

Pretty 333 Limited

Annual Report and Financial Statements

For the year ended 31 December 2017

Company Registration No. 03258429 (England and Wales)

Pretty 333 Limited

Company Information

Directors	A L Gover T E Gover H Gover	(Appointed 9 April 2018) (Appointed 9 April 2018)
Secretary	A L Gover	
Company number	03258429	
Registered office	Fairfax House Church Street Sibbertoft Market Harborough Leicestershire LE16 9UA	
Auditor	Kingston Smith LLP Betchworth House 57-65 Station Road Redhill Surrey RH1 1DL	
Business address	Fairfax House Church Street Sibbertoft Market Harborough Leicestershire LE16 9UA	
Bankers	Lloyds Bank Plc 40 The Square Market Harborough Leicestershire LE16 7PA	
Solicitors	Prettys Elm House 25 Elm Street Ipswich Suffolk IP1 2AD	

Pretty 333 Limited

Directors' Report

For the year ended 31 December 2017

The directors present their annual report and financial statements for the year ended 31 December 2017.

Principal activities

The principal activity of the company throughout the year was that of providing residential and nursing care for the elderly.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

B D Gover	(Resigned 11 September 2017)
A L Gover	
T E Gover	(Appointed 9 April 2018)
H Gover	(Appointed 9 April 2018)

Auditor

The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487 (2) of the Companies Act 2006.

Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

A L Gover

Director

28 May 2018

Pretty 333 Limited

Directors' Responsibilities Statement

For the year ended 31 December 2017

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Pretty 333 Limited

Independent Auditor's Report

To the Members of Pretty 333 Limited

Opinion

We have audited the financial statements of Pretty 333 Limited (the 'company') for the year ended 31 December 2017 which comprise the Statement of Income and Retained Earnings, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue

Pretty 333 Limited

Independent Auditor's Report (Continued)

To the Members of Pretty 333 Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Pretty 333 Limited

Independent Auditor's Report (Continued)

To the Members of Pretty 333 Limited

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Parveen Chadda (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP

6 June 2018

Chartered Accountants
Statutory Auditor

Betchworth House
57-65 Station Road
Redhill
Surrey
RH1 1DL

Pretty 333 Limited

Statement of Income and Retained Earnings

For the year ended 31 December 2017

	Notes	2017 £	2016 £
Turnover		2,221,716	2,248,067
Cost of sales		(1,443,261)	(1,488,549)
Gross profit		778,455	759,518
Administrative expenses		(425,379)	(416,252)
Other operating income		28,978	14,788
Operating profit		382,054	358,054
Interest receivable and similar income		-	2,895
Interest payable and similar expenses		(2,663)	(3,505)
Intercompany balance write off		-	(177,986)
Profit before taxation		379,391	179,458
Taxation	3	(72,249)	(93,214)
Profit for the financial year		307,142	86,244
Total comprehensive income for the year		307,142	86,244
Retained earnings at 1 January 2017		1,697,668	1,611,424
Dividends		(1,697,668)	-
Retained earnings at 31 December 2017		<u>307,142</u>	<u>1,697,668</u>

Pretty 333 Limited

Balance Sheet

As at 31 December 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	4		3,170,298		2,985,279
Current assets					
Debtors	5	42,033		448,058	
Cash at bank and in hand		236,173		195,879	
		<u>278,206</u>		<u>643,937</u>	
Creditors: amounts falling due within one year	6	<u>(1,823,401)</u>		<u>(221,010)</u>	
Net current (liabilities)/assets			<u>(1,545,195)</u>		<u>422,927</u>
Total assets less current liabilities			1,625,103		3,408,206
Creditors: amounts falling due after more than one year	7		(189,256)		(572,619)
Provisions for liabilities	8		<u>(70,795)</u>		<u>(80,009)</u>
Net assets			<u>1,365,052</u>		<u>2,755,578</u>
Capital and reserves					
Called up share capital	10		1,057,910		1,057,910
Profit and loss reserves			<u>307,142</u>		<u>1,697,668</u>
Total equity			<u>1,365,052</u>		<u>2,755,578</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 28 May 2018 and are signed on its behalf by:

A L Gover
Director

Company Registration No. 03258429

Pretty 333 Limited

Notes to the Financial Statements

For the year ended 31 December 2017

1 Accounting policies

Company information

Pretty 333 Limited is a private company limited by shares incorporated in England and Wales. The registered office is Fairfax House, Church Street, Sibbertoft, Market Harborough, Leicestershire, LE16 9UA.

