

# Stratton & King Limited

Report and unaudited financial statements

For the year ended

30 June 2019

Company Number

09062447



# Stratton & King Limited

Report and financial statements  
For the year ended 30 June 2019

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<b>Country of incorporation</b>	England and Wales
<b>Legal form</b>	Limited company
<b>Directors</b>	S J McCarthy C J McCarthy D Marlow S R Crewe (resigned 14 December 2018)
<b>Secretary and registered office</b>	D M Riley (resigned 31 May 2019) Churchill House Parkside Christchurch Road Ringwood Hampshire BH24 3SG
<b>Company number</b>	09062447

# Stratton & King Limited

## Directors' report For the year ended 30 June 2019

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The directors present their report and unaudited financial statements of Stratton & King Limited for the year ended 30 June 2018.

The report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

### Principal activities

The principal activity of the Company is to operate as an estate agency that specialises in the sale of retirement housing, both new and second hand.

### Results and dividends

On 30 June 2018 the trade and assets of Stratton and King Limited were transferred to Millstream Management Services Limited, a fellow 100% subsidiary of Churchill Retirement (Group) Limited, at their carry values. All intercompany balances were waived at the transfer date. Since this date the company has been dormant.

### Directors

The following Directors have held office since 1 July 2018 and up to the date of signing the financial statements:

S J McCarthy  
C J McCarthy  
D Marlow  
S R Crewe (resigned 14 December 2018)

The following Company Secretaries have held office since 1 July 2018 and up to the date of signing the financial statements:

D M Riley (resigned 31 May 2019)

### Auditors

The Company is dormant within the meaning of Section 480 of the Companies Act 2006 and is consequently exempt from the requirements to have its Financial Statements audited in respect of the current financial year.



On behalf of the Board  
D Marlow  
Chief Financial Officer

11<sup>th</sup> February 2020

# Stratton & King Limited

## Statement of profit or loss and other comprehensive income for the year ended 30 June 2019

	Note	Year ended 30 June 2019 £	Year ended 30 June 2018 £
Revenue	3	-	178,236
<b>Gross profit</b>		-	178,236
Administrative expenses		-	(101,435)
<b>Profit from operations</b>		-	76,801
<b>Amounts paid to and waived to a group company</b>		-	(203,961)
<b>Loss before taxation</b>		-	(127,160)
Tax on loss	6	-	10,934
<b>Loss for the financial year after taxation and total comprehensive income</b>		-	(116,226)

The notes on pages 6 to 12 form part of these financial statements.

# Stratton & King Limited

## Statement of financial position as at 30 June 2019

	Note	30 June 2019 £	30 June 2019 £	30 June 2018 £	30 June 2018 £
<b>Current assets</b>					
Debtors	7	2		2	
		<u>2</u>		<u>2</u>	
<b>Net current assets</b>			2		2
			<u>2</u>		<u>2</u>
<b>Total assets less current liabilities</b>			2		2
			<u>2</u>		<u>2</u>
<b>NET ASSETS</b>			2		2
			<u>2</u>		<u>2</u>
<b>Capital and reserves</b>					
Share capital	8		2		2
			<u>2</u>		<u>2</u>
<b>SHAREHOLDERS' FUNDS</b>			2		2
			<u>2</u>		<u>2</u>

For the year ended 30 June 2018, the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

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 Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 6 to 12 form part of these financial statements.

The financial statements on pages 3 to 5 were approved and authorised for issue by the Board of Directors on 11<sup>th</sup> February 2020 and were signed on its behalf by:



D Marlow  
Chief Financial Officer  
Registered number: 09062447

# Stratton & King Limited

## Statement of changes in equity

	Share capital £	Retained earnings £	Total equity £
<b>1 July 2017</b>	2	116,226	116,228
<b>Comprehensive income for the year</b>			
Profit for the year	-	(116,226)	(116,226)
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	-	(116,226)	(116,226)
	<hr/>	<hr/>	<hr/>
<b>30 June 2018</b>	2	-	2
<b>Comprehensive income for the year</b>			
Profit for the year	-		
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	-	-	-
	<hr/>	<hr/>	<hr/>
<b>30 June 2019</b>	<u>2</u>	<u>-</u>	<u>2</u>

The notes on pages 6 to 12 form part of these financial statements.

