

Adderstone Developments (Stock) Limited
Unaudited Financial Statements
31 March 2023

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Adderstone Developments (Stock) Limited

Financial Statements

Year ended 31 March 2023

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Adderstone Developments (Stock) Limited

Directors' Report

Year ended 31 March 2023

The directors present their report and the unaudited financial statements of the company for the year ended 31 March 2023.

Directors

The directors who served the company during the year were as follows:

I R Baggett BSc (Hons) PhD
M R Shipley BSc (Hons) BFP FCA

Small company provisions

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

This report was approved by the board of directors on 18 November 2023 and signed on behalf of the board by:



M R Shipley BSc (Hons) BFP FCA
Director

Registered office:
Nelson House, The Fleming
Burdon Terrace
Jesmond
Newcastle upon Tyne
NE2 3AE

Adderstone Developments (Stock) Limited

Statement of Income and Retained Earnings

Year ended 31 March 2023

	Note	2023 £	2022 £
Turnover		8,675,000	–
Cost of sales		<u>7,808,937</u>	<u>176,852</u>
Gross profit/(loss)		866,063	(176,852)
Administrative expenses		<u>450,838</u>	59,271
Other operating income	5	<u>598,075</u>	<u>662,324</u>
Operating profit	6	1,013,300	426,201
Interest payable and similar expenses	7	<u>98,061</u>	<u>153,045</u>
Profit before taxation		915,239	273,156
Tax on profit		<u>53,989</u>	–
Profit for the financial year and total comprehensive income		<u>861,250</u>	<u>273,156</u>
Dividends paid and payable		–	(1,328,000)
Retained earnings at the start of the year		156,586	1,211,430
Retained earnings at the end of the year		<u>1,017,836</u>	<u>156,586</u>

All the activities of the company are from continuing operations.

The notes on pages 4 to 7 form part of these financial statements.

Adderstone Developments (Stock) Limited

Statement of Financial Position

31 March 2023

	Note	2023 £	2022 £
Current assets			
Stocks		3,952,500	11,085,460
Debtors	8	194,831	114,254
Cash at bank and in hand		121,838	93,050
		<u>4,269,169</u>	<u>11,292,764</u>
Creditors: amounts falling due within one year	9	<u>649,600</u>	<u>5,121,770</u>
Net current assets		3,619,569	6,170,994
Total assets less current liabilities		3,619,569	6,170,994
Creditors: amounts falling due after more than one year	10	<u>2,601,732</u>	<u>6,014,407</u>
Net assets		<u>1,017,837</u>	<u>156,587</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		<u>1,017,836</u>	<u>156,586</u>
Shareholders funds		<u>1,017,837</u>	<u>156,587</u>

These financial statements have been prepared 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'.

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.

These financial statements were approved by the board of directors and authorised for issue on 18 November 2023, and are signed on behalf of the board by:



I R Baggett BSc (Hons) PhD
Director

Company registration number: 09674309

The notes on pages 4 to 7 form part of these financial statements.

Adderstone Developments (Stock) 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 Nelson House, The Fleming, Burdon Terrace, Jesmond, Newcastle upon Tyne, NE2 3AE.

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.

Finance costs

Finance costs of financial liabilities are recognised in the statement of comprehensive income over the term of such instruments at the rates applicable on the carrying amount.

Revenue recognition

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

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

Adderstone Developments (Stock) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Taxation

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 on an undiscounted basis, 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. The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Stocks

Properties held for resale have been valued at the lower of cost and Net Realisable Value.

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.

Adderstone Developments (Stock) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

4. Employee numbers

The average number of persons employed by the company during the year amounted to nil (2022 - nil).

5. Other operating income

	2023 £	2022 £
Other operating income	<u>598,075</u>	<u>662,324</u>

6. Operating profit

Operating profit or loss is stated after charging:

	2023 £	2022 £
Impairment of stocks	<u>288,250</u>	<u>—</u>

7. Interest payable and similar expenses

	2023 £	2022 £
Interest on banks loans and overdrafts	<u>98,061</u>	<u>153,045</u>

8. Debtors

	2023 £	2022 £
Trade debtors	38,587	41,882
Amounts owed by related undertakings	15,000	—
Other debtors	<u>141,244</u>	<u>72,372</u>
	<u>194,831</u>	<u>114,254</u>

Adderstone Developments (Stock) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

9. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	108,411	26,667
Trade creditors	30,642	70,258
Amounts owed to group undertakings	350,418	4,830,177
Corporation tax	53,199	115,596
Social security and other taxes	11,602	650
Other creditors	95,328	78,422
	<u>649,600</u>	<u>5,121,770</u>

Bank loans falling due within one year of £108,411 (2022 - £26,667) are secured by a fixed and floating debenture over all of the company's assets.

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

	2023	2022
	£	£
Bank loans and overdrafts	<u>2,601,732</u>	<u>6,014,407</u>

Bank loans falling due after more than one year of £2,601,732 (2022 - £6,014,407) are secured by a fixed and floating debenture over all of the company's assets.

11. Related party transactions

Transactions with related parties during the year are set out below:

Clifton Property Investments Limited

I R Baggett and M R Shipley are directors of Clifton Property Investments Limited. I R B is also a shareholder.

Included in amounts owed by related undertakings is:

	2023	2022
	£	£
Loan owed by Clifton Property Investments Limited	15,000	15,000

The loan to Clifton Property Investments Limited is unsecured, bears no interest per annum and has no fixed repayment terms.

12. Directors loans and guarantees

I R Baggett, director, guarantees up £500,000 as security against the bank loan.

13. Controlling party

The company is a wholly owned subsidiary of Adderstone 1993 Limited.