

Stiles Developments Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 August 2022

Stiles Developments Limited

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Stiles Developments Limited

Company Information

Directors	J B J Leitch M A Leitch A B L Taylor
Company secretary	A B L Taylor

Registered office	10 Duke Street Liverpool L1 5AS
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Stiles Developments Limited

Profit and Loss Account for the Year Ended 31 August 2022

	Note	2022 £	2021 £
Turnover		291,486	218,170
Gross profit		291,486	218,170
Administrative expenses		(177,461)	(171,645)
Operating profit		114,025	46,525
Interest payable and similar expenses		(50,879)	(36,535)
Profit before tax	4	63,146	9,990
Tax on profit		(12,665)	(638)
Profit for the financial year		50,481	9,352
Total comprehensive income for the year		50,481	9,352

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

Stiles Developments Limited
(Registration number: 11302275)
Balance Sheet as at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	<u>5</u>	4,960	11,937
Investment property	<u>6</u>	2,564,519	2,564,519
		<u>2,569,479</u>	<u>2,576,456</u>
Current assets			
Debtors	<u>7</u>	160,879	120,034
Cash at bank and in hand		<u>342,276</u>	<u>283,328</u>
		503,155	403,362
Creditors: Amounts falling due within one year	<u>8</u>	<u>(1,787,351)</u>	<u>(1,698,268)</u>
Net current liabilities		<u>(1,284,196)</u>	<u>(1,294,906)</u>
Total assets less current liabilities		1,285,283	1,281,550
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(1,132,936)</u>	<u>(1,178,728)</u>
Provisions for liabilities		<u>(11,396)</u>	<u>(12,352)</u>
Net assets		<u>140,951</u>	<u>90,470</u>
Capital and reserves			
Called up share capital	<u>9</u>	1,100	1,100
Retained earnings		<u>139,851</u>	<u>89,370</u>
Shareholders' funds		<u>140,951</u>	<u>90,470</u>

For the financial year ending 31 August 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Stiles Developments Limited

(Registration number: 11302275)
Balance Sheet as at 31 August 2022

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the Board on 31 May 2023 and signed on its behalf by:

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A B L Taylor

Director

Stiles Developments Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2022

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

10 Duke Street
Liverpool
L1 5AS
England

These financial statements were authorised for issue by the Board on 31 May 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis as the directors believe they can access funding to meet the liabilities of the company when they fall due.

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.

Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Stiles Developments Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2022

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

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

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:

Asset class	Depreciation method and rate
Fixtures and fittings	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.

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.

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.

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.

Stiles Developments Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2022

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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Stiles Developments Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2022

Share capital

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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 0 (2021 - 0).

4 Profit before tax

Arrived at after charging/(crediting)

	2022	2021
	£	£
Depreciation expense	6,977	5,143

Stiles Developments Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2022

5 Tangible assets

	Plant and machinery etc £	Total £
Cost or valuation		
At 1 September 2021	20,992	20,992
At 31 August 2022	20,992	20,992
Depreciation		
At 1 September 2021	9,055	9,055
Charge for the year	6,977	6,977
At 31 August 2022	16,032	16,032
Carrying amount		
At 31 August 2022	4,960	4,960
At 31 August 2021	11,937	11,937

6 Investment property

	2022 £
At 1 September	2,564,519
At 31 August	2,564,519

Investment property comprises a property for letting. There has been no independent valuation during the year, however the directors are of the opinion that there has been no change in the fair value of the investment property since its acquisition.

7 Debtors

	2022 £	2021 £
Current		
Trade debtors	-	2,586
Prepayments	23,809	23,290
Other debtors	137,070	94,158
	160,879	120,034

Stiles Developments Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2022

8 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Due within one year			
Loans and borrowings	<u>11</u>	1,604,366	1,606,359
Trade creditors		5,424	5,703
Taxation and social security		13,621	3,163
Accruals and deferred income		163,940	83,043
		<u>1,787,351</u>	<u>1,698,268</u>

Creditors: amounts falling due after more than one year

	Note	2022 £	2021 £
Due after one year			
Loans and borrowings	<u>11</u>	<u>1,132,936</u>	<u>1,178,728</u>

9 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
1,100 Ordinary shares of £1 each	1,100	1,100	1,100	1,100

10 Related party transactions

Loans from related parties

	Directors £	Total £
2021		
At start of period	450,000	450,000
Repaid	<u>(450,000)</u>	<u>(450,000)</u>
At end of period	<u>-</u>	<u>-</u>

Terms of loans from related parties

The loan was repaid in 2021. Interest was not charged on the loan.

Stiles Developments Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2022

11 Loans and borrowings

	2022 £	2021 £
Non-current loans and borrowings		
Bank borrowings	<u>1,132,936</u>	<u>1,178,728</u>
	2022 £	2021 £
Current loans and borrowings		
Bank borrowings	50,223	52,216
Other borrowings	<u>1,554,143</u>	<u>1,554,143</u>
	<u>1,604,366</u>	<u>1,606,359</u>

The bank borrowings of £1,183,159 (2021 : £1,230,944) are secured by way of fixed and floating charges over the investment property and the other assets of the company, and the other borrowings are secured by a legal mortgage over the investment property.

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.