

Red Sky Inns Limited

Unaudited Filleted Financial Statements
for the Year Ended 31 May 2023

Red Sky Inns Limited

Contents

Company Information	1
Balance Sheet	<u>2</u> to <u>3</u>
Notes to the Unaudited Financial Statements	4 to 8

Red Sky Inns Limited Company Information

Director	CJ French
Registered office	27 Bankwood Road Rollestone Sheffield South Yorkshire S14 1LT

Red Sky Inns Limited
(Registration number: 08233399)
Balance Sheet as at 31 May 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	<u>4</u>	30,049	35,351
Current assets			
Stocks	<u>5</u>	2,000	2,000
Cash at bank and in hand		15,296	26,413
		17,296	28,413
Creditors: Amounts falling due within one year	<u>6</u>	(190,155)	(164,341)
Net current liabilities		(172,859)	(135,928)
Total assets less current liabilities		(142,810)	(100,577)
Creditors: Amounts falling due after more than one year	<u>6</u>	(41,925)	(47,339)
Provisions for liabilities		46,609	27,990
Net liabilities		(138,126)	(119,926)
Capital and reserves			
Called up share capital		1	1
Retained earnings		(138,127)	(119,927)
Shareholders' deficit		(138,126)	(119,926)

For the financial year ending 31 May 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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.

Red Sky Inns Limited
(Registration number: 08233399)
Balance Sheet as at 31 May 2023

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the director has not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the director on 28 February 2024

.....

CJ French

Director

Red Sky Inns Limited
Notes to the Unaudited Financial Statements for the Year Ended 31 May 2023

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:

27 Bankwood Road
Rollestone
Sheffield
South Yorkshire
S14 1LT

These financial statements were authorised for issue by the director on 28 February 2024.

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

Tax

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

Red Sky Inns Limited
Notes to the Unaudited Financial Statements for the Year Ended 31 May 2023

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet 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.

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
Fixtures and fittings	15% on reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Red Sky Inns Limited
Notes to the Unaudited Financial Statements for the Year Ended 31 May 2023

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.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 6 (2022 - 6).

Red Sky Inns Limited
Notes to the Unaudited Financial Statements for the Year Ended 31 May 2023

4 Tangible assets

	Fixtures and fittings £	Total £
Cost or valuation		
At 1 June 2022	112,860	112,860
At 31 May 2023	112,860	112,860
Depreciation		
At 1 June 2022	77,509	77,509
Charge for the year	5,302	5,302
At 31 May 2023	82,811	82,811
Carrying amount		
At 31 May 2023	30,049	30,049
At 31 May 2022	35,351	35,351

5 Stocks

	2023 £	2022 £
Other inventories	2,000	2,000

6 Creditors

Creditors: amounts falling due within one year

	2023 £	2022 £
Due within one year		
Loans and borrowings	1,758	-
Trade creditors	9,468	4,500
Amounts owed to group undertakings and undertakings in which the company has a participating interest	5,708	5,708
Taxation and social security	13,529	10,749
Accruals and deferred income	2,313	9,028
Other creditors	157,379	134,356
	190,155	164,341

Red Sky Inns Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2023

Creditors: amounts falling due after more than one year

	Note	2023 £	2022 £
Due after one year			
Loans and borrowings	7	<u>41,925</u>	<u>47,339</u>

7 Loans and borrowings

	2023 £	2022 £
Non-current loans and borrowings		
Bank borrowings	<u>41,925</u>	<u>47,339</u>

	2023 £	2022 £
Current loans and borrowings		
Bank overdrafts	<u>1,758</u>	<u>-</u>

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.