

YAU LEY LIMITED

Company Registration No. 10580950 (England and Wales)

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2022

PAGES FOR FILING WITH REGISTRAR

WARNEFORD GIBBS

CHARTERED CERTIFIED ACCOUNTANTS

NORTHWOOD, MIDDLESEX HA6 1NW

YAU LEY LIMITED

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YAU LEY LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2022

The directors present their annual report and financial statements for the year ended 31 January 2022.

Principal activities

The principal activity of the company was that of operating a public house and hotel.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr G Hughes

Mrs S Hughes

Results and dividends

The results for the year are set out in the profit and loss account.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Mr G Hughes

Director

25 January 2023

YAU LEY LIMITED

BALANCE SHEET

AS AT 31 JANUARY 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	3		1,030,021		655,231
Current assets					
Stocks		4,250		3,750	
Debtors	4	54,822		59,568	
Cash at bank and in hand		104,405		130,328	
		<u>163,477</u>		<u>193,646</u>	
Creditors: amounts falling due within one year	5	<u>(891,883)</u>		<u>(796,336)</u>	
Net current liabilities			<u>(728,406)</u>		<u>(602,690)</u>
Total assets less current liabilities			301,615		52,541
Creditors: amounts falling due after more than one year	6		<u>(234,889)</u>		<u>(250,834)</u>
Net assets/(liabilities)			<u><u>66,726</u></u>		<u><u>(198,293)</u></u>
Capital and reserves					
Called up share capital	7		2,000		2,000
Revaluation reserve	8		275,113		-
Profit and loss reserves			<u>(210,387)</u>		<u>(200,293)</u>
Total equity			<u><u>66,726</u></u>		<u><u>(198,293)</u></u>

YAU LEY LIMITED
BALANCE SHEET (CONTINUED)
AS AT 31 JANUARY 2022

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 January 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 25 January 2023 and are signed on its behalf by:

Mr G Hughes
Director

Company Registration No. 10580950

YAU LEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

Company information

Yau Ley Limited is a private company limited by shares incorporated in England and Wales. The registered office is Argyle House, Northside – Suite 1B1, Joel Street, Northwood, Middlesex, United Kingdom, HA6 1NW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation will be recognised so as to write off the cost or valuation of assets less their residual values over their useful lives upon commencement of trading.

Leasehold improvements	Over 15 years straight line
Plant and equipment	20% reducing balance
Fixtures and fittings	20% reducing balance
Office equipment	20% straight line
Motor vehicles	20% reducing balance
Website	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

YAU LEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

(Continued)

The improvements to the property were revalued in January 2022 by independent valuers, Lambert Smith Hampton.

Since the revaluation of the improvements, the depreciation rate has been altered from 10 years straight line to 15 years straight line.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

YAU LEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

(Continued)

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

YAU LEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies (Continued)

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

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

	2022 Number	2021 Number
Total	24	24
	<u>24</u>	<u>24</u>

YAU LEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

3 Tangible fixed assets								
		Leasehold improvements	Plant and equipment	Fixtures and fittings	Office equipment	Motor vehicles	Website	Total
		£	£	£	£	£	£	£
Cost or valuation								
At 1 February 2021		624,887	103,909	134,458	19,947	20,000	-	903,201
Additions		191,718	3,473	36,160	3,785	1,036	1,800	237,972
Revaluation		275,113	-	-	-	-	-	275,113
At 31 January 2022		1,091,718	107,382	170,618	23,732	21,036	1,800	1,416,286
Depreciation and impairment								
At 1 February 2021		139,741	40,179	55,880	7,337	4,833	-	247,970
Depreciation charged in the year		98,432	13,102	19,211	4,308	3,182	60	138,295
At 31 January 2022		238,173	53,281	75,091	11,645	8,015	60	386,265
Carrying amount								
At 31 January 2022		853,545	54,101	95,527	12,087	13,021	1,740	1,030,021
At 31 January 2021		485,146	63,730	78,578	12,610	15,167	-	655,231

YAU LEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

3 Tangible fixed assets (Continued)

Improvements to premises were revalued at January 2022 by Lambert Smith Hampton, independent valuers not connected with the company on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2022 £	2021 £
Cost	624,887	-
Accumulated depreciation	(225,361)	-
Carrying value	399,526	-

4 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	183	3,872
Other debtors	52,788	54,371
Prepayments and accrued income	1,851	1,325
	54,822	59,568

5 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans	27,620	20,000
Trade creditors	46,317	32,882
Taxation and social security	30,080	4,207
Other creditors	779,729	730,845
Accruals and deferred income	8,137	8,402
	891,883	796,336

The bank loan is secured by a fixed and floating charge over the assets of the company.

6 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loans and overdrafts	234,889	250,834

The bank loan is secured by a fixed and floating charge over the assets of the company.

YAU LEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

6	Creditors: amounts falling due after more than one year	(Continued)	
	Creditors which fall due after five years are as follows:	2022	2021
		£	£
	Payable by instalments	127,743	137,500
		<u> </u>	<u> </u>
7	Called up share capital	2022	2021
		£	£
	Ordinary share capital		
	Issued and fully paid		
	2,000 Ordinary shares of £1 each	2,000	2,000
		<u> </u>	<u> </u>
8	Revaluation reserve	2022	2021
		£	£
	At the beginning of the year	-	-
	Revaluation surplus arising in the year	275,113	-
		<u> </u>	<u> </u>
	At the end of the year	275,113	-
		<u> </u>	<u> </u>
9	Operating lease commitments		
	Lessee		
	At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:	2022	2021
		£	£
		-	4,452
		<u> </u>	<u> </u>
10	Related party transactions		
	The following amounts were outstanding at the reporting end date:	2022	2021
		£	£
	Amounts due to related parties		
	Key management personnel	775,358	728,835
		<u> </u>	<u> </u>

YAU LEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

10 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

	2022	2021
Amounts due from related parties	£	£
Other related parties	52,538	29,503
	<u> </u>	<u> </u>

11 Directors' transactions

The property occupied by the company is owned by the directors. Rent was charged to the company of £29,800 (2021 - £16,334).

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