

---

**STONE CROSS ENTERPRISES LIMITED**

---

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**



---

**STONE CROSS ENTERPRISES LIMITED**

---

**COMPANY INFORMATION**

---

<b>Directors</b>	JF Carter KJ Hirst
<b>Company secretary</b>	DJ Rawlinson
<b>Registered number</b>	03295687
<b>Registered office</b>	Sceptre House Sceptre Way Bamber Bridge Preston PR5 6AW
<b>Independent auditor</b>	RSM UK Audit LLP, Statutory Auditor Bluebell House Brian Johnson Way Preston Lancashire PR2 5PE

---

**STONE CROSS ENTERPRISES LIMITED**

---

**CONTENTS**

---

	Page
<b>Directors' Report</b>	<b>1 - 2</b>
<b>Directors' Responsibilities Statement</b>	<b>3</b>
<b>Independent auditor's report</b>	<b>4 - 7</b>
<b>Statement of Comprehensive Income</b>	<b>8</b>
<b>Balance Sheet</b>	<b>9</b>
<b>Statement of Changes in Equity</b>	<b>10</b>
<b>Notes to the Financial Statements</b>	<b>11 - 18</b>

---

## STONE CROSS ENTERPRISES LIMITED

---

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

---

The Directors present their report and the financial statements for the year ended 31 December 2021.

#### **Principal activity**

The principal activity of the company in the year under review was that of investment in commercial property following the completion and full letting of the Stonecross office scheme on its acquired land bank.

The Directors' report has been prepared in accordance with the provisions applicable to small companies.

#### **Business review**

The results for the year and financial position of the company are as shown in the financial statements on pages 8 and 9.

As documented in note 1 to the financial statements, the directors continue to adopt the going concern basis in the preparation of the accounts.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £6,629 (2020 - £146,643).

A dividend of £100,000 has been declared and paid for the year ended 31 December 2021 (2020 - £50,000).

#### **Directors**

The Directors who served during the year and up to the date of this report were:

JF Carter  
KJ Hirst

#### **DISCLOSURE OF INFORMATION TO AUDITOR**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

---

**STONE CROSS ENTERPRISES LIMITED**

---

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**AUDITOR**

The auditor, RSM UK Audit LLP, Statutory Auditor, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 30 June 2022 and signed on its behalf.



**KJ Hirst**  
Director

---

## **STONE CROSS ENTERPRISES LIMITED**

---

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021**

---

The Directors are responsible for preparing the Directors' 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 to 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.

---

## STONE CROSS ENTERPRISES LIMITED

---

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STONE CROSS ENTERPRISES LIMITED

---

#### Opinion

We have audited the financial statements of Stone Cross Enterprises Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including 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 2021 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.

#### Conclusion relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

---

## **STONE CROSS ENTERPRISES LIMITED**

---

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STONE CROSS ENTERPRISES LIMITED (CONTINUED)**

---

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 the 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 in relation to which 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 take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.



---

## STONE CROSS ENTERPRISES LIMITED

---

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STONE CROSS ENTERPRISES LIMITED (CONTINUED)

---

#### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 3, 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 intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **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.

#### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud

---

## STONE CROSS ENTERPRISES LIMITED

---

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STONE CROSS ENTERPRISES LIMITED (CONTINUED)

---

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from internal/external tax advisors.

The audit engagement team identified the risk of management override of controls and judgements and estimates made in the valuation of the investment property portfolio as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to:

- testing manual journal entries and other adjustments and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business.
- challenging judgements and estimates applied in the valuation of investment properties using data obtained from a valuation specialist to assist in assessing fair value of properties within the property portfolio.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

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.

*Ian Taylor*

Ian Taylor (Senior Statutory Auditor)

for and on behalf of  
**RSM UK Audit LLP, Statutory Auditor**

Bluebell House  
Brian Johnson Way  
Preston  
Lancashire  
PR2 5PE

30 June 2022

---

**STONE CROSS ENTERPRISES LIMITED**

---

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

	Note	2021 £	2020 £
Turnover	3	<b>187,583</b>	167,180
<b>Gross profit</b>		<b>187,583</b>	167,180
Administrative expenses		<b>(77,190)</b>	(38,087)
<b>Operating profit</b>		<b>110,393</b>	129,093
(Deficit)/surplus on revaluation of investment property	8	<b>(80,000)</b>	25,000
<b>Profit before tax</b>		<b>30,393</b>	154,093
Tax on profit	6	<b>(23,764)</b>	(7,450)
<b>Profit for the financial year</b>		<b>6,629</b>	146,643
 <b>Total comprehensive income for the year</b>		 <b>6,629</b>	 146,643

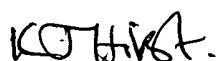
The notes on pages 11 to 18 form part of these financial statements.