# Stratton & King Limited

## Notes forming part of the financial statements for the year ended 30 June 2019

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### 1 Accounting policies

#### *Basis of preparation*

The financial statements have been prepared on the going concern basis and in accordance with Financial Reporting Standard 100 *Application of Financial Reporting Requirements* and Financial Reporting Standard 101 *Reduced Disclosure Framework*. The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to the years presented, unless otherwise stated.

The Company meets its day to day working capital requirements through cash in hand and intercompany debt. The Company forecasts and projections for the foreseeable future, taking into account reasonable possible changes in trading performance, shows that the Company will be able to operate within the level of its current facilities. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

These financial statements have been prepared on a historical cost basis. The presentational currency used is sterling and amounts have been presented in round pounds ("£").

#### *Disclosure exemptions adopted*

In preparing these financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- certain comparative information as otherwise required by EU endorsed IFRS;
- certain disclosures regarding the company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the group headed by Churchill Retirement Plc.

In addition, and in accordance with FRS 101 further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Churchill Retirement Plc. The financial statements do not include certain disclosures in respect of:

- Assets held for sale and discontinued operations;
- Financial Instruments (other than certain disclosures required as a result of recording financial instruments at fair value);
- Fair value measurement (other than certain disclosures required as a result of recording financial instruments at fair value); and
- Impairment of assets.

The financial statements of Churchill Retirement Plc can be obtained as disclosed in note 14.

#### *Judgements and key areas of estimation uncertainty*

The preparation of financial statements in compliance with FRS101 requires the use of certain critical accounting estimates. It also requires the company's directors to exercise judgement in applying the company's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statement and their effect are disclosed in note 2.

#### *Revenue*

Revenue represents the value of estate agency services provided (net of discounts), adjusted for accrued and deferred income where applicable, excluding value added tax. Revenue is recognised on legal completion of a property. The revenue is derived wholly from one class of business and solely in the UK.

# Stratton & King Limited

## Notes forming part of the financial statements for the year ended 30 June 2019 (*continued*)

### 1 Accounting policies (*continued*)

#### **Property, plant and equipment**

Tangible assets are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognised within provisions. Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following rates:

Office equipment - 25% per annum straight line

#### **Financial assets**

The company classifies its financial assets as loans and receivables. The company has not classified any of its financial assets as held to maturity, available for sale, or fair value through profit or loss.

The Company's accounting policy is as follows:

#### **Loans and receivables**

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

The company's financial assets comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and - for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities in the statement of financial position.

#### **Financial liabilities**

The company classifies its financial liabilities as other financial liabilities, there are none classified as fair value through profit or loss.

Other financial liabilities include the following items:

- Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.
- Loans from group companies are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest method. The difference between the fair value of the loan on initial recognition and the amount of proceeds is credited directly to equity as a capital contribution.

# Stratton & King Limited

## Notes forming part of the financial statements for the year ended 30 June 2019 *(continued)*

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### 1 Accounting policies *(continued)*

#### **Share capital**

Financial instruments issued by the company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The company's ordinary shares are classified as equity instruments.

#### **Taxation**

Income tax is recognised or provided at amounts expected to be recovered or to be paid using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the statement of financial position differs from its tax base, except for differences arising on:

- The initial recognition of goodwill
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit, and
- Investments in subsidiaries and jointly controlled entities where the company is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

In respect of deferred tax assets arising from investment property measured at fair value, the presumption that recovery will be through sale rather than use has not been rebutted.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- The same taxable group company, or
- Different group entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

#### **Defined contribution schemes**

Contributions to defined contribution pension schemes are charged to the statement of comprehensive income in the year to which they relate.

