

Company registration number 03798432 (England and Wales)

# **FARRELL HEYWORTH LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2022**

**PAGES FOR FILING WITH REGISTRAR**

# **FARRELL HEYWORTH LIMITED**

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**FARRELL HEYWORTH LIMITED****BALANCE SHEET****AS AT 31 AUGUST 2022**

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	4		104,980		145,260
<b>Current assets</b>					
Debtors	5	66,718		94,078	
Cash at bank and in hand		802,744		561,080	
		869,462		655,158	
<b>Creditors: amounts falling due within one year</b>	6	(490,896)		(311,961)	
<b>Net current assets</b>			378,566		343,197
<b>Total assets less current liabilities</b>			483,546		488,457
<b>Provisions for liabilities</b>			(7,569)		(12,756)
<b>Net assets</b>			475,977		475,701
<b>Capital and reserves</b>					
Called up share capital			100		100
Profit and loss reserves			475,877		475,601
<b>Total equity</b>			475,977		475,701

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 August 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

**FARRELL HEYWORTH LIMITED**

**BALANCE SHEET (CONTINUED)**

**AS AT 31 AUGUST 2022**

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The financial statements were approved by the board of directors and authorised for issue on 13 December 2022 and are signed on its behalf by:

**Mr J F Collins**  
**Director**

**Company Registration No. 03798432**

# **FARRELL HEYWORTH LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **1 Accounting policies**

##### **Company information**

Farrell Heyworth Limited is a private company limited by shares incorporated in England and Wales. The registered office is Second Floor Suite, The Pavilion, Covell Cross, Lancaster, LA1 1EX.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **1.3 Turnover**

The turnover shown in the profit and loss account represents amounts receivable during the year in respect of estate agency sales, exclusive of Value Added Tax. Turnover is recognised on exchange of contract.

##### **1.4 Intangible fixed assets - goodwill**

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 5 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

##### **1.5 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures & fittings	15% reducing balance
Computer equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

## **FARRELL HEYWORTH LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **1 Accounting policies**

**(Continued)**

##### **1.6 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

##### **1.7 Cash and cash equivalents**

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **1.8 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

##### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

##### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are recognised initially at transaction price.

##### **1.9 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

##### **1.10 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

# **FARRELL HEYWORTH LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **1 Accounting policies**

**(Continued)**

#### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

#### **1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.13 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### **1.14 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

#### **1.15 Group relief**

The accounts have been prepared on the assumption that group relief is available to facilitate the transfer of corporation tax losses between companies in the group.

The directors have resolved that there may be payment for such losses surrendered.

# **FARRELL HEYWORTH LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022**

### **2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

	<b>2022 Number</b>	<b>2021 Number</b>
Total	68	74

### **3 Intangible fixed assets**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 September 2021 and 31 August 2022	1,570,717
<b>Amortisation and impairment</b>	
At 1 September 2021 and 31 August 2022	1,570,717
<b>Carrying amount</b>	
At 31 August 2022	-
At 31 August 2021	-

### **4 Tangible fixed assets**

	<b>Fixtures &amp; fittings £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 September 2021	208,919	10,718	219,637
Additions	4,228	-	4,228
Disposals	(55,178)	-	(55,178)
At 31 August 2022	157,969	10,718	168,687
<b>Depreciation and impairment</b>			
At 1 September 2021	66,115	8,262	74,377
Depreciation charged in the year	21,590	2,456	24,046
Eliminated in respect of disposals	(34,716)	-	(34,716)
At 31 August 2022	52,989	10,718	63,707
<b>Carrying amount</b>			
At 31 August 2022	104,980	-	104,980
At 31 August 2021	142,804	2,456	145,260



# **FARRELL HEYWORTH LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

### **5 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	26,346	56,482
Other debtors	40,372	37,596
	<u>66,718</u>	<u>94,078</u>

### **6 Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	1,169	1,240
Amounts owed to group undertakings	232,887	-
Taxation and social security	185,882	232,441
Other creditors	70,958	78,280
	<u>490,896</u>	<u>311,961</u>

### **7 Financial commitments, guarantees and contingent liabilities**

A cross-company unlimited guarantee is in place in favour of NatWest between the company, Farrell Heyworth Holdings Limited, Auction House North West Ltd, Farrell Heyworth Lettings Limited, Farrell Heyworth Surveyors Limited and Farrell Heyworth Mortgages and Protection Limited.

At the balance sheet date, group borrowings payable to NatWest totalled £873,565.

### **8 Operating lease commitments**

#### **Lessee**

Leases are held by the company in respect of the offices the company operates from and a number of motor vehicles. Each lease is negotiated on a case by case basis.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Within one year	66,689	177,446
Between two and five years	93,163	223,438
In over five years	8,846	-
	<u>168,698</u>	<u>400,884</u>

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.