

RSLC DEVELOPMENTS LTD

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 AUGUST 2021

RSLC DEVELOPMENTS LTD
REGISTERED NUMBER: 08718447

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	110,070	116,439
Investment property	5	380,000	375,000
		<u>490,070</u>	<u>491,439</u>
Current assets			
Stocks		1,816,263	1,466,660
Debtors: amounts falling due within one year	6	42,711	119,088
Cash at bank and in hand		91,592	149,758
		<u>1,950,566</u>	<u>1,735,506</u>
Creditors: amounts falling due within one year	7	(846,911)	(1,117,374)
Net current assets		<u>1,103,655</u>	<u>618,132</u>
Total assets less current liabilities		<u>1,593,725</u>	<u>1,109,571</u>
Creditors: amounts falling due after more than one year	8	(160,410)	(183,494)
Provisions for liabilities			
Deferred tax	11	(41,059)	(31,598)
Other provisions	12	(145,000)	(145,000)
		<u>(186,059)</u>	<u>(176,598)</u>
Net assets		<u><u>1,247,256</u></u>	<u><u>749,479</u></u>
Capital and reserves			
Called up share capital		100	2
Investment property reserve	14	8,749	3,749
Profit and loss account	14	1,238,407	745,728
		<u><u>1,247,256</u></u>	<u><u>749,479</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 AUGUST 2021

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 statement 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 by:

.....
R Lond-Caulk
Director

.....
S Lond-Caulk
Director

Date: 29 May 2022

The notes on pages 3 to 13 form part of these financial statements.

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

1. General information

RSLC Developments Ltd is a private company limited by shares and incorporated in England and Wales, registration number 08718447. The registered office and trading address is Woodland House, Norwich Road, Carbooke, Thetford, Norfolk, IP25 6TJ.

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 financial statements are presented in sterling which is the functional currency of the Company and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Going concern

The Directors have considered the Company's position at the time of signing the financial statements, and in particular the ongoing issues caused by Covid-19 and its potential impact on the Company and the wider economy. The Directors have considered future trading expectations, the current financial position of the Company, and other factors such as the range of measures the Directors have available to mitigate ongoing costs should they need to and the support being offered by the UK government.

Based on this, the Directors have concluded that they have a reasonable expectation that the Company will have adequate resources to continue in operational existence for at least twelve months from the date of signing these financial statements, they therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

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

2. Accounting policies (continued)

2.3 Turnover

Turnover comprises the value of house sales and other invoiced work exclusive of Value Added Tax. An open market house sale is recognised on legal completion or where the build is complete and contracts have been exchanged at the year end and legal notice has been served.

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:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Income Statement in the same period as the related expenditure.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

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

2. Accounting policies (continued)

2.6 Finance costs

Finance costs are charged to profit or loss 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.

2.7 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.8 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting 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 reporting 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 reporting date.

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

2. Accounting policies (continued)

2.10 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:

Plant & machinery	- 3 - 10 years
Motor vehicles	- 2 - 5 years
Office equipment	- 3 years

2.11 Investment property

Investment property is carried at fair value determined annually 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 Income Statement.

2.12 Stocks

Stocks and work in progress are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

At each reporting 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.

2.13 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.

2.14 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.15 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.

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

2. Accounting policies (continued)

2.16 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 profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting 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 Statement of Financial Position.

2.17 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 ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 6 (2020 - 6).

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

4. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Office equipment £	Total £
Cost or valuation				
At 1 September 2020	164,261	19,995	1,862	186,118
Additions	14,501	-	716	15,217
At 31 August 2021	178,762	19,995	2,578	201,335
Depreciation				
At 1 September 2020	57,903	9,997	1,779	69,679
Charge for the year on owned assets	17,355	-	232	17,587
Charge for the year on financed assets	-	3,999	-	3,999
At 31 August 2021	75,258	13,996	2,011	91,265
Net book value				
At 31 August 2021	103,504	5,999	567	110,070
At 31 August 2020	106,358	9,998	83	116,439

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

	2021 £	2020 £
Plant and machinery	37,094	55,564
Motor vehicles	-	9,998
	37,094	65,562

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. Investment property

	Freehold investment property £
Valuation	
At 1 September 2020	375,000
Surplus on revaluation	5,000
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At 31 August 2021	380,000
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The 2021 valuations were made by John R Stewart F.R.I.C.S., on an open market value for existing use basis.

6. Debtors

	2021 £	2020 £
Trade debtors	-	253
Other debtors	42,711	118,494
Tax recoverable	-	341
	<hr/>	<hr/>
	42,711	119,088
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	261,573	360,908
Trade creditors	123,721	222,505
Corporation tax	121,417	141,499
Other taxation and social security	9,319	12,547
Obligations under finance lease and hire purchase contracts	10,751	20,216
Other creditors	290,467	350,039
Accruals and deferred income	29,663	9,660
	<u>846,911</u>	<u>1,117,374</u>

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

	2021 £	2020 £
Bank loans	151,241	163,574
Net obligations under finance leases and hire purchase contracts	9,169	19,920
	<u>160,410</u>	<u>183,494</u>

The Bank loans are secured on the property owned by the Company.

Assets purchased by way of finance lease and hire purchase contracts are secured on the assets to which the agreement relates.

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

9. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	261,573	360,908
	<u>261,573</u>	<u>360,908</u>
Amounts falling due 1-2 years		
Bank loans	11,573	10,908
	<u>11,573</u>	<u>10,908</u>
Amounts falling due 2-5 years		
Bank loans	34,719	32,725
	<u>34,719</u>	<u>32,725</u>
Amounts falling due after more than 5 years		
Bank loans	104,949	119,941
	<u>104,949</u>	<u>119,941</u>
	<u><u>412,814</u></u>	<u><u>524,482</u></u>

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Within one year	10,751	20,216
Between 1-5 years	9,169	19,920
	<u>19,920</u>	<u>40,136</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Deferred taxation

	2021 £
At beginning of year	(31,598)
Charged to profit or loss	(9,461)
At end of year	<u>(41,059)</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(39,976)	(31,598)
Capital gains/(losses)	(1,083)	-
	<u>(41,059)</u>	<u>(31,598)</u>

12. Provisions

	Remedial provision £
At 1 September 2020	145,000
At 31 August 2021	<u>145,000</u>

The remedial provision represents a reliable estimate of the amount of the future liabilities arising from property development sales and building services.

13. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
100 (2020 - 2) Ordinary shares of £1.00 each	<u>100</u>	<u>2</u>

On 15 March 2021 a further 98 Ordinary £1 share were issued to the shareholders and then on 4 May 2021 the shareholders exchanged their shareholding in this company for shares in RSLC Holdings Limited.

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

14. Reserves

Investment property revaluation reserve

The investment property revaluation reserve represents the unrealised gain on the uplift in fair value.

15. 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 £81,948 (2020 - £2,107). Contributions totalling £400 (2020 - £382) were payable to the fund at the reporting date and are included in creditors.

16. Related party transactions

At the year end, the Directors were owed £80,714 (2020 - £41,566) which is included within other creditors and repayable on demand.

17. Post balance sheet events

On 9 February 2022 the company declared a dividend in specie to its parent company RSLC Holdings Limited, consisting of property valued at £759,710.

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.