

COMPANY REGISTRATION NUMBER: 07114071

Archway Veterinary Practice (S. Cumbria) Limited

Filleted Unaudited Financial Statements

28 June 2022

Archway Veterinary Practice (S. Cumbria) Limited

Statement of Financial Position

28 June 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	6	1,613,134	1,657,137
Current assets			
Stocks		50,000	39,430
Debtors	7	93,899	71,832
Cash at bank and in hand		122,444	117,489
		266,343	228,751
Creditors: amounts falling due within one year	8	355,127	312,437
Net current liabilities		88,784	83,686
Total assets less current liabilities		1,524,350	1,573,451
Creditors: amounts falling due after more than one year	9	1,207,450	1,340,164
Provisions			
Taxation including deferred tax		88,788	94,297
Net assets		228,112	138,990
Capital and reserves			
Called up share capital		500	500
Capital redemption reserve		500	500
Profit and loss account		227,112	137,990
Shareholders funds		228,112	138,990

These financial statements have been prepared and delivered 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'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 28 June 2022 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 .

Archway Veterinary Practice (S. Cumbria) Limited

Statement of Financial Position *(continued)*

28 June 2022

These financial statements were approved by the board of directors and authorised for issue on 14 November 2022
, and are signed on behalf of the board by:

Mr J Voakes

Director

Company registration number: 07114071

Archway Veterinary Practice (S. Cumbria) Limited

Notes to the Financial Statements

Year ended 28 June 2022

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Crag Court, Lindale, Grange-over-Sands, Cumbria, LA11 6LU.

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 and are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the use of estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Any estimate that has a degree of uncertainty or where judgement has been exercised in a particular area is expressly disclosed within the relevant accounting policy.

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.

Income tax

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 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.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 10 years straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	2% straight line
Fixtures and fittings	-	15% reducing balance
Motor vehicles	-	25% reducing balance
Office equipment	-	40% reducing balance

Land is not depreciated.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity 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. 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 (see hedge accounting policy). 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. 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.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 23 (2021: 22).

5. Intangible assets

	Goodwill
	£
Cost	
At 29 June 2021 and 28 June 2022	300,000

Amortisation	
At 29 June 2021 and 28 June 2022	300,000

Carrying amount	
At 28 June 2022	—

At 28 June 2021	—

6. Tangible assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost					
At 29 June 2021	1,448,992	311,877	99,097	37,556	1,897,522
Additions	—	18,208	—	1,265	19,473
At 28 June 2022	1,448,992	330,085	99,097	38,821	1,916,995
Depreciation					
At 29 June 2021	37,962	115,357	58,832	28,234	240,385
Charge for the year	18,980	30,368	10,065	4,063	63,476
At 28 June 2022	56,942	145,725	68,897	32,297	303,861
Carrying amount					
At 28 June 2022	1,392,050	184,360	30,200	6,524	1,613,134
At 28 June 2021	1,411,030	196,520	40,265	9,322	1,657,137

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
At 28 June 2022	98,439	7,425	3,473	109,337
At 28 June 2021	120,669	9,900	5,789	136,358

7. Debtors

	2022 £	2021 £
Trade debtors	87,388	65,561
Prepayments and accrued income	6,511	6,271
	93,899	71,832

8. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	79,319	73,013
Trade creditors	96,530	82,100
Accruals and deferred income	9,434	4,225
Corporation tax	45,389	13,358
Social security and other taxes	63,733	68,245
Obligations under finance leases and hire purchase contracts	46,154	45,738
Director loan accounts	14,568	25,758
	355,127	312,437

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

	2022	2021
	£	£
Bank loans and overdrafts	1,161,468	1,245,970
Other creditors	45,982	94,194
	<u>1,207,450</u>	<u>1,340,164</u>

Bank loans of £1,240,786 are secured by a fixed and floating charge over the company's assets. The hire purchase liability of £92,136 is secured over the assets concerned.

10. Directors' advances, credits and guarantees

The directors loan accounts remained in credit throughout the year.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.