

Stillness 924 Limited
Financial Statements
31 March 2020

Stillness 924 Limited

Contents

| Contents | Page |
|---|-----------------|
| Officers and professional advisers | 1 |
| Directors report | 2 to 3 |
| Directors responsibilities statement | 4 |
| Independent auditor's report to the members | 5 to 7 |
| Statement of comprehensive income | 8 |
| Statement of financial position | 9 |
| Statement of changes in equity | 10 |
| Statement of cash flows | 11 |
| Notes to the financial statements | 12 to 16 |

Stillness 924 Limited

Officers and Professional Advisers

| | |
|-------------------------------|---|
| The board of directors | Ms D Thompson Mr P Wright |
| Company secretary | Mr R Morton |
| Registered office | 308 London Road Stoke-on-Trent Staffordshire ST4 5AB |
| Auditor | Beever and Struthers Chartered Accountants St George's House 215-219 Chester Road Manchester M15 4JE |
| Bankers | NatWest 1 Upper Market Square Hanley Stoke-on-Trent Staffordshire ST1 1QA |
| Solicitors | Trowers & Hamlins 55 Princess Street Manchester M2 4EW |

Stillness 924 Limited

Directors Report

Year Ended 31 March 2020

The directors present their report and the financial statements of the company for the year ended 31 March 2020.

Company Membership

The Company is a 100% owned subsidiary of Honeycomb Group Limited.

Principal Activities

The principal activities of the company are:

- the operation of photovoltaic (PV) panels installed on properties under licence with Honeycomb Group Limited (HCG);
- the operation of the Grindley Hill court car park; and
- the letting of its market rent property portfolio.

Directors and Executive Staff

The Board Directors and the Executive staff of the Company are set out below. None of the Directors had interests in the share capital of the Company at 31 March 2020.

The directors who served the company during the year were as follows:

Ms D Thompson
Mr P Wright

Mrs S Shardlow resigned from the board of directors on the 19th September 2019.

Review of the year

Operating activity throughout the 2019/20 period saw a continuation of the business activity as it was at the end of the 2018/19 period, with no further acquisitions or development activity having taken place in the 2019/20 period.

The operation of the Grindley Hill Court car park continued uninterrupted as did the rental portfolio; where all properties were let through out the period with no change in tenancies.

An increase in turnover of 7% combined with a reduced administrative spend of 32% and a significant reduction in gift aid payments has seen an overall increase of 51% in total comprehensive income for the year.

Stillness 924 Limited

Directors Report

Year Ended 31 March 2020

Auditor

Each of the persons who are a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 3rd September 2020 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to be 'RM', with a long horizontal line extending to the right.

Mr R Morton
Company Secretary

Stillness 924 Limited

Directors Responsibilities Statement

Year Ended 31 March 2020

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed; and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Stillness 924 Limited

Independent auditor's report to the members of Stillness 924 Limited

Year Ended 31 March 2020

Opinion

We have audited the financial statements of Stillness 924 Limited "the company" for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report to you in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Stillness 924 Limited

Independent auditor's report to the members of Stillness 924 Limited

Year Ended 31 March 2020

Other information (continued)

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Stillness 924 Limited

Independent auditor's report to the members of Stillness 924 Limited

Year Ended 31 March 2020

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's web-site at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body for our audit work, for this report, or for the opinions we have formed.



