

Company registration number: **08751744**

The Bay Tree (Melbourne) Limited
Unaudited Filleted Financial Statements for the
year ended
31 December 2022

The Bay Tree (Melbourne) Limited

Report to the board of directors on the preparation of the unaudited statutory financial statements of The Bay Tree (Melbourne) Limited

Year ended 31 December 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 The Bay Tree (Melbourne) Limited for the year ended 31 December 2022 which comprise the income statement, statement of income and retained earnings, statement of financial position and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at https://www.accaglobal.com/content/dam/ACCA_Global/Members/Doc/rule/2018-rulebook.pdf.

This report is made solely to the Board of Directors of The Bay Tree (Melbourne) Limited, as a body, in accordance with the terms of our engagement letter dated 1 April 2023. Our work has been undertaken solely to prepare for your approval the financial statements of The Bay Tree (Melbourne) Limited and state those matters that we have agreed to state to the Board of Directors of The Bay Tree (Melbourne) Limited, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at https://www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.pdf. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Bay Tree (Melbourne) Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that The Bay Tree (Melbourne) 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 The Bay Tree (Melbourne) Limited. You consider that The Bay Tree (Melbourne) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of The Bay Tree (Melbourne) 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.

Emery & Co Accountants Limited

Office Suite 10

The Old Cottage Hospital

Leicester Road

Ashby-De-La-Zouch

LE65 1DB

United Kingdom

Date: 12 June 2023

The Bay Tree (Melbourne) Limited

Statement of Financial Position

31 December 2022

		2022	2021
	Note	£	£
FIXED ASSETS			
Intangible assets	5	40,000	60,000
Tangible assets	6	18,017	22,015
		58,017	82,015
CURRENT ASSETS			
Stocks		7,387	7,387
Debtors	7	11,221	555
Cash at bank and in hand		51,727	114,787
		70,335	122,729
Creditors: amounts falling due within one year	8	(89,742)	(131,287)
Net current liabilities		(19,407)	(8,558)
Total assets less current liabilities		38,610	73,457
Creditors: amounts falling due after more than one year	9	(24,908)	(34,837)
Provisions for liabilities		(3,423)	(4,183)
Net assets		10,279	34,437
CAPITAL AND RESERVES			
Called up share capital		101	101
Profit and loss account		10,178	34,336
Shareholders funds		10,279	34,437

For the year ending 31 December 2022, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- 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;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These 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.

These financial statements were approved by the board of directors and authorised for issue on 12 June 2023 , and are signed on behalf of the board by:

Mr R Howell

Director

Company registration number: 08751744

The Bay Tree (Melbourne) Limited

Notes to the Financial Statements

Year ended 31 December 2022

1 GENERAL INFORMATION

The company is a private company limited by shares and is registered in England and Wales. The address of the registered office is Office Suite 10 The Old Cottage Hospital, Leicester Road, Ashby-De-La-Zouch, Derbyshire, LE65 1DB, England.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102 Section 1A, 'The Financial Reporting Standard applicable to the UK and Republic of Ireland'.

3 ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain assets.

The financial statements are prepared in sterling, which is the functional currency of the company.

GOING CONCERN

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future.

The directors have considered available cash resources over the next 12 months, and they feel that the company is in a position to meet its liabilities as and when they fall due for a period of at least 12 months from the signing of these accounts.

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.

TURNOVER

Turnover is measured at the fair value of the consideration received or receivable for goods supplied, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

CURRENT TAX

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

GOODWILL

Purchased goodwill arises on business acquisitions and represents the difference between the cost of acquisition and the fair values of the identifiable assets and liabilities acquired.

Goodwill is initially recorded at cost, and is subsequently stated at cost less any accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over the useful economic life of the asset. Where a reliable estimate of the useful life of goodwill cannot be made, the life is presumed not to exceed five years.

INTANGIBLE ASSETS

Intangible assets are initially measured at cost and are subsequently measured at cost less any accumulated amortisation and accumulated impairment losses or at a revalued amount. However, Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

Any intangible assets carried at a revalued amount are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation is recognised in other comprehensive income and accumulated in capital and reserves. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves. If a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess is recognised in profit or loss.

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the

useful economic life of that asset as follows:

Goodwill	10% straight line
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TANGIBLE ASSETS

Tangible assets are initially measured at cost, and are subsequently measured at cost less any accumulated depreciation and accumulated impairment losses or at a revalued amount.

Any tangible assets carried at a revalued amount are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation is recognised in other comprehensive income and accumulated in capital and reserves. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves. If a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess is recognised in profit or loss.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Land and buildings	25% reducing balance
Fixtures, fittings and equipment	25% reducing balance
Motor vehicles	25% reducing balance

IMPAIRMENT

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

STOCKS

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

GOVERNMENT GRANTS

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the entity will comply with the conditions attaching to them

and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

FINANCIAL INSTRUMENTS

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price and are subsequently measured as follows: Debt instruments are subsequently measured at amortised cost and commitments to receive a loan and to make a loan to another entity are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

All other financial instruments, including derivatives, are initially recognised at fair value, which is normally the transaction price and are subsequently measured at fair value, with any changes recognised in profit or loss.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

All equity instruments regardless of significance, and other financial assets that are individually significant, are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

DEFERRED TAX

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured on an undiscounted basis at the tax rates that would apply in the periods in which timing differences are expected to reverse, based on tax rates and laws enacted at the statement of financial position date.

PROVISIONS FOR LIABILITIES

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

DEFINED CONTRIBUTION PENSION PLAN

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4 AVERAGE NUMBER OF EMPLOYEES

The average number of persons employed by the company during the year was 13 (2021: 13.00).

5 INTANGIBLE ASSETS

	Goodwill
	£
COST	
	200,000

At 1 January 2022 and 31 December 2022

AMORTISATION

At 1 January 2022	140,000
Charge	20,000
At 31 December 2022	<u>160,000</u>

CARRYING AMOUNT

At 31 December 2022	40,000
At 31 December 2021	60,000

6 TANGIBLE ASSETS

	Land and buildings	Plant and machinery etc.	Total
	£	£	£
COST			
At 1 January 2022	40,190	51,315	91,505
Additions	-	1,811	1,811
At 31 December 2022	<u>40,190</u>	<u>53,126</u>	<u>93,316</u>

DEPRECIATION

At 1 January 2022	30,541	38,949	69,490
Charge	2,412	3,397	5,809
At 31 December 2022	<u>32,953</u>	<u>42,346</u>	<u>75,299</u>

CARRYING AMOUNT

At 31 December 2022	7,237	10,780	18,017
At 31 December 2021	9,649	12,366	22,015

7 DEBTORS

	2022	2021
	£	£
Other debtors	11,221	555

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts	9,890	9,646
Trade creditors	15,552	20,642
Taxation and social security	12,816	31,305
Other creditors	51,484	69,694
	<u>89,742</u>	<u>131,287</u>

9 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts	24,908	34,837

10 RELATED PARTY TRANSACTIONS

Included in other creditors is an amount of £47,461 (2021: £56,171) due to the director, Mr R Howell. This loan is interest free and repayable on demand.

During the year, dividends totalling £11,235 (2021: £Nil) were paid to the shareholders. The amount paid per share, varied by class of share.

11 CONTROLLING PARTY

The director Mr R Howell is the ultimate controlling party by virtue of his shareholdings.

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.