**STONE CROSS ENTERPRISES LIMITED**  
**REGISTERED NUMBER: 03295687**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investment property	8	1,775,000	1,855,000
		<u>1,775,000</u>	<u>1,855,000</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	9	87,560	134,333
		<u>87,560</u>	<u>134,333</u>
Creditors: amounts falling due within one year	10	(1,281,166)	(1,321,016)
		<u>(1,281,166)</u>	<u>(1,321,016)</u>
<b>Net current liabilities</b>		<b>(1,193,606)</b>	<b>(1,186,683)</b>
<b>Total assets less current liabilities</b>		<b>581,394</b>	<b>668,317</b>
<b>Provisions for liabilities</b>			
Deferred tax	11	(36,848)	(30,400)
		<u>(36,848)</u>	<u>(30,400)</u>
<b>Net assets</b>		<b>544,546</b>	<b>637,917</b>
<b>Capital and reserves</b>			
Called up share capital	12	2	2
Investment property reserve		48,601	128,601
Profit and loss account		495,943	509,314
		<u>544,546</u>	<u>637,917</u>
<b>Shareholders' funds</b>		<b>544,546</b>	<b>637,917</b>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 June 2022.



**KJ Hirst**  
Director

The notes on pages 11 to 18 form part of these financial statements.

---

**STONE CROSS ENTERPRISES LIMITED**

---

**STATEMENT OF CHANGES IN EQUITY  
YEAR ENDED 31 DECEMBER 2021**

---

	Called up share capital	Investment property revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	2	128,601	509,314	637,917
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	6,629	6,629
<b>Total comprehensive income for the year</b>	-	-	6,629	6,629
Dividends	-	-	(100,000)	(100,000)
Revaluation reserve transfer	-	(80,000)	80,000	-
<b>At 31 December 2021</b>	<b>2</b>	<b>48,601</b>	<b>495,943</b>	<b>544,546</b>

**STATEMENT OF CHANGES IN EQUITY  
YEAR ENDED 31 DECEMBER 2020**

---

	Called up share capital	Investment property revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	2	103,601	437,671	541,274
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	146,643	146,643
<b>Total comprehensive income for the year</b>	-	-	146,643	146,643
Dividends	-	-	(50,000)	(50,000)
Revaluation reserve transfer	-	25,000	(25,000)	-
<b>At 31 December 2020</b>	<b>2</b>	<b>128,601</b>	<b>509,314</b>	<b>637,917</b>

The notes on pages 11 to 18 form part of these financial statements.

---

## STONE CROSS ENTERPRISES LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

Stone Cross Enterprises Limited (the "Company") is a private company limited by shares and incorporated and domiciled in England and Wales. The presentation currency of these financial statements is sterling.

The financial statements have been prepared under the historical cost convention, modified to include investment properties at fair value, and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

##### 1.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A.

This information is included in the consolidated financial statements of Henmead Limited as at 31 December 2021 and these financial statements may be obtained from Companies House, Crown Way, Cardiff. The company is a qualifying entity.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

The accounting policies set out below have, unless otherwise stated been applied consistently to all periods presented in these statements.

---

## STONE CROSS ENTERPRISES LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### 1. Accounting policies (continued)

##### 1.3 Going concern

Notwithstanding net current liabilities of £1,193,606 and net assets of £544,546 as at 31 December 2021, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors of Henmead Limited have prepared cash flow forecasts for the period to December 2023 which indicate that, taking account of reasonably possible downsides, the Group will have sufficient funds through funding from its existing facilities to meet its liabilities as they fall due for that period.

Henmead Limited has indicated its intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

##### 1.4 Revenue

Turnover reflects rental income from investment properties, exclusive of VAT.

##### 1.5 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

##### 1.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 1.7 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.

##### 1.8 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

---

## STONE CROSS ENTERPRISES LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### 1. Accounting policies (continued)

##### 1.9 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

##### 1.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### 2. Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

Investment properties are revalued annually to their estimated market value and held at this value within the financial statements.



---

**STONE CROSS ENTERPRISES LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**3. Turnover**

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Rental income	<u>187,583</u>	<u>167,180</u>

All turnover arose within the United Kingdom.

**4. Expenses and auditor's remuneration**

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	<u>2,200</u>	<u>2,100</u>

**5. Employees**

The Company has no employees other than the Directors, who did not receive any remuneration (2020 - £NIL).

Directors' emoluments for services to the company are borne by Eric Wright Group Limited and Maple Grove Developments Limited. An appropriate allocation of their remuneration for services to this company would be £3,000 (2020: £3,000). No recharge for these services is recognised in the financial statements.