Lee Cartwright (Senior Statutory Auditor)
For and on behalf of
BEEVER AND STRUTHERS
Statutory Auditor
St George's House
215/219 Chester Road
Manchester
M15 4JE

Date: 10 September 2020

Stillness 924 Limited

Statement of Comprehensive Income

Year Ended 31 March 2020

| | Note | 2020 £ | 2019 £ |
|--|------|----------------|----------------|
| Turnover | 3 | 315,100 | 292,678 |
| Cost of sales | | (30,000) | (31,229) |
| Gross profit | | 285,100 | 261,449 |
| Administrative expenses | | (100,453) | (132,551) |
| Operating profit | 6 | 184,647 | 128,898 |
| Other interest receivable and similar income | | 899 | 559 |
| Interest payable and similar charges | | - | - |
| Gift Aid | | (7,310) | (62,000) |
| Revaluation gain on investment property | 9 | 15,000 | 40,607 |
| Profit on ordinary activities before taxation | | 193,236 | 108,064 |
| Tax on profit on ordinary activities | 7 | (38,421) | (6,031) |
| Total comprehensive income for the year | | 154,815 | 102,033 |

All the activities of the company are from continuing operations.

The notes on pages 12 to 16 form part of these financial statements.

Stillness 924 Limited

Statement of Financial Position

Year Ended 31 March 2020

| | Note | 2020 £ | 2019 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 8 | 1,202,464 | 1,274,733 |
| Investment properties | 9 | 795,000 | 780,000 |
| | | 1,997,464 | 2,054,733 |
| Current assets | | | |
| Debtors | 11 | 25,343 | 56,545 |
| Cash and cash equivalents | | 656,109 | 380,939 |
| | | 681,452 | 437,484 |
| Creditors: amounts falling due within one year | 12 | (93,783) | (61,787) |
| Net current assets | | 587,669 | 375,697 |
| Total assets less current liabilities | | 2,585,133 | 2,430,430 |
| Net assets | | 2,585,133 | 2,430,430 |
| Capital and reserves | | | |
| Called up share capital | 13 | 1,700,000 | 1,700,000 |
| Revenue reserves | | 885,133 | 730,430 |
| Shareholders funds | | 2,585,133 | 2,430,430 |

These financial statements were approved by the board of directors and authorised for issue on 3rd September 2020 and are signed on behalf of the board by:



Mr P Wright
Board Member



Ms D Thompson
Board Member



Mr R Morton
Group Company Secretary

Company registration number: 06506446

The notes on pages 12 to 16 form part of these financial statements.

Stillness 924 Limited

Statement of Changes in Equity

Year Ended 31 March 2020

| | Called up share capital £ | Revenue reserves £ | Total £ |
|--|---------------------------------|--------------------------|-------------------|
| At 1 April 2018 | 1,700,000 | 666,397 | 2,366,397 |
| Total comprehensive income for the year | - | 102,033 | 102,033 |
| Gift aid payment to parent | - | (38,000) | (38,000) |
| At 31 March 2019 | 1,700,000 | 730,430 | 2,430,430 |
| Total comprehensive income for the year | - | 154,815 | 154,815 |
| Adjustment to Non-Distributable Reserves | - | (112) | (212) |
| Gift aid payment to parent | - | - | - |
| At 31 March 2020 | 1,700,000 | 885,133 | 2,585,133 |

The notes on pages 12 to 16 form part of these financial statements.

Stillness 924 Limited

Statement of Cash Flows

Year Ended 31 March 2020

| | Year ended 31 March 2020 | Year ended 31 March 2019 |
|--|--------------------------------|--------------------------------|
| | £ | £ |
| Net cash generated from operating activities (see Note i) | 281,581 | 240,854 |
| Cash flow from investing activities | | |
| Tangible Assets | - | (312,193) |
| Interest received | 899 | 559 |
| Gift aid | (7,310) | (100,000) |
| Cash flow from financing activities | | |
| Interest paid | - | - |
| Net change in cash and cash equivalents | 275,170 | (170,780) |
| Cash and cash equivalents at beginning of the year | 380,939 | 551,719 |
| Cash and cash equivalents at end of the year | 656,109 | 380,939 |