# Stratton & King Limited

## Notes forming part of the financial statements for the year ended 30 June 2019 (continued)

### 2 Critical accounting estimates and judgements

The company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 3 Revenue

	Year ended 30 June 2019 £	Year ended 30 June 2018 £
Estate agency	-	178,236

All revenue is derived from activities within the United Kingdom.

### 4 Employee numbers and benefit expenses

	Year ended 30 June 2019 Number	Year ended 30 June 2018 Number
Numbers by activity:		
Administration	-	6
	£	£
Employee benefit expenses (including directors) comprise:		
Wages and salaries	-	46,470
Social security contributions and similar taxes	-	5,181
Defined contribution pension cost	-	407
	-	52,058

The Company pays contributions into a Group defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in independently administered funds. The pension cost charge represents contributions payable by the Company to the fund and amounted to £nil (2018: £407). There were unpaid contributions of £nil (2018: £nil) payable to the fund at the year end.

### 5 Directors' remuneration

The directors did not receive any emoluments in respect of their current and prior year services to the Company because their services to the Company were merely incidental to their services to the Group as a whole.

# Stratton & King Limited

## Notes forming part of the financial statements for the year ended 30 June 2019 *(continued)*

### 6 Tax expense

	Year ended 30 June 2019 £	Year ended 30 June 2018 £
<b>Current tax expense</b>		
Current tax on profits for the years	-	-
Adjustment for over provision in prior years	-	(10,921)
	<hr/>	<hr/>
<b>Total current tax</b>	-	(10,921)
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	-	(13)
	<hr/>	<hr/>
<b>Total deferred tax (note 10)</b>	-	(13)
	<hr/>	<hr/>
<b>Total tax (credit)/expense</b>	-	(10,934)
	<hr/> <hr/>	<hr/> <hr/>

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year are as follows:

	Year ended 30 June 2019 £	Year ended 30 June 2018 £
(Loss)/profit on ordinary activities before taxation	-	(127,160)
	<hr/>	<hr/>
Tax charge at the UK corporation tax rate of 19.0% (2018 – 19.0%)	-	(24,160)
Group relief claimed	-	(14,590)
Adjustment in respect of previous years	-	(10,921)
Expenses not deductible for tax purposes	-	38,735
Other adjustments	-	2
	<hr/>	<hr/>
<b>Total tax (credit)/expense</b>	-	(10,934)
	<hr/> <hr/>	<hr/> <hr/>

#### *Changes in corporation tax rates*

The main rate of corporation tax for UK companies reduced from 20% to 19% from 1 April 2018. Finance Bill 2017, which was substantively enacted on 15 September 2017, announced a further 2% to 17% from 1 April 2020. Deferred tax has therefore been calculated at a rate of 17%.

# Stratton & King Limited

Notes forming part of the financial statements  
for the year ended 30 June 2019 (continued)

<b>8 Debtors</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other debtors	<b>2</b>	<b>2</b>
	<u>          </u>	<u>          </u>

  

<b>9 Share capital</b>	<b>Issued and fully paid</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
2 (2018: 2) Ordinary shares of £1 each	<b>2</b>	<b>2</b>
	<u>          </u>	<u>          </u>

## 10 Reserves

The following describes the nature and purpose of each reserve within equity:

<b>Reserve</b>	<b>Description and purpose</b>
Share capital	Represents the nominal value of shares issued
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

## 11 Related party transactions

The company is exempt from disclosing transactions with other wholly owned subsidiaries in the group.

## 12 Events after the reporting date

There were no non-adjusting events that existed at the date of signing these accounts.

## 13 Ultimate parent company and control

The immediate parent undertaking is Churchill Retirement (Group) Limited.

The ultimate parent undertaking and controlling party is Churchill Retirement Plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Churchill Retirement Plc consolidated financial statements can be obtained from the Company Secretary at Millstream House, Parkside, Ringwood, Hampshire, BH24 3SG.