

Company Registration No. 8255729 (England and Wales)

HILBRAE RESCUE KENNELS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

HILBRAE RESCUE KENNELS LIMITED

COMPANY INFORMATION

| | |
|--------------------------|---|
| Directors | Ms A Mark Mrs M Burrell Mr P Clarke Ms J Kaminski Mr P Burrell |
| Secretary | Mrs M Burrell |
| Company number | 8255729 |
| Registered office | Hilbrae Rescue Kennels Cold Hatton Telford Shropshire United Kingdom TF6 6QJ |
| Accountants | Azets Column House London Road Shrewsbury Shropshire United Kingdom SY2 6NN |

HILBRAE RESCUE KENNELS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2021

The directors present their annual report and financial statements for the year ended 31 October 2021.

Principal activities

The principal activity of the company continued to be that of the operation of rescue kennels.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Ms A Mark
Mrs M Burrell
Mr P Clarke
Ms J Kaminski
Mr P Burrell

Small companies exemption

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

By order of the board

Mrs M Burrell
Secretary

6 July 2022

HILBRAE RESCUE KENNELS LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF HILBRAE RESCUE KENNELS LIMITED FOR THE YEAR ENDED 31 OCTOBER 2021

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Hilbrae Rescue Kennels Limited for the year ended 31 October 2021 which comprise the profit and loss account, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Board of Directors of Hilbrae Rescue Kennels Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Hilbrae Rescue Kennels Limited and state those matters that we have agreed to state to the Board of Directors of Hilbrae Rescue Kennels Limited, as a body, in this report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hilbrae Rescue Kennels Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Hilbrae Rescue Kennels 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 Hilbrae Rescue Kennels Limited. You consider that Hilbrae Rescue Kennels 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 Hilbrae Rescue Kennels 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.

Azets

6 July 2022

Column House
London Road
Shrewsbury
Shropshire
United Kingdom
SY2 6NN

HILBRAE RESCUE KENNELS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2021

| | 2021 £ | 2020 £ |
|--|-------------------------|-------------------------|
| Turnover | 196,702 | 207,710 |
| Cost of sales | (22,652) | (21,809) |
| | <hr/> | <hr/> |
| Gross profit | 174,050 | 185,901 |
| Administrative expenses | (191,674) | (216,904) |
| Other operating income | 53,061 | 38,627 |
| | <hr/> | <hr/> |
| Operating profit | 35,437 | 7,624 |
| Interest receivable and similar income | 26 | 447 |
| | <hr/> | <hr/> |
| Profit before taxation | 35,463 | 8,071 |
| Tax on profit | - | - |
| | <hr/> | <hr/> |
| Profit for the financial year | <u>35,463</u> | <u>8,071</u> |

HILBRAE RESCUE KENNELS LIMITED

BALANCE SHEET

AS AT 31 OCTOBER 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|---|-------|-----------|---------|-----------|---------|
| Fixed assets | | | | | |
| Tangible assets | 4 | | 160,337 | | 163,587 |
| Current assets | | | | | |
| Cash at bank and in hand | | 301,097 | | 301,768 | |
| Creditors: amounts falling due within one year | 5 | (21,455) | | (60,839) | |
| Net current assets | | | 279,642 | | 240,929 |
| Net assets | | | 439,979 | | 404,516 |
| Capital and reserves | | | | | |
| Profit and loss reserves | | | 439,979 | | 404,516 |

For the financial year ended 31 October 2021 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 in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 6 July 2022 and are signed on its behalf by:

Mrs M Burrell
Director

Company Registration No. 8255729

HILBRAE RESCUE KENNELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

Company information

Hilbrae Rescue Kennels Limited is a private company limited by shares incorporated in England and Wales. The registered office is Hilbrae Rescue Kennels, Cold Hatton, Telford, Shropshire, United Kingdom, TF6 6QJ.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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

1.3 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:

| | |
|-----------------------------|-----------------------------|
| Freehold land and buildings | Not subject to depreciation |
| Plant and equipment | 25% on reducing balance |
| Fixtures and fittings | 10% on reducing balance |
| Motor vehicles | 25% on reducing balance |

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.