Note i

Cash flow from operating activities

| | | |
|---|----------|----------|
| Profit for the year | 184,647 | 128,898 |
| Taxation paid | (6,024) | (24,239) |
| Adjustments for non-cash items: | | |
| Depreciation | 72,269 | 72,269 |
| (Increase)/Decrease in trade and other debtors | 43,348 | 105,013 |
| Increase/(Decrease) in trade and other creditors | (12,547) | (41,087) |
| Other | (112) | - |
| Adjustments for investing or financing activities: | | |
| Net cash generated from operating activities | 281,581 | 240,854 |

Statement of Movement in Net Debt

| | At Beginning of the Year £ | Cash Flows £ | Group Non-Cash Movements £ | At End of the Year £ |
|----------------------------------|----------------------------------|--------------------|----------------------------------|----------------------------|
| Cash and Cash Equivalents | 380,939 | 275,170 | - | 656,109 |

The notes on pages 12 to 16 form part of these financial statements.

Stillness 924 Limited

Notes to the financial statements

Year Ended 31 March 2020

1. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

Stillness (924) Limited is a company limited by shares, incorporated under the Companies Act 2006.

2. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, except for investment properties which are stated at fair value.

The financial statements are prepared in Sterling, which is the functional currency of the entity.

Revenue recognition

Turnover represents Feed in Tariffs, income in respect of properties developed for the group and rental income which are recognised in relation to the period when the goods or services have been supplied.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, 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.

Due to the timing of accounting transactions the Directors do not consider a need for any deferred tax to be recognised in the financial statements.

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:

PV Panels - 4% straight line

Financial Instruments

Financial instruments held by the Company are classified as follows:

- Financial assets such as cash, current asset investments and receivables are held at amortised cost; and
- Financial liabilities such as payables are held at amortised cost.

Stillness 924 Limited

Notes to the financial statements

Year Ended 31 March 2020

2. Accounting policies (continued)

Investment property

Investment properties not held for the social benefit of the Group. Investment property is measured at cost on initial recognition, which includes purchase cost and any directly attributable expenditure, and subsequently at fair value at the reporting date.

Fair value is determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive income

3. Turnover

| | 2020 | 2019 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Turnover arises from: | | |
| Development Contracts | - | 1,429 |
| Green Energy | 225,301 | 215,139 |
| Rent Receivable | 39,520 | 25,693 |
| Other | 50,279 | 50,417 |
| | <u>315,100</u> | <u>292,678</u> |

4. Turnover from lettings

| | 2020 | 2019 |
|--|---------------|---------------|
| | £ | £ |
| Rent Receivable, 5 Units (2019: 5 Units) | 39,520 | 25,693 |
| | <u>39,520</u> | <u>25,693</u> |

5. Operating costs of lettings

| | 2020 | 2019 |
|----------------|--------------|--------------|
| | £ | £ |
| Management Fee | 4,220 | 3,907 |
| Insurance | 102 | 224 |
| Maintenance | 773 | 2,737 |
| | <u>5,095</u> | <u>6,868</u> |

6. Operating profit

| | 2020 | 2019 |
|---|--------|--------|
| | £ | £ |
| Operating profit for the year is arrived at after charging: | | |
| Depreciation on other tangible fixed assets | 72,269 | 72,269 |
| Auditor's remuneration: | | |
| In their capacity as auditor | 3,089 | 2,984 |
| In respect of other services | 615 | 593 |

Stillness 924 Limited

Notes to the Financial Statements

Year Ended 31 March 2020

7. Tax on profit on ordinary activities

| | 2020 | 2019 |
|--|----------------------|---------------------|
| | £ | £ |
| Analysis of charge in the year | | |
| Current year charge | 38,421 | 6,031 |
| Prior year charge | | |
| Total tax charge | <u>38,421</u> | <u>6,031</u> |
| Reconciliation of tax expense | | |
| Profit on ordinary activities before taxation | <u>193,236</u> | <u>108,064</u> |
| Profit on ordinary activities by rate of tax @ 19% (2019: 19%) | 36,715 | 20,532 |
| Effect of capital allowances and depreciation | 4,556 | 434 |
| Effect of gift aid payment to parent | - | (7,220) |
| Effect on unrealised fair value adjustment | (2,850) | (7,715) |
| Tax on profit on ordinary activities | <u><u>38,421</u></u> | <u><u>6,031</u></u> |

