

Company Registration No. 01265665 (England and Wales)

DAVID REED HOMES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020
PAGES FOR FILING WITH REGISTRAR

DAVID REED HOMES LIMITED

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DAVID REED HOMES LIMITED

BALANCE SHEET

AS AT 30 APRIL 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	3		58,054		67,053
Current assets					
Debtors	4	90,519		149,591	
Cash at bank and in hand		27,373		75,475	
		<u>117,892</u>		<u>225,066</u>	
Creditors: amounts falling due within one year	5	<u>(54,429)</u>		<u>(176,033)</u>	
Net current assets			63,463		49,033
Total assets less current liabilities			<u>121,517</u>		<u>116,086</u>
Creditors: amounts falling due after more than one year	6		(5,594)		(2,724)
Net assets			<u>115,923</u>		<u>113,362</u>
Capital and reserves					
Called up share capital			9,375		9,375
Share premium account			22,500		22,500
Profit and loss reserves			<u>84,048</u>		<u>81,487</u>
Total equity			<u>115,923</u>		<u>113,362</u>

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

For the financial year ended 30 April 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 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.

DAVID REED HOMES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 APRIL 2020

The financial statements were approved by the board of directors and authorised for issue on 12 October 2020 and are signed on its behalf by:

Mr N C I Rust

Director

Company Registration No. 01265665

DAVID REED HOMES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2020

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 May 2018		9,375	22,500	68,979	100,854
Year ended 30 April 2019:					
Profit and total comprehensive income for the year		-	-	16,508	16,508
Dividends		-	-	(4,000)	(4,000)
Balance at 30 April 2019		9,375	22,500	81,487	113,362
Year ended 30 April 2020:					
Profit and total comprehensive income for the year		-	-	10,561	10,561
Dividends		-	-	(8,000)	(8,000)
Balance at 30 April 2020		9,375	22,500	84,048	115,923

DAVID REED HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2020

1 Accounting policies

Company information

David Reed Homes Limited is a private company limited by shares incorporated in England and Wales. The registered office is Warwick House, Ermine Business Park, Spitfire Close, Huntingdon, Cambs, PE29 6XY.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis as, after making appropriate enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future at the time of approving the financial statements.

These accounts have been prepared on a going concern basis subject to the impact the COVID 19 pandemic might have on the business which is unknown at this time.

1.3 Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year and derives from the provision of goods falling within the company's ordinary activities.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long term contracts and contracts for on-going services is recognised by reference to the stage of completion.

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:

Plant and machinery	15% reducing balance
Fixtures, fittings & equipment	10% reducing balance
Motor vehicles	25% reducing balance

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.

DAVID REED HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

1 Accounting policies

(Continued)

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.

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 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.

1.7 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.

DAVID REED HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

1 Accounting policies

(Continued)

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 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.

1.8 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.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

DAVID REED HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

2 Employees

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

	2020 Number	2019 Number
Total	5	7

3 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 May 2019	320,412
Additions	23,997
Disposals	(23,778)
At 30 April 2020	320,631
Depreciation and impairment	
At 1 May 2019	253,359
Depreciation charged in the year	17,841
Eliminated in respect of disposals	(8,623)
At 30 April 2020	262,577
Carrying amount	
At 30 April 2020	58,054
At 30 April 2019	67,053

4 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	1,044	-
Other debtors	89,475	149,591
	90,519	149,591

DAVID REED HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

5 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	39,708	102,690
Taxation and social security	5,069	5,895
Other creditors	9,652	67,448
	<u>54,429</u>	<u>176,033</u>

Net obligations under finance lease and hire purchase contracts of £3,069 (2019 - £6,732) are secured against the assets concerned.

6 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Other creditors	5,594	2,724
	<u>5,594</u>	<u>2,724</u>

Net obligations under finance lease and hire purchase contracts of £5,594 (2019 - £2,724) are secured against the assets concerned.

7 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020	2019
	£	£
	<u>2,750</u>	<u>13,750</u>

8 Directors' transactions

At 30 April 2020, Mr N C and Mrs C A Rust owed the company £35,877 (2019 - £44,683) in respect of their directors loan account.

9 Parent company

The ultimate parent company is David Reed Homes Holdings Limited of which David Reed Homes Limited is its wholly owned subsidiary. The ultimate controlling parties are Mr N C Rust and Mrs C A Rust, by virtue of their controlling shareholding in David Reed Homes Holdings Limited.

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.