428</u>	<u>102,829</u>
	<u>129,745</u>	<u>102,844</u>

	Deferred tax
	£
Balance at 1 January 2021	102,844
Charge to Income Statement during year	<u>26,901</u>
Balance at 31 December 2021	<u>129,745</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2021	2020
			£	£
200	Ordinary	£1	<u>200</u>	<u>200</u>

12. RESERVES

	Fair value reserve
	£
At 1 January 2021	794,800
Non-distributable transfer	<u>113,400</u>
At 31 December 2021	<u>908,200</u>

The fair value reserve is not available for distribution as it is unrealised.

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