

Stiles Developments Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 August 2020

Stiles Developments Limited

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Stiles Developments Limited
(Registration number: 11302275)
Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>4</u>	11,024	2,164,372
Investment property	<u>5</u>	<u>2,477,105</u>	<u>-</u>
		<u>2,488,129</u>	<u>2,164,372</u>
Current assets			
Debtors	<u>6</u>	45,545	1,128
Cash at bank and in hand		<u>16,300</u>	<u>76,677</u>
		61,845	77,805
Creditors: Amounts falling due within one year	<u>7</u>	<u>(499,713)</u>	<u>(2,249,250)</u>
Net current liabilities		<u>(437,868)</u>	<u>(2,171,445)</u>
Total assets less current liabilities		2,050,261	(7,073)
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(1,969,143)</u>	<u>-</u>
Net assets/(liabilities)		<u>81,118</u>	<u>(7,073)</u>
Capital and reserves			
Called up share capital	<u>8</u>	1,100	1,100
Profit and loss account		<u>80,018</u>	<u>(8,173)</u>
Total equity		<u>81,118</u>	<u>(7,073)</u>

For the financial year ending 31 August 2020 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.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Stiles Developments Limited
(Registration number: 11302275)
Balance Sheet as at 31 August 2020

Approved and authorised by the Board on 26 May 2021 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 2020

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 26 May 2021.

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 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

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.

Reporting period

The comparative accounts have been prepared for a period longer than 12 months, so as to align the company's Accounting Reference Date to the date required.

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 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 2020

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
Office equipment	20% 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.

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.

Stiles Developments Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

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.

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 (2019 - 0).

Stiles Developments Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

4 Tangible assets

	Land and buildings £	Plant and machinery etc £	Total £
Cost or valuation			
At 1 September 2019	2,151,408	12,964	2,164,372
Additions	325,697	1,972	327,669
Reclassification to investment property	(2,477,105)	-	(2,477,105)
At 31 August 2020	-	14,936	14,936
Depreciation			
Charge for the year	-	3,912	3,912
At 31 August 2020	-	3,912	3,912
Carrying amount			
At 31 August 2020	-	11,024	11,024
At 31 August 2019	2,151,408	12,964	2,164,372

5 Investment property

	2020 £
Reclassification from land and buildings	2,477,105
At 31 August	2,477,105

Investment property comprises a property acquired for letting. The directors are of the opinion that there has been no change in the fair value of the investment property since its acquisition.

6 Debtors

	2020 £	2019 £
Other debtors	45,545	1,128
	45,545	1,128

Stiles Developments Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

7 Creditors

Creditors: amounts falling due within one year

	2020 £	2019 £
Due within one year		
Trade creditors	1,003	5,107
Taxation and social security	23,215	-
Accruals and deferred income	23,015	-
Other creditors	452,480	2,244,143
	<u>499,713</u>	<u>2,249,250</u>

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	9	<u>1,969,143</u>	<u>-</u>

8 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
1,100 Ordinary shares of £1 each	1,100	1,100	1,100	1,100
	<u>1,100</u>	<u>1,100</u>	<u>1,100</u>	<u>1,100</u>

9 Loans and borrowings

	2020 £	2019 £
Non-current loans and borrowings		
Other borrowings	<u>1,969,143</u>	<u>-</u>

The other borrowings are secured by a legal mortgage over the investment property. Natwest Bank has a charge over the investment property and the assets of the company.

Stiles Developments Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 August 2020

Included in the loans and borrowings are the following amounts due after more than five years:

	2020	2019
	£	£
Due after more than five years		
After more than five years not by instalments	1,969,143	-
Other loans after five years		

There is no fixed repayment date and no interest to be paid on the loan.

10 Related party transactions

Loans from related parties

	Directors	Total
	£	£
2020		
At start of period	450,000	450,000
At end of period	450,000	450,000
2019		
Advanced	450,000	450,000
At end of period	450,000	450,000

Interest has not been charged on the loan from the Directors.

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.