

COMPANY REGISTRATION NUMBER: 08774156

Hennessy Living Group Limited

Filleted Unaudited Financial Statements

31 March 2023

Hennessy Living Group Limited

Statement of Financial Position

31 March 2023

		2023	2022
	Note	£	£
Fixed assets			
Tangible assets	5	1,903,617	569,211
Current assets			
Debtors	6	2,257,265	135,071
Investments	7	2	2
Cash at bank and in hand		478,273	966,167
		2,735,540	1,101,240
Creditors: amounts falling due within one year	8	958,554	471,984
Net current assets		1,776,986	629,256
Total assets less current liabilities		3,680,603	1,198,467
Creditors: amounts falling due after more than one year	9	3,277,339	224,085
Net assets		403,264	974,382
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		402,264	973,382
Shareholders funds		403,264	974,382

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 March 2023 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 financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

Hennessy Living Group Limited
Statement of Financial Position *(continued)*

31 March 2023

These financial statements were approved by the board of directors and authorised for issue on 21 December 2023 , and are signed on behalf of the board by:

Mr P I Hennessy

Ms D Jones

Director

Director

Company registration number: 08774156

Hennessy Living Group Limited

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Rickleton 1b Bowes Offices, Lambton Park, Chester Le Street, DH3 4AN, UK.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of Value Added Tax.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	1% straight line
Plant and Machinery	-	20% straight line
Fixtures and Fittings	-	12% straight line
Motor Vehicles	-	25% reducing balance
Equipment	-	25% straight line
Tenants Improvements	-	20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 70 (2022: 52).

5. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Service property works £	Total £
Cost						
At 1 Apr 2022	440,000	12,552	121,976	50,759	4,566	629,853
Additions	1,231,800	81,560	72,697	10,500	–	1,396,557
Disposals	–	–	–	(7,295)	–	(7,295)
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At 31 Mar 2023	1,671,800	94,112	194,673	53,964	4,566	2,019,115
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Depreciation						
At 1 Apr 2022	4,296	12,025	32,834	10,572	915	60,642
Charge for the year	13,666	9,121	22,323	10,353	913	56,376
Disposals	–	–	–	(1,520)	–	(1,520)
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At 31 Mar 2023	17,962	21,146	55,157	19,405	1,828	115,498
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Carrying amount						
At 31 Mar 2023	1,653,838	72,966	139,516	34,559	2,738	1,903,617
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At 31 Mar 2022	435,704	527	89,142	40,187	3,651	569,211
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6. Debtors

	2023	2022
	£	£
Trade debtors	306,952	32,679
Other debtors	1,950,313	102,392
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	2,257,265	135,071
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7. Investments

	2023	2022
	£	£
Investments in group undertakings	2	2
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8. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	142,860	10,167
Trade creditors	167,059	88,544
Amounts owed to group undertakings and undertakings in which the company has a participating interest	11,603	10,678
Corporation tax	465,701	171,312
Social security and other taxes	34,324	59,045
Other creditors	137,007	132,238
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	958,554	471,984

9. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	3,269,519	221,635
Amounts owed to group undertakings and undertakings in which the company has a participating interest	2	2
Other creditors	7,818	2,448
	<u>3,277,339</u>	<u>224,085</u>

The bank borrowings are secured by way of floating charge over the assets of the company and by freehold first legal charges over the properties occupied by the company. This is further supported by first-ranking Security over the shares of the borrowers.

10. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Not later than 1 year	11,624	12,327
Later than 1 year and not later than 5 years	23,940	35,564
	<u>35,564</u>	<u>47,891</u>

11. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2023		
	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
Mr P I Hennessy	—	753,828	753,828
Ms D Jones	2,295	687,986	690,281
	<u>2,295</u>	<u>1,441,814</u>	<u>1,444,109</u>
	2022		
	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
Mr P I Hennessy	(115,763)	115,763	—
Ms D Jones	(21,738)	24,033	2,295
	<u>(137,501)</u>	<u>139,796</u>	<u>2,295</u>

12. Related party transactions

The company owes £1 (2022: £1) to its 100% subsidiary Hennessy Childrens Service (East Mids) Limited The company owes £1 (2022: £1) to its 100% subsidiary Hennessy Childrens Services Limited Both subsidiaries are dormant. The sums are interest-free and repayable on demand The company owes £11,603 (2022: £10,678) to The Hennessy Partnership Limited a company related by way of common control. The loan is interest-free and repayable on demand. The company was under the control of the directors throughout the current and previous accounting periods. During the year, the directors made and received loans to/from the company. Interest has been charged at 2% on overdrawn balances and paid at 2% on amounts borrowed from the directors. At the balance sheet date, the amounts owed by the directors was £1,444,110 (2022: £2,294) On 07th July 2022 the company purchased property which it occupied from Mr Hennessy at an open market value of £930,000.

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.