8. Tangible assets

| | Total |
|--|-------------------------|
| | £ |
| Cost | |
| At 1st April 2019 | 1,787,491 |
| Additions | - |
| At 31 March 2020 | <u>1,787,491</u> |
| Depreciation | |
| At 1st April 2019 | (512,758) |
| Charge for the year | (72,269) |
| At 31 March 2020 | <u>(585,027)</u> |
| Net book value | |
| At 31 March 2020 (March 2019: £1,274,733) | <u><u>1,202,464</u></u> |

Stillness 924 Limited

Notes to the Financial Statements

Year Ended 31 March 2020

9. Investment property

| | 2020 | 2019 |
|----------------------------|----------------|----------------|
| | £ | £ |
| Valuation at start of year | 780,000 | 427,200 |
| Acquisitions | - | 312,193 |
| Revaluation | 15,000 | 40,607 |
| At end of year | <u>795,000</u> | <u>780,000</u> |

Under section 16 FRS 102 the initial recognition of investment property is at cost, which comprises of purchase price and any directly attributable expenditure. Subsequently the fair value of investment property shall be measured at each reporting date with any changes recognised in the Statement of Comprehensive Income.

10. Investment property owned and in development

The entity currently holds 5 investment properties for letting purposes (2019: 5).

11. Debtors

| | 2020 | 2019 |
|------------------------------------|---------------|---------------|
| | £ | £ |
| Tax and Social Security | - | 3,346 |
| Other debtors – Group undertakings | - | 28,271 |
| Other debtors | 25,343 | 24,928 |
| | <u>25,343</u> | <u>56,545</u> |

12. Creditors: amounts falling due within one year

| | 2020 | 2019 |
|--------------------------------------|---------------|---------------|
| | £ | £ |
| Trade creditors | - | 592 |
| Accruals | 1,065 | 13,150 |
| Deferred income | 42,152 | 42,014 |
| Corporation tax | 38,421 | 6,031 |
| VAT | 2,777 | - |
| Other creditors - Group undertakings | 9,368 | - |
| | <u>93,783</u> | <u>61,787</u> |

Stillness 924 Limited

Notes to the Financial Statements

Year Ended 31 March 2020

13. Called up share capital

Issued, called up and fully paid:

| | 2020 | | 2019 | |
|-------------------------------------|------------------|------------------|-----------|-----------|
| | No | £ | No | £ |
| Amounts presented in equity: | | | | |
| Ordinary shares of £1 each | 1,700,000 | 1,700,000 | 1,700,000 | 1,700,000 |

14. Controlling party

The ultimate controlling party was Honeycomb Group Limited, shareholder of the company, a Registered Provider, registered under the Co-operative and Community Benefit Societies Act 2014. The registered office is 308 London Road, Stoke on Trent, Staffordshire ST4 5AB.

15. Related Parties

Stillness 924 Limited is a subsidiary of Honeycomb Group Limited. Other subsidiaries of Honeycomb Group Limited include Blue Mountain Housing Association Limited, Honeycomb Charitable Services Limited and Search Housing Association Limited. The Company has taken advantage of the exemption available under Section 33 FRS 102 not to disclose transactions with other members of the group.

16. Financial Instruments

| | 2020 | 2019 |
|---|---------|---------|
| | £ | £ |
| The Company's financial instruments may be analysed as follows: | | |
| Financial assets | | |
| (a) Financial assets measured at amortised cost | 689,862 | 413,484 |
| Financial liabilities | | |
| (a) Financial liabilities measured at amortised cost | 45,513 | 13,743 |

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, other debtors, accrued income.

Financial liabilities measured at amortised cost comprise trade creditors and other creditors.