

STRETTON ENERGY LTD

Company Registration No. 08653268 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

PAGES FOR FILING WITH REGISTRAR

STRETTON ENERGY LTD

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STRETTON ENERGY LTD

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	3		2,127,571		2,282,155
Current assets					
Stocks		349,061		205,614	
Debtors	4	443,785		450,622	
Investments	5	70,000		-	
Cash at bank and in hand		58,899		29,344	
		<u>921,745</u>		<u>685,580</u>	
Creditors: amounts falling due within one year	6	<u>(626,500)</u>		<u>(282,941)</u>	
Net current assets			295,245		402,639
Total assets less current liabilities			<u>2,422,816</u>		<u>2,684,794</u>
Creditors: amounts falling due after more than one year	7		(1,559,823)		(1,212,767)
Provisions for liabilities			<u>(71,089)</u>		<u>(141,350)</u>
Net assets			<u><u>791,904</u></u>		<u><u>1,330,677</u></u>
Capital and reserves					
Called up share capital	8		1		1
Share premium account			-		744,148
Profit and loss reserves			791,903		586,528
Total equity			<u><u>791,904</u></u>		<u><u>1,330,677</u></u>

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

For the financial year ended 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have 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.

STRETTON ENERGY LTD

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2020

The financial statements were approved and signed by the director and authorised for issue on 25 March 2021

Mr J E I Corbett

Director

Company Registration No. 08653268

STRETTON ENERGY LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

Stretton Energy Ltd is a private company limited by shares incorporated in England and Wales. The registered office is The Granary, Home Farm, Leebotwood, Church Stretton, Shropshire, SY6 6LX.

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 Going concern

The World Health Organization declared Covid-19 a global pandemic on 11 March 2020 and the UK went into lockdown on 23 March 2020. Due to the nature of the Company's business activities, the impact on trading was minimal and the directors assess the Covid-19 pandemic will not affect the Company's ability to continue as a going concern.

1.3 Turnover

Turnover is recognised 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.

1.4 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 recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	Not depreciated
Plant and machinery	5% straight line
Computer equipment	33.33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Land and buildings have not been depreciated as the director believes that their carrying value is not higher than their realisable value.

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.

STRETTON ENERGY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

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 profit or loss, 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 profit or loss, 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.

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 profit or loss. Reversals of impairment losses are also recognised in profit or loss.

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.

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.

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.

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.

STRETTON ENERGY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

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.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

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

	2020 Number	2019 Number
Total	1	1
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STRETTON ENERGY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

3 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Computer equipment	Total
	£	£	£	£
Cost				
At 1 April 2019	395,776	2,455,952	10,331	2,862,059
Additions	-	70,580	311	70,891
Disposals	-	(83,591)	(1,830)	(85,421)
At 31 March 2020	395,776	2,442,941	8,812	2,847,529
Depreciation and impairment				
At 1 April 2019	-	571,227	8,677	579,904
Depreciation charged in the year	-	157,177	1,424	158,601
Eliminated in respect of disposals	-	(16,719)	(1,828)	(18,547)
At 31 March 2020	-	711,685	8,273	719,958
Carrying amount				
At 31 March 2020	395,776	1,731,256	539	2,127,571
At 31 March 2019	395,776	1,884,725	1,654	2,282,155

4 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	28,243	249,692
Other debtors	415,542	200,930
	443,785	450,622

5 Current asset investments

	2020	2019
	£	£
Other investments	70,000	-

STRETTON ENERGY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

6 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans	369,406	181,013
Trade creditors	12,810	33,357
Corporation tax	3,459	1,971
Other taxation and social security	3,511	-
Other creditors	237,314	66,600
	<u>626,500</u>	<u>282,941</u>

7 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans and overdrafts	<u>1,559,823</u>	<u>1,212,767</u>

In May 2014 a charge was placed on the property and undertakings of the company with the beneficiary being Lloyds Bank Plc.

In June 2017, a second charge was placed on a proportion of the newly acquired land and property with the beneficiary being Lloyds Bank Plc.

Creditors which fall due after five years are as follows:

	2020 £	2019 £
Payable by instalments	<u>424,160</u>	<u>424,160</u>

8 Called up share capital

	2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
145,317 Ordinary shares of 0.00001p each	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

On 23rd July 2019, the company cancelled 45,317 ordinary shares of nominal value each share £0.00001

9 Share Premium

On 24th June 2019, the company passed a Special Resolution such that the share premium account be reduced from £744,148 to nil (and therefore cancelled) and that the amount by which the share premium account is so reduced and cancelled be credited to a reserve.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

10 Company share buy back

On 23rd July 2019, the company passed a Special Resolution to purchase 45,317 ordinary shares of each nominal value £0.00001 for £880,000 from Simon Dean.

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.