1.1 Accounting convention

These financial statements have been prepared in accordance with Section 1A of 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 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 pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents the invoiced value of goods and services provided.

1.3 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:

Freehold land and buildings	Land - nil, Buildings - 2% straight line
Plant and machinery	25% straight line
Fixtures, fittings & equipment	15% straight line
Motor vehicles	25% 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.

1.4 Cash and cash equivalents

Cash at bank and in hand 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.

1.5 Financial instruments

The company only has financial instruments classified as basic and measured at amortised cost. The company has no financial instruments that are classified as "other" or financial instruments measured at fair value.

1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Pretty 333 Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.7 Employee benefits

The costs of short-term employee benefits are recognised as an expense as they fall due. Any unpaid short-term benefits for services rendered during the year are recognised as a liability.

1.8 Retirement benefits

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

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 66 (2016 - 67).

3 Taxation

	2017	2016
	£	£
Current tax		
UK corporation tax on profits for the current period	81,463	82,074
Deferred tax		
Origination and reversal of timing differences	(9,214)	11,140
	<u> </u>	<u> </u>
Total tax charge	<u>72,249</u>	<u>93,214</u>

Pretty 333 Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2017	3,652,343	508,170	4,160,513
Additions	258,319	6,089	264,408
At 31 December 2017	3,910,662	514,259	4,424,921
Depreciation			
At 1 January 2017	676,591	498,643	1,175,234
Depreciation charged in the year	74,813	4,576	79,389
At 31 December 2017	751,404	503,219	1,254,623
Carrying amount			
At 31 December 2017	3,159,258	11,040	3,170,298
At 31 December 2016	2,975,752	9,527	2,985,279

5 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	14,279	15,042
Other debtors	27,754	433,016
	42,033	448,058

6 Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	78,156	64,762
Trade creditors	13,959	21,502
Amounts due to group undertakings	1,558,474	-
Corporation tax	81,463	69,506
Other taxation and social security	23,573	24,924
Other creditors	67,776	40,316
	1,823,401	221,010

The bank loans and overdrafts are secured by a first legal charge over the property, and a fixed and floating charge over the assets of the company.

Pretty 333 Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

7 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Bank loans and overdrafts	189,256	56,082
Amounts owed to group undertakings	-	516,537
	<u>189,256</u>	<u>572,619</u>

The loan balance is made of two separate loans, with one of these being repayable by monthly instalments with the final repayment due in March 2019, and the other being repayable by monthly instalments with the final repayment due in November 2022. The interest rates on the loans are 2% above the base rate and 3.84% respectively.

Included in amounts owed to group undertakings is a balance due to the parent company, Gover Group Limited, of £1,558,474 (2016: £516,537) held in current liabilities in 2017.

8 Provisions for liabilities

	2017 £	2016 £
Deferred tax liabilities	9 70,795	80,009
	<u>70,795</u>	<u>80,009</u>

9 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2017 £	Liabilities 2016 £
Balances:		
Accelerated Capital Allowances	<u>70,795</u>	<u>80,009</u>
Movements in the year:		2017 £
Liability at 1 January 2017		80,009
Credit to profit or loss		(9,214)
Liability at 31 December 2017		<u>70,795</u>

Pretty 333 Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

10 Called up share capital

	2017 £	2016 £
Issued and fully paid		
1,057,910 Ordinary Shares of £1 each	1,057,910	1,057,910

11 Parent company

The immediate and ultimate parent company is Gover Group Limited, incorporated in England and Wales, whose registered office is Fairfax House, Church Street, Sibbertoft, Market Harborough, Leicester, LE16 9UA.

12 Related party transactions

Included within other debtors at the year end is an amount of £nil (2016: £417,430 owed by) Mr B. D. Gover.

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