

HILLSIDE ANIMAL SANCTUARY LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2019

HILLSIDE ANIMAL SANCTUARY LIMITED
REGISTERED NUMBER: 03027338

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	3,757,789	3,531,515
Current assets			
Stocks		64,234	56,880
Debtors: amounts falling due within one year	5	1,138,953	966,676
Cash at bank and in hand		171,274	520,963
		<u>1,374,461</u>	<u>1,544,519</u>
Creditors: amounts falling due within one year	6	(2,126,442)	(1,856,230)
Net current liabilities		<u>(751,981)</u>	<u>(311,711)</u>
Total assets less current liabilities		3,005,808	3,219,804
Creditors: amounts falling due after more than one year	7	(1,517,911)	(1,423,113)
Net assets		<u><u>1,487,897</u></u>	<u><u>1,796,691</u></u>
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account		1,487,895	1,796,689
		<u><u>1,487,897</u></u>	<u><u>1,796,691</u></u>

HILLSIDE ANIMAL SANCTUARY LIMITED
REGISTERED NUMBER: 03027338

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2019

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the income and expenditure account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 December 2019.

W Valentine
Director

J Watson
Director

The notes on pages 3 to 8 form part of these financial statements.

HILLSIDE ANIMAL SANCTUARY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. General information

Hillside Animal Sanctuary Limited is a private company, limited by shares, domiciled in England and Wales, registration number 03027338. The registered office is Hillside Hall Lane, Frettenham, Norwich, Norfolk, NR12 7LT.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

At the 31 March 2019 the company had net current liabilities of £751,981 (2018: £311,711). Included in this amount is accrued legacy income of £977,415 (2018: £782,663) and the timing of the realisation of this accrued income can be uncertain.

The company relies on donations and legacies from its supporters to meet its day to day cash flow requirements. When these donations and legacies are not adequate for current cash needs the company relies on borrowings from supporters or extended credit terms from suppliers. It is the director's belief that the current level of borrowings from supporters will not be requested for repayment until the company has sufficient funds to pay and while the company remains under the control of Wendy Valentine. The amounts due to suppliers are repaid as funds allow.

The directors have considered a period of no less than 12 months from the balance sheet date and have concluded that the company will receive sufficient funds from future legacies and donations to continue for the foreseeable future. The company has experienced cash flow difficulties in the past and has always been able to raise additional funds through appeals and other fundraising efforts. The directors recognise that this relies on the ongoing goodwill of its supporters.

Based on the above, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of borrowings from supporters or extended credit terms from suppliers.

2.3 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Donations and legacies are recognised in full in the profit and loss account when the company's entitlement is established and the amount receivable can be reliably quantified.

Income from trading activities includes entrance fees, mail order and rental income. Income is received in exchange for services in order to raise funds and is recognised when the services have been provided.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Income and Expenditure Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 Finance costs

Finance costs are charged to the Income and Expenditure Account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Borrowing costs

All borrowing costs are recognised in the Income and Expenditure Account in the year in which they are incurred.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Income and Expenditure Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold land	-	No depreciation
Plant & machinery	-	10 - 33% reducing balance
Motor vehicles	-	25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income and Expenditure Account.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. Accounting policies (continued)

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. The cost is on a first in first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 130 (2018 - 115).

HILLSIDE ANIMAL SANCTUARY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

4. Tangible fixed assets

	Freehold property £	Plant & machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2018	3,177,270	528,166	123,021	3,828,457
Additions	-	276,077	41,248	317,325
Disposals	-	(20,700)	-	(20,700)
At 31 March 2019	<u>3,177,270</u>	<u>783,543</u>	<u>164,269</u>	<u>4,125,082</u>
Depreciation				
At 1 April 2018	-	221,890	75,052	296,942
Charge for the year on owned assets	-	27,173	22,304	49,477
Charge for the year on financed assets	-	30,815	-	30,815
Disposals	-	(9,941)	-	(9,941)
At 31 March 2019	<u>-</u>	<u>269,937</u>	<u>97,356</u>	<u>367,293</u>
Net book value				
At 31 March 2019	<u>3,177,270</u>	<u>513,606</u>	<u>66,913</u>	<u>3,757,789</u>
At 31 March 2018	<u>3,177,270</u>	<u>306,276</u>	<u>47,969</u>	<u>3,531,515</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Plant and machinery	277,336	55,471
Motor vehicles	10,991	-
	<u>288,327</u>	<u>55,471</u>

HILLSIDE ANIMAL SANCTUARY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

5. Debtors

	2019 £	2018 £
Other debtors	5,096	24,913
Prepayments	156,442	159,100
Accrued income	977,415	782,663
	<u>1,138,953</u>	<u>966,676</u>

6. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank loans	61,570	61,959
Other loans	147,927	167,927
Trade creditors	1,210,060	1,051,543
Other taxation and social security	56,072	169,087
Obligations under finance lease and hire purchase contracts	56,938	11,677
Other creditors	459,581	223,647
Accruals and deferred income	134,294	170,390
	<u>2,126,442</u>	<u>1,856,230</u>

7. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Bank loans	1,347,944	1,405,213
Other loans	-	4,000
Net obligations under finance leases and hire purchase contracts	169,967	13,900
	<u>1,517,911</u>	<u>1,423,113</u>

Secured loans

Creditors amounting to £2,149,544 (2018: £1,802,537) were secured over the assets of the company.

8. Loans

Amounts falling due after more than 5 years by instalments are £1,080,334 (2018: £1,137,245).

HILLSIDE ANIMAL SANCTUARY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

9. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
2 (2018 - 2) ordinary shares of £1.00 each	<u>2</u>	<u>2</u>

10. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £23,460 (2018 - £9,972). Contributions totalling £10,355 (2018 - £1,634) were payable to the fund at the balance sheet date and are included in creditors.

11. Commitments under operating leases

At 31 March 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	14,000	14,000
Later than 1 year and not later than 5 years	49,000	56,000
Later than 5 years	-	14,000
	<u>63,000</u>	<u>84,000</u>

12. Related party transactions

Included in other creditors is a loan due to a director.

At 1 April 2018 the amount due was £221,788, during the year personal expenses and repayments were paid totalling £80,042, funds were introduced of £307,379, leaving a balance owed at the year end of £449,125. In addition rent of £34,875 was paid during the year.

During the year a total of £6,879 (2018: £3,797) was charged as interest to the company, on loans from a director.

The security in place to support the lending for the purchase of the West Runton property includes a charge over the personal assets of a director.

The West Runton property is held in joint names of the company and a director at the Land Registry, however this merely reflects the borrowing position noted above. The company has sole use of the property and the directors are satisfied that the full purchase cost has been correctly classified as a fixed asset.

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.