

REGISTERED NUMBER: 02327341 (England and Wales)

SOAR VALLEY (HOMES) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

Essex Abel Ltd
4 Bank Court
Weldon Road
Loughborough
Leicestershire
LE11 5RF

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

	Page
Company Information	1
Balance Sheet	2 to 3
Notes to the Financial Statements	4 to 9
Chartered Certified Accountants' Report	10

SOAR VALLEY (HOMES) LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 JULY 2018

DIRECTORS: G M Flowers
Mrs S Flowers

SECRETARY: G M Flowers

REGISTERED OFFICE: 4 Bank Court
Weldon Road
Loughborough
Leicestershire
LE11 5RF

REGISTERED NUMBER: 02327341 (England and Wales)

ACCOUNTANTS: Essex Abel Ltd
4 Bank Court
Weldon Road
Loughborough
Leicestershire
LE11 5RF

BALANCE SHEET
31 JULY
2018

	Notes	2018	£	2017	£
FIXED ASSETS					
Tangible assets	4		82,760		63,184
CURRENT ASSETS					
Stocks		1,690,583		897,503	
Debtors	5	81,391		167,604	
Cash at bank		<u>36,952</u>		<u>49,675</u>	
		1,808,926		1,114,782	
CREDITORS					
Amounts falling due within one year	6	<u>1,240,500</u>		<u>591,018</u>	
NET CURRENT ASSETS			<u>568,426</u>		<u>523,764</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			651,186		586,948
CREDITORS					
Amounts falling due after more than one year	7		(356,690)		(20,520)
PROVISIONS FOR LIABILITIES			<u>(15,724)</u>		<u>(12,005)</u>
NET ASSETS			<u>278,772</u>		<u>554,423</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			<u>278,672</u>		<u>554,323</u>
SHAREHOLDERS' FUNDS			<u>278,772</u>		<u>554,423</u>

The notes on pages 4 to 9 form part of these financial statements

BALANCE SHEET -
continued
31 JULY
2018

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved and authorised for issue by the Board of Directors on 9 April 2019 and were signed on its behalf by:

G M Flowers - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

1. STATUTORY INFORMATION

Soar Valley (Homes) Limited is a private limited company incorporated in England and Wales under the Companies Act. The address of the registered office is given in the company information section and its principal place of business is at 2 Homeleigh Court, Hose, Melton Mowbray.

The financial statements are presented in Sterling (£)

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates

In the application of the company's accounting policies, which are described in the accounting policies below, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates which could result in a material adjustment to the carrying amounts of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described in the accounting policies below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments; however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Turnover

Turnover represents the total value, excluding value added tax, of revenues as follows:

Build contracts:	based on the value of work completed, where the company has obtained the right to consideration.
House Sales:	on completion of contracts.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 25% on cost and 10% on cost
Fixtures and fittings	- 10% on cost
Motor vehicles	- 25% on reducing balance

Stocks

Property in the course of development and completed units are valued at the lower of cost and net realisable value. Direct cost comprises the cost of land, raw materials, development costs and an appropriate proportion of fixed and variable overheads.

At the end of each reporting period stocks are assessed for impairment. If an item is impaired, the identified item is reduced to its net realisable value. Net realisable value is based on estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

Provision is made for obsolete, slow moving or defective items where appropriate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2018

2. **ACCOUNTING POLICIES - continued**

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans.

Debt instruments, like loans and other accounts receivable and payable, are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, 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 financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payment discounted at a market rate of interest for a similar debt instrument.

Trade and other debtors

Trade and other debtors are initially recognised at the transaction price and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the debtors are stated at cost less impairment losses for bad and doubtful debts.

A provision for impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of debtors. The amount of the provision is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows, and is recognised in the profit & loss in operating expenses.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from

those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2018**

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 7 (2017 - 7) .

