

HURLINGHAM HOMES (BUCKINGHAMSHIRE) LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2021

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	4		1,040,781		1,673,454
Investment property			1,162,486		-
			<u>2,203,267</u>		<u>1,673,454</u>
Current assets					
Debtors	6	319,516		318,207	
Cash at bank and in hand		20,679		21,359	
		<u>340,195</u>		<u>339,566</u>	
Creditors: amounts falling due within one year	7	(1,028,761)		(584,381)	
Net current liabilities			<u>(688,566)</u>		<u>(244,815)</u>
Total assets less current liabilities			<u>1,514,701</u>		<u>1,428,639</u>
Creditors: amounts falling due after more than one year	8		(345,086)		(392,182)
Provisions for liabilities					
Deferred tax			(30,493)		(34,185)
			<u>(30,493)</u>		<u>(34,185)</u>
Net assets			<u><u>1,139,122</u></u>		<u><u>1,002,272</u></u>
Capital and reserves					
Called up share capital	9		100		100
Revaluation reserve	10		746,629		647,500
Profit and loss account	10		392,393		354,672
			<u><u>1,139,122</u></u>		<u><u>1,002,272</u></u>

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
Mr S G C Hill
Director

Date: 22 September 2022

The notes on pages 3 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Company information

Hurlingham Homes (Buckinghamshire) Limited is a private company limited by shares incorporated in England and Wales. The principal place of business is 20 High Street South, Olney, Buckinghamshire, MK46 4AA. The registered office is Sovereign Court, 230 Upper Fifth Street, Milton Keynes, MK9 2HR.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The funds currently required by the Company are mainly provided by the parent company L.A. Trading Limited. L.A. Trading Limited and other group companies have indicated their continued financial support of this Company for a period of at least 12 months from the date of approval of these financial statements. For this reason the directors believe that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.4 Revenue recognition

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Rendering of services

Turnover 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 turnover 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.

2.5 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.

2.6 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.7 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 balance sheet 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 balance sheet 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 balance sheet date.

2.8 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following basis.

Depreciation is provided on the following basis:

Freehold property	-	2%	per annum of cost excluding land
Long-term leasehold property	-		Equal instalments over the period of the lease or 50 years, if shorter
Plant and machinery	-	20%	per annum of net book value

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.9 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.

2.10 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.11 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 specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

2.12 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.

2.13 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.

2.14 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.16 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.

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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 Income and Retained Earnings.

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 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.17 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

2.18 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2020 - 2).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Plant and machinery £	Total £
Cost or valuation				
At 1 January 2021	1,550,891	190,000	8,035	1,748,926
Additions	227,962	-	-	227,962
Transfers between classes	(950,000)	-	-	(950,000)
Revaluations	24,109	10,000	-	34,109
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	852,962	200,000	8,035	1,060,997
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 January 2021	24,706	43,008	7,758	75,472
Charge for the year on owned assets	21,890	4,000	55	25,945
On revalued assets	(38,193)	(43,008)	-	(81,201)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	8,403	4,000	7,813	20,216
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 December 2021	<u>844,559</u>	<u>196,000</u>	<u>222</u>	<u>1,040,781</u>
At 31 December 2020	<u>1,526,185</u>	<u>146,992</u>	<u>277</u>	<u>1,673,454</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2021 £	2020 £
Freehold	844,559	1,526,185
Long leasehold	196,000	146,992
	<u>1,040,559</u>	<u>1,673,177</u>

5. Investment property

	Freehold investment property £	Property under construction £	Total £
Valuation			
Additions at cost	-	212,486	212,486
Transfers between classes	500,000	450,000	950,000
	<u>500,000</u>	<u>662,486</u>	<u>1,162,486</u>
At 31 December 2021	500,000	662,486	1,162,486

The 2021 valuations were made by the directors, on an open market value for existing use basis.

6. Debtors

	2021 £	2020 £
Amounts owed by group undertakings	316,862	270,761
Other debtors	2,080	47,244
Prepayments and accrued income	574	202
	<u>319,516</u>	<u>318,207</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	47,259	46,065
Trade creditors	-	1
Amounts owed to group undertakings	946,846	507,574
Corporation tax	10,123	12,774
Other taxation and social security	4,669	4,234
Accruals and deferred income	19,864	13,733
	<u>1,028,761</u>	<u>584,381</u>

8. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Other loans	<u>345,086</u>	<u>392,182</u>

The bank loan is secured over assets of the company.

9. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

10. Reserves

Revaluation reserve

The revaluation reserve at the beginning of the year was £647,500 and at the year-end was £749,629.

11. Parent company

The immediate and ultimate parent company is L.A. Trading Limited, a company registered in England and Wales. The Company's results are included in the consolidated financial statements of L.A. Trading Limited which are publicly available at Companies House, or from the registered office Sovereign Court, 230 Upper Fifth Street, Milton Keynes, MK9 2HR.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2021 was unqualified.

The audit report was signed on 22 September 2022 by Elizabeth Newell BA(Hons) FCA (Senior Statutory Auditor) on behalf of MHA MacIntyre Hudson.

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.