

**PREPARED FOR THE REGISTRAR
CORRETTO LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

Corretto Limited

(Registration number: 07071262)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>4</u>	318,225	319,916
Current assets			
Cash at bank and in hand		11,377	6,802
Creditors: Amounts falling due within one year	<u>5</u>	<u>(192,713)</u>	<u>(189,351)</u>
Net current liabilities		<u>(181,336)</u>	<u>(182,549)</u>
Total assets less current liabilities		136,889	137,367
Creditors: Amounts falling due after more than one year	<u>5</u>	<u>(42,037)</u>	<u>(56,390)</u>
Net assets		<u>94,852</u>	<u>80,977</u>
Capital and reserves			
Called up share capital		300	300
Profit and loss account		<u>94,552</u>	<u>80,677</u>
Total equity		<u>94,852</u>	<u>80,977</u>

For the financial year ending 31 March 2021 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.

Approved and authorised by the Board on 9 November 2021 and signed on its behalf by:

S J Bifulco

Company secretary and director

The notes on pages 2 to 5 form an integral part of these financial statements.

Corretto Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

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:

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

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 for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Going concern

After reviewing the company's current forecasts and projections, together with the facilities available to the company, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements. This statement is made subject to all of the potential implications of the current COVID-19 outbreak on the company's trade, employees, customers, suppliers and the wider economy, as these are difficult to evaluate.

Revenue recognition

Turnover comprises the fair value of the rents receivable in respect of the leasehold property in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation 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.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Corretto Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold property	Over the term of the lease

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

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

3 Staff numbers

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

	2021 No.	2020 No.
Average number of employees	3	3

Corretto Limited**Notes to the Financial Statements for the Year Ended 31 March 2021****4 Tangible assets**

	Investment property £
Cost	
At 1 April 2020	338,179
At 31 March 2021	338,179
Depreciation	
At 1 April 2020	18,263
Charge for the year	1,691
At 31 March 2021	19,954
Carrying amount	
At 31 March 2021	318,225
At 31 March 2020	319,916

Included within the net book value of land and buildings above is £318,225 (2020 - £319,916) in respect of long leasehold land and buildings.

5 Creditors

	Note	2021 £	2020 £
Due within one year			
Loans and borrowings	<u>6</u>	13,402	12,451
Amounts due to related parties	<u>7</u>	172,760	171,446
Social security and other taxes		1,126	952
Other creditors	<u>7</u>	732	732
Accrued expenses		1,000	900
Corporation tax liability		3,693	2,870
		<u>192,713</u>	<u>189,351</u>
Due after one year			
Loans and borrowings	<u>6</u>	<u>42,037</u>	<u>56,390</u>

Corretto Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

6 Loans and borrowings

	2021 £	2020 £
Current loans and borrowings		
Bank borrowings	<u>13,402</u>	<u>12,451</u>

The bank loans are secured on the leasehold property.

	2021 £	2020 £
Non-current loans and borrowings		
Bank borrowings	<u>42,037</u>	<u>56,390</u>

7 Related party transactions

Summary of transactions with other related parties

At 31 March 2021 the company owed £171,446 (2020 - £171,446) to the directors in the form of a director's loan. The loan is interest free and there are no fixed repayment terms.

At 31 March 2021 the company owed £1,314 (2020 - £nil) to BWC Property Ventures Nationwide Limited, a company under common control.

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.