

SOAR VALLEY (HOMES) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

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

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

	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 2020

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
2020

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Tangible assets	4		73,973		64,154
CURRENT ASSETS					
Stocks		908,537		1,286,838	
Debtors	5	151,788		616,575	
Cash at bank		<u>107,252</u>		<u>41,075</u>	
		1,167,577		1,944,488	
CREDITORS					
Amounts falling due within one year	6	<u>560,080</u>		<u>1,035,258</u>	
NET CURRENT ASSETS			<u>607,497</u>		<u>909,230</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			681,470		973,384
CREDITORS					
Amounts falling due after more than one year	7		(94,193)		(358,440)
PROVISIONS FOR LIABILITIES			<u>(14,055)</u>		<u>(12,189)</u>
NET ASSETS			<u><u>573,222</u></u>		<u><u>602,755</u></u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			<u>573,122</u>		<u>602,655</u>
SHAREHOLDERS' FUNDS			<u><u>573,222</u></u>		<u><u>602,755</u></u>

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

BALANCE SHEET -
continued
31 JULY
2020

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2020 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
- (b) 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.

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

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 and authorised for issue on 16 March 2021 and were signed on its behalf by:

G M Flowers - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

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 2020

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 2020**

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 (2019 - 7) .

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 August 2019	132,843	6,255	60,347	199,445
Additions	882	-	46,093	46,975
Disposals	-	-	(25,295)	(25,295)
At 31 July 2020	<u>133,725</u>	<u>6,255</u>	<u>81,145</u>	<u>221,125</u>
DEPRECIATION				
At 1 August 2019	98,804	6,255	30,232	135,291
Charge for year	14,272	-	15,214	29,486
Eliminated on disposal	-	-	(17,625)	(17,625)
At 31 July 2020	<u>113,076</u>	<u>6,255</u>	<u>27,821</u>	<u>147,152</u>
NET BOOK VALUE				
At 31 July 2020	<u>20,649</u>	-	<u>53,324</u>	<u>73,973</u>
At 31 July 2019	<u>34,039</u>	-	<u>30,115</u>	<u>64,154</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2020**

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 2019	46,919	56,145	103,064
Additions	-	46,093	46,093
Transfer to ownership	-	<u>(30,960)</u>	<u>(30,960)</u>
At 31 July 2020	<u>46,919</u>	<u>71,278</u>	<u>118,197</u>
DEPRECIATION			
At 1 August 2019	16,502	27,360	43,862
Charge for year	11,730	14,234	25,964
Transfer to ownership	-	<u>(20,701)</u>	<u>(20,701)</u>
At 31 July 2020	<u>28,232</u>	<u>20,893</u>	<u>49,125</u>
NET BOOK VALUE			
At 31 July 2020	<u>18,687</u>	<u>50,385</u>	<u>69,072</u>
At 31 July 2019	<u>30,417</u>	<u>28,785</u>	<u>59,202</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	351	351
Amounts recoverable on contract	63,174	1,621
Other debtors	<u>88,263</u>	<u>614,603</u>
	<u>151,788</u>	<u>616,575</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Bank loans and overdrafts	56,297	803,484
Hire purchase contracts (see note 8)	19,900	19,638
Payments on account	125,000	-
Trade creditors	75,330	66,898
Taxation and social security	245,164	111,803
Other creditors	<u>38,389</u>	<u>33,435</u>
	<u>560,080</u>	<u>1,035,258</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2020**

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

	2020	2019
	£	£
Bank loans	50,000	-
Hire purchase contracts (see note 8)	44,193	34,846
Other creditors	-	323,594
	<u>94,193</u>	<u>358,440</u>

8. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2020	2019
	£	£
Net obligations repayable:		
Within one year	19,900	19,638
Between one and five years	44,193	34,846
	<u>64,093</u>	<u>54,484</u>
	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	<u>5,667</u>	<u>4,048</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	2020	2019
	£	£
Bank loans	106,297	803,484
Other loans	-	323,594
Hire purchase contracts	64,093	54,484
	<u>170,390</u>	<u>1,181,562</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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2020

10. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 31 July 2020 and 31 July 2019:

	2020	2019
	£	£
G M Flowers and Mrs S Flowers		
Balance outstanding at start of year	600,147	-
Amounts advanced	210,966	866,147
Amounts repaid	(730,250)	(266,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>80,863</u>	<u>600,147</u>

11. 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 2020 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 profit 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

17 March 2021