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 August 2017	129,487	6,255	38,155	173,897
Additions	36,156	-	17,196	53,352
Disposals	<u>(32,800)</u>	<u>-</u>	<u>(2,994)</u>	<u>(35,794)</u>
At 31 July 2018	<u>132,843</u>	<u>6,255</u>	<u>52,357</u>	<u>191,455</u>
DEPRECIATION				
At 1 August 2017	87,384	6,233	17,096	110,713
Charge for year	9,916	22	7,300	17,238
Eliminated on disposal	<u>(16,720)</u>	<u>-</u>	<u>(2,536)</u>	<u>(19,256)</u>
At 31 July 2018	<u>80,580</u>	<u>6,255</u>	<u>21,860</u>	<u>108,695</u>
NET BOOK VALUE				
At 31 July 2018	<u>52,263</u>	<u>-</u>	<u>30,497</u>	<u>82,760</u>
At 31 July 2017	<u>42,103</u>	<u>22</u>	<u>21,059</u>	<u>63,184</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2018**

4. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 August 2017	10,763	35,162	45,925
Additions	<u>36,156</u>	<u>17,195</u>	<u>53,351</u>
At 31 July 2018	<u>46,919</u>	<u>52,357</u>	<u>99,276</u>
DEPRECIATION			
At 1 August 2017	1,076	14,559	15,635
Charge for year	<u>3,767</u>	<u>7,300</u>	<u>11,067</u>
At 31 July 2018	<u>4,843</u>	<u>21,859</u>	<u>26,702</u>
NET BOOK VALUE			
At 31 July 2018	<u>42,076</u>	<u>30,498</u>	<u>72,574</u>
At 31 July 2017	<u>9,687</u>	<u>20,603</u>	<u>30,290</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	352	352
Amounts recoverable on contract	25,000	70,250
Other debtors	<u>56,039</u>	<u>97,002</u>
	<u>81,391</u>	<u>167,604</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Bank loans and overdrafts	871,616	94,685
Hire purchase contracts (see note 8)	19,079	10,074
Payments on account	69,220	-
Trade creditors	165,145	50,057
Taxation and social security	70,705	110,269
Other creditors	<u>44,735</u>	<u>325,933</u>
	<u>1,240,500</u>	<u>591,018</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018 £	2017 £
Hire purchase contracts (see note 8)	48,330	20,520
Other creditors	<u>308,360</u>	-
	<u>356,690</u>	<u>20,520</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2018**

8. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2018	2017
	£	£
Net obligations repayable:		
Within one year	19,079	10,074
Between one and five years	<u>48,330</u>	<u>20,520</u>
	<u>67,409</u>	<u>30,594</u>
	Non-cancellable operating leases	
	2018	2017
	£	£
Between one and five years	<u>13,763</u>	<u>23,478</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	2018	2017
	£	£
Bank loans	871,616	94,685
Other loans	308,360	300,500
Hire purchase contracts	<u>67,409</u>	<u>30,594</u>
	<u>1,247,385</u>	<u>425,779</u>

The bank loan is secured by a fixed and floating charge over the company's assets and a specific charge over the development land to which it relates. The other loan is secured by a specific charge over the development land to which it relates. The finance leases are secured on the assets concerned.

10. OTHER FINANCIAL COMMITMENTS

At 31 July 2018, the company had total commitments under non-cancellable operating leases over the remaining life of those leases of £13,763 (2017 - £23,478).

11. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 31 July 2018 and 31 July 2017:

	2018	2017
	£	£
G M Flowers and Mrs S Flowers		
Balance outstanding at start of year	92,995	66,366
Amounts advanced	70,596	146,629
Amounts repaid	(163,591)	(120,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>92,995</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2018

12. **ULTIMATE CONTROLLING PARTY**

The company is under the control of the directors by virtue of their shareholding.

CHARTERED CERTIFIED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
SOAR VALLEY (HOMES) LIMITED

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Soar Valley (Homes) Limited for the year ended 31 July 2018 which comprise the Income Statement, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at <http://www.accaglobal.com/rulebook>.

This report is made solely to the Board of Directors of Soar Valley (Homes) Limited, as a body, in accordance with the terms of our engagement letter dated 27 September 2013. Our work has been undertaken solely to prepare for your approval the financial statements of Soar Valley (Homes) Limited and state those matters that we have agreed to state to the Board of Directors of Soar Valley (Homes) Limited, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at <http://www.accaglobal.com/factsheet163>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Soar Valley (Homes) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Soar Valley (Homes) Limited. You consider that Soar Valley (Homes) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Soar Valley (Homes) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Essex Abel Ltd
4 Bank Court
Weldon Road
Loughborough
Leicestershire
LE11 5RF

30 April 2019