---

**STONE CROSS ENTERPRISES LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**6. Taxation**

	2021 £	2020 £
<b>Corporation tax</b>		
Current tax on profits for the year	17,316	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	(15,186)	4,750
Effect of tax rate change on opening balance	12,488	2,700
Adjustment in respect of prior periods	9,146	-
<b>Total deferred tax</b>	6,448	7,450
<b>Taxation on profit</b>	23,764	7,450

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2020 - *lower than*) the standard rate of corporation tax in the UK of 19.00% (2020 - 19.00%). The differences are explained below:

	2021 £	2020 £
Profit before tax	30,393	154,093
Profit multiplied by standard rate of corporation tax in the UK of 19.00% (2020 - 19.00%)	5,775	29,278
<b>Effects of:</b>		
Group relief claimed	-	(24,528)
Impact of change in deferred tax rates	8,843	2,700
Adjustments to deferred tax in respect of prior periods	9,146	-
<b>Total tax charge for the year</b>	23,764	7,450

**Factors that may affect future tax charges**

In the Budget on 3 March 2021, the Government announced that the rate of corporation tax from 1 April 2023 would increase to 25%. This increase was substantively enacted in May 2021. The deferred tax asset at 31 December 2021 has been calculated based on a rate of 25% as this is the prevailing rate that the deferred tax asset is expected to reverse.

---

**STONE CROSS ENTERPRISES LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**7. Dividends**

	2021 £	2020 £
Dividends paid	<u>100,000</u>	<u>50,000</u>

**8. Investment property**

	Freehold investment property £
<b>Valuation</b>	
At 1 January 2021	1,855,000
Deficit on revaluation	(80,000)
<b>At 31 December 2021</b>	<u><u>1,775,000</u></u>

The 2021 valuations were made by Avison Young, Chartered Surveyors in December 2021 on an open market value for existing use basis. The Directors concur that this materially represents valuation at the year end.

If the investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2021 £	2020 £
Historic cost	<u>1,726,399</u>	<u>1,726,399</u>

---

**STONE CROSS ENTERPRISES LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**9. Debtors**

	2021 £	2020 £
Trade debtors	35,138	75,290
Amounts owed by group undertakings	740	-
Other debtors	15,517	9,293
Prepayments and accrued income	36,165	49,750
	<u>87,560</u>	<u>134,333</u>

Amounts owed by group undertakings are non-interest bearing and repayable on demand.

**10. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Bank overdrafts	1,124,178	1,239,394
Amounts owed to group undertakings	27,312	28,124
Accruals and deferred income	129,676	53,498
	<u>1,281,166</u>	<u>1,321,016</u>

Amounts owed to group undertakings are non-interest bearing and repayable on demand.

**11. Deferred taxation**

	2021 £
At 1 January 2021	(30,400)
Charged to profit or loss	(6,448)
<b>At 31 December 2021</b>	<u><u>(36,848)</u></u>

---

**STONE CROSS ENTERPRISES LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**11. Deferred taxation (continued)**

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(16,848)	-
Capital gains	(20,000)	(30,400)
	<u>(36,848)</u>	<u>(30,400)</u>

**12. Share capital**

	2021 £	2020 £
<b>Authorised, allotted, called up and fully paid</b>		
2 Ordinary shares shares of £1 each	<u>2</u>	<u>2</u>

**13. Contingent liabilities**

The company has given an unlimited cross guarantee against the bank borrowings of Eric Wright Group Limited and all other group companies. This is supported by a first legal charge over group properties.

**14. Related party transactions**

The company has taken advantage of the exemption conferred by section 33.1A of FRS102 allowing it not to disclose transactions and balances with other wholly owned subsidiaries of Henmead Limited.

**15. Controlling party**

The company is a subsidiary undertaking of Eric Wright Developments Limited. The ultimate controlling party is the Eric Wright Charitable Trust.

The largest group in which the results of the company are consolidated is that headed by the Eric Wright Charitable Trust, Sceptre House, Sceptre Way, Bamber Bridge, Preston, PR5 6AW. The smallest group in which they are consolidated is that headed by Eric Wright Group Limited, Sceptre House, Sceptre Way, Bamber Bridge, Preston, PR5 6AW. The consolidated financial statements of the Eric Wright Charitable Trust are available to the public and may be obtained from the Charity Commission: <https://apps.charitycommission.gov.uk/showcharity/registerofcharities/RegisterHomePage.aspx>. The consolidated financial statements of the Eric Wright Group Limited may be obtained from Companies House, Crown Way, Cardiff.