
HEATH RESIDENTIAL ESTATES LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2022

HEATH RESIDENTIAL ESTATES LIMITED

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HEATH RESIDENTIAL ESTATES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The directors present their report and the financial statements for the year ended 31 March 2022.

Principal activity

The company continued to trade in its principal activities, which are that of the investment in property and property management.

Directors

The directors who served during the year were:

Mr C Heath
Mrs J Heath
Mr B Heath
Ms K Heath

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HEATH RESIDENTIAL ESTATES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

.....
Mr C Heath
Director

Date: 21 December 2022

HEATH RESIDENTIAL ESTATES LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF HEATH RESIDENTIAL ESTATES LIMITED FOR THE YEAR ENDED 31 MARCH 2022

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Heath Residential Estates Limited for the year ended 31 March 2022 which comprise the statement of financial position, the statement of changes in equity and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>.

This report is made solely to the board of directors of Heath Residential Estates Limited, as a body, in accordance with the terms of our engagement letter dated 31st August 2010. Our work has been undertaken solely to prepare for your approval the financial statements of Heath Residential Estates Limited and state those matters that we have agreed to state to the board of directors of Heath Residential Estates Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Heath Residential Estates Limited and its board of directors, as a body, for our work or for this report.

It is your duty to ensure that Heath Residential Estates Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Heath Residential Estates Limited. You consider that Heath Residential Estates Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Heath Residential Estates Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Gibson Appleby

Chartered Accountants

1-3 Ship Street
Shoreham-by-Sea
West Sussex
BN43 5DH
23 December 2022

HEATH RESIDENTIAL ESTATES LIMITED
REGISTERED NUMBER: 04353841

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	4	2,691,050	2,440,137
		<u>2,691,050</u>	<u>2,440,137</u>
Current assets			
Debtors: amounts falling due within one year	5	19,263	41,488
Cash at bank and in hand	6	211,673	77,668
		<u>230,936</u>	<u>119,156</u>
Creditors: amounts falling due within one year	7	(48,986)	(60,977)
Net current assets		<u>181,950</u>	<u>58,179</u>
Total assets less current liabilities		<u>2,873,000</u>	<u>2,498,316</u>
Creditors: amounts falling due after more than one year	8	(1,295,728)	(1,418,637)
Provisions for liabilities			
Deferred tax		(88,808)	(3,308)
		<u>(88,808)</u>	<u>(3,308)</u>
Net assets		<u><u>1,488,464</u></u>	<u><u>1,076,371</u></u>
Capital and reserves			
Called up share capital		200	200
Revaluation reserve		1,179,671	802,671
Profit and loss account		308,593	273,500
		<u><u>1,488,464</u></u>	<u><u>1,076,371</u></u>

HEATH RESIDENTIAL ESTATES LIMITED
REGISTERED NUMBER: 04353841

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2022

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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 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 comprehensive income 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 C Heath
Director

Date: 21 December 2022

The notes on pages 7 to 12 form part of these financial statements.

HEATH RESIDENTIAL ESTATES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2021	200	802,671	273,500	1,076,371
Comprehensive income for the year				
Loss for the year	-	-	(33,907)	(33,907)
Fair value surplus disposed of on sale	-	377,000	73,000	450,000
Dividends: Equity capital	-	-	(4,000)	(4,000)
At 31 March 2022	200	1,179,671	308,593	1,488,464

The notes on pages 7 to 12 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2020	200	802,671	269,087	1,071,958
Comprehensive income for the year				
Profit for the year	-	-	8,413	8,413
Dividends: Equity capital	-	-	(4,000)	(4,000)
At 31 March 2021	200	802,671	273,500	1,076,371

The notes on pages 7 to 12 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Heath Residential Estates Limited is a private company limited by shares and incorporated in England. Its registered office is 1-3 Ship Street, Shoreham by Sea, West Sussex BN43 5DH.

The financial statements are presented in Sterling which is the functional currency of the company.

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 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 the 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.

2.3 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property investments	-	see note 2.4
Leasehold property investments	-	see note 2.4
Furniture, fixtures and fittings	-	15% straight line
Office equipment	-	15% straight line

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.

2.4 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 statement of financial position date.

Revaluation gains and losses are recognised in the statement of 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.

Fair values are determined from market based evidence normally undertaken by the directors who have sufficient knowledge of the local property market but occasionally by professionally qualified valuers.

2.5 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.

2.6 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.7 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.

2.8 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.9 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 reporting 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 statement of financial position.

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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 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 reporting 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.

HEATH RESIDENTIAL ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2022 No.	2021 No.
	<u>4</u>	<u>4</u>
Directors		

4. Tangible fixed assets

	Freehold property £	L/Term Leasehold Property £	Fixtures & fittings £	Office equipment £	Total £
Cost or valuation					
At 1 April 2021	670,000	1,770,000	3,375	4,529	2,447,904
Additions	-	-	-	1,129	1,129
Disposals	-	(200,000)	-	-	(200,000)
Revaluations	120,000	330,000	-	-	450,000
At 31 March 2022	<u>790,000</u>	<u>1,900,000</u>	<u>3,375</u>	<u>5,658</u>	<u>2,699,033</u>
Depreciation					
At 1 April 2021	-	-	3,375	4,392	7,767
Charge for the year on owned assets	-	-	-	216	216
At 31 March 2022	<u>-</u>	<u>-</u>	<u>3,375</u>	<u>4,608</u>	<u>7,983</u>
Net book value					
At 31 March 2022	<u>790,000</u>	<u>1,900,000</u>	<u>-</u>	<u>1,050</u>	<u>2,691,050</u>
At 31 March 2021	<u>670,000</u>	<u>1,770,000</u>	<u>-</u>	<u>137</u>	<u>2,440,137</u>

HEATH RESIDENTIAL ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

4. Tangible fixed assets (continued)

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

	2022 £	2021 £
Freehold	790,000	670,000
Long leasehold	1,900,000	1,770,000
	<u>2,690,000</u>	<u>2,440,000</u>

5. Debtors

	2022 £	2021 £
Trade debtors	2,025	5,534
Other debtors	15,886	34,535
Prepayments and accrued income	1,352	1,419
	<u>19,263</u>	<u>41,488</u>

6. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	211,673	77,668
	<u>211,673</u>	<u>77,668</u>

7. Creditors: Amounts falling due within one year

	2022 £	2021 £
Corporation tax	12,814	2,102
Other taxation and social security	165	144
Other creditors	33,907	56,632
Accruals and deferred income	2,100	2,099
	<u>48,986</u>	<u>60,977</u>

HEATH RESIDENTIAL ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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

	2022 £	2021 £
Bank loans	1,295,728	1,418,637
	<u>1,295,728</u>	<u>1,418,637</u>

9. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due after more than 5 years		
Bank loans	<u>1,295,726</u>	<u>1,418,639</u>

10. Related party transactions

At the year end, the company owed Heath Residential Partnership, a venture controlled by the directors, £33,906 (2021: £54,906), which is included within other creditors, and were owed by the directors £15,884 (2021: £34,533), which is included in other debtors, giving a net balance of £18,022 credit (2021: £19,373 credit). No interest is charged on the balance and it is not secured against the assets of the company.

The company were managing properties owned by Heath Residential Partnership. There was no charge for this service, which is not in line with standard commercial terms.

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.