HILBRAE RESCUE KENNELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.5 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. 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, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

HILBRAE RESCUE KENNELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

1.6 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.

1.7 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.8 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.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

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

| | 2021 Number | 2020 Number |
|-------|----------------|----------------|
| Total | 10 | 11 |

HILBRAE RESCUE KENNELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2021

4 Tangible fixed assets

| | Land and buildings | Plant and machinery etc | Total |
|--|-----------------------|-------------------------------|---------|
| | £ | £ | £ |
| Cost | | | |
| At 1 November 2020 and 31 October 2021 | 135,000 | 53,059 | 188,059 |
| Depreciation and impairment | | | |
| At 1 November 2020 | - | 24,472 | 24,472 |
| Depreciation charged in the year | - | 3,250 | 3,250 |
| At 31 October 2021 | - | 27,722 | 27,722 |
| Carrying amount | | | |
| At 31 October 2021 | 135,000 | 25,337 | 160,337 |
| At 31 October 2020 | 135,000 | 28,587 | 163,587 |

5 Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------|-----------|-----------|
| Trade creditors | 975 | 3,540 |
| Taxation and social security | 2,282 | 1,751 |
| Other creditors | 18,198 | 55,548 |
| | 21,455 | 60,839 |

HILBRAE RESCUE KENNELS LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2021

| | | 2021 | | 2020 |
|---|------------------|-----------------|------------------|-----------------|
| | £ | £ | £ | £ |
| Turnover | | | | |
| Donations | | 124,921 | | 135,642 |
| Shop takings | | 62,070 | | 61,006 |
| Gift aid income | | 1,375 | | 2,826 |
| Adoptions | | 8,315 | | 8,225 |
| Other miscellaneous income | | 21 | | 11 |
| | | <u>196,702</u> | | <u>207,710</u> |
| Cost of sales | | | | |
| <i>Purchases and other direct costs</i> | | | | |
| Animal fees | 890 | | 988 | |
| Vetinary costs | 21,762 | | 20,821 | |
| | <u>22,652</u> | | <u>21,809</u> | |
| Total purchases and other direct costs | | | | |
| | | <u>(22,652)</u> | | <u>(21,809)</u> |
| Total cost of sales | | | | |
| Gross profit | 88.48% | 174,050 | 89.50% | 185,901 |
| Other operating income | | | | |
| Rent receivable | 6,635 | | 5,739 | |
| Coronavirus job retention scheme grant | 22,230 | | 22,888 | |
| Other Coronavirus funding | 24,196 | | 10,000 | |
| | <u>53,061</u> | | <u>38,627</u> | |
| Administrative expenses | | | | |
| Staff costs recharged | 137,917 | | 156,670 | |
| Directors' remuneration | 19,870 | | 19,308 | |
| Rent & rates | 11,834 | | 10,625 | |
| Cleaning | 882 | | 1,128 | |
| Power, light and heat | 2,843 | | 6,093 | |
| Repairs & renewals | 9,320 | | 11,123 | |
| Insurance | - | | 1,042 | |
| Staff uniforms | 250 | | 261 | |
| Motor expenses | 1,603 | | 1,942 | |
| Accountancy | 1,164 | | 1,236 | |
| Charitable donations | 216 | | 216 | |
| Bank charges | 695 | | 422 | |
| Printing and stationery | 497 | | 572 | |
| Advertising | - | | 123 | |
| Telephone | 988 | | 699 | |
| Sundry expenses | 345 | | 1,688 | |
| Depreciation | 3,250 | | 3,756 | |
| | <u>(191,674)</u> | | <u>(216,904)</u> | |
| Operating profit | | 35,437 | | 7,624 |

HILBRAE RESCUE KENNELS LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

| | £ | 2021 £ | £ | 2020 £ |
|---|--------|--------------------|-------|-------------------|
| Interest receivable and similar income | | | | |
| Bank interest received | 26 | | 447 | |
| | <hr/> | 26 | <hr/> | 447 |
| Profit before taxation | 18.03% | <hr/> <hr/> 35,463 | 3.89% | <hr/> <hr/> 8,071 |
