

**BACKHOUSE (GREAT SOMERFORD) LIMITED**

**UNAUDITED ABRIDGED**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 30 JUNE 2020**



**BACKHOUSE (GREAT SOMERFORD) LIMITED**  
**REGISTERED NUMBER:12184815**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**

	2020 £
<b>Current assets</b>	
Stocks	2,750,661
Debtors	436,582
	<u>3,187,243</u>
Creditors: amounts falling due within one year	(58,631)
	<u>3,128,612</u>
<b>Net current assets</b>	<b>3,128,612</b>
<b>Total assets less current liabilities</b>	<b>3,128,612</b>
Creditors: amounts falling due after more than one year	(3,131,665)
	<u>(3,053)</u>
<b>Net (liabilities)/assets</b>	<b>(3,053)</b>
<b>Capital and reserves</b>	
Called up share capital	1
Profit and loss account	(3,054)
	<u>(3,053)</u>

In accordance with section 444 of the Companies Act 2006 the members of the company have consented to the preparation of abridged financial statements pursuant to paragraph 1A of Schedule 1 to the Small Companies and Groups (Accounts and Directors' Report) Regulations (S.I. 2008/409)(b).

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006.

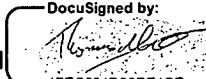
The members have not required the Company to obtain an audit for the period in question in accordance with section 476 of the Companies Act 2006.

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 delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income 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:

DocuSigned by:  
  
**T Mirfield**  
 Director  
 17EC294D90BF4CE...

Date: 6/30/2021

The notes on pages 2 to 5 form part of these financial statements.

## **BACKHOUSE (GREAT SOMERFORD) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020**

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#### **1. GENERAL INFORMATION**

Backhouse (Great Somerford) Limited is a private company limited by shares and incorporated in England and Wales. The registered office is DAC Beachcroft LLP, Portwall Place, Portwall Lane, Bristol, BS1 9HS.

#### **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 members have agreed to the preparation of abridged accounts for this accounting period in accordance with Section 444(2A) of the Companies Act 2006.

The following principal accounting policies have been applied:

##### **2.2 GOING CONCERN**

At the period end the company has net liabilities of £3,053. Included within creditors at the year end is a loan of £3,131,665 due to the parent company which has been used to fund property development. The directors have received confirmation that the parent company will continue to support the business and not demand repayment of the loan if it is detrimental to the ability of the company to continue to trade for at period of at least 12 months from the date of approval of the financial statements.

The directors consider whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that due to the future prospects of the the business it is reasonable to adopt the going concern policy.

The directors do not anticipate any material impact on the company from the current COVID-19 situation.

##### **2.3 REPORTING PERIOD**

The company's accounts have been prepared for the period 2 September 2019 to 30 June 2020. The company was incorporated on 2 September 2019 and the company elected for an accounting period end of 30 June. As this is the first accounting period for the company, the accounts do not include any comparative figures.

##### **2.4 BORROWING COSTS**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such a time as the assets are substantially ready for their intended use or sale.

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

##### **2.5 INTEREST INCOME**

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

## **BACKHOUSE (GREAT SOMERFORD) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020**

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#### **2. ACCOUNTING POLICIES (continued)**

##### **2.6 STOCKS**

Work in progress is carried at the lower of cost and net realisable value. Land held for development and the costs of development are initially recognised at transaction cost. The company allocates site-wide development costs between housing units on a basis that apportions the site costs between units sold on the open market and units sold to housing associations. The allocation reflects a nil margin earned on the sale of units to housing associations. Costs are carried at transactional cost until turnover in respect of the unit is recognised.

Where the outcome of the construction contract can be estimated reliably, costs are recognised by reference to the stage of completion of the contract activity at the reporting end date.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

##### **2.7 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.

##### **2.8 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.

## **BACKHOUSE (GREAT SOMERFORD) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020**

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#### **2. ACCOUNTING POLICIES (continued)**

##### **2.9 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

#### **3. EMPLOYEES**

The Company has no employees other than the directors, who did not receive any remuneration.

#### **4. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

Amounts due to group undertakings are repayable in over one year and are secured by way of a fixed and floating charge over the assets of the company.

#### **5. CONTINGENT LIABILITIES**

The company is party to a VAT group registration with several fellow subsidiaries of Backhouse Opportunities Limited. A potential contingent liability arises as all members of the group are jointly and severally liable for any VAT debts.

**BACKHOUSE (GREAT SOMERFORD) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020**

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**6. RELATED PARTY TRANSACTIONS**

At the period end the company owes a loan of £3,131,665 to its immediate parent undertaking. Interest of £152,368 has been charged on the loan in the period.