

**DAVENPORT & SONS LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

Edwards & Keeping

Chartered Accountants

THURSDAY



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COMPANIES HOUSE

# DAVENPORT & SONS LIMITED

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# DAVENPORT & SONS LIMITED

## COMPANY INFORMATION

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**Directors** Mrs E J Fenwick  
M J Fenwick

**Company secretary** Mrs E J Fenwick

**Registered office** Woodrow House  
Woodrow Farm  
Stourton Caundle  
Sturminster Newton  
Dorset  
DT10 2JJ

**Accountants** Edwards & Keeping  
Chartered Accountants  
Unity Chambers  
34 High East Street  
DORCHESTER  
Dorset  
DT1 1HA

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON  
THE PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF  
DAVENPORT & SONS LIMITED  
FOR THE YEAR ENDED 31 MARCH 2017**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Davenport & Sons Limited for the year ended 31 March 2017 as set out on pages 3 to 10 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Davenport & Sons Limited, as a body, in accordance with the terms of our engagement letter dated 4 October 2016. Our work has been undertaken solely to prepare for your approval the accounts of Davenport & Sons Limited and state those matters that we have agreed to state to the Board of Directors of Davenport & Sons Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Davenport & Sons Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Davenport & Sons Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of Davenport & Sons Limited. You consider that Davenport & Sons 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 accounts of Davenport & Sons 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 accounts.



Edwards & Keeping  
Chartered Accountants  
Unity Chambers  
34 High East Street  
DORCHESTER  
Dorset  
DT1 1HA

Date: .....

18<sup>th</sup> December 2017

# DAVENPORT & SONS LIMITED

(REGISTRATION NUMBER: 00152407)  
BALANCE SHEET AS AT 31 MARCH 2017

	Note	2017	(As restated) 2016
		£	£
<b>Fixed assets</b>			
Tangible assets	4	40,438	52,684
Investment property	5	3,837,000	3,335,000
Other financial assets	6	936	960
		<u>3,878,374</u>	<u>3,388,644</u>
<b>Current assets</b>			
Debtors	7	100,064	27,615
Cash at bank and in hand		<u>9,988</u>	<u>46,609</u>
		110,052	74,224
<b>Creditors: Amounts falling due within one year</b>	8	<u>(1,060,207)</u>	<u>(269,196)</u>
<b>Net current liabilities</b>		<u>(950,155)</u>	<u>(194,972)</u>
<b>Total assets less current liabilities</b>		2,928,219	3,193,672
<b>Creditors: Amounts falling due after more than one year</b>	8	(542,429)	(554,273)
<b>Provisions for liabilities</b>		<u>(211,369)</u>	<u>(254,995)</u>
<b>Net assets</b>		<u>2,174,421</u>	<u>2,384,404</u>
<b>Capital and reserves</b>			
Called up share capital		75,000	75,000
Capital reserve		7,557	7,557
Fair value reserve		1,286,837	1,493,134
General reserves		20,000	20,000
Profit and loss account		<u>785,027</u>	<u>788,713</u>
		<u>2,174,421</u>	<u>2,384,404</u>

For the financial year ending 31 March 2017 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised for issue by the Board on 15/04/17 and signed on its behalf by:

  
M J Fenwick  
Director

# DAVENPORT & SONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

Woodrow House  
Woodrow Farm  
Stourton Caundle  
Sturminster Newton  
Dorset  
DT10 2JJ

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### Going concern

The financial statements have been prepared on a going concern basis.

#### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant machinery etc	20% on cost

#### Investment property

Investment property is carried at fair value, derived from the current market prices for comparable property determined annually by the company's directors. Changes in fair value are recognised in profit or loss.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the 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 the receivables.

# DAVENPORT & SONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

### Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

### Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 5 (2016 - 3).

# DAVENPORT & SONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

### 4 Tangible assets

	Motor vehicles £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 1 April 2016	70,246	-	70,246
Additions	-	2,254	2,254
At 31 March 2017	70,246	2,254	72,500
<b>Depreciation</b>			
At 1 April 2016	17,562	-	17,562
Charge for the year	14,049	451	14,500
At 31 March 2017	31,611	451	32,062
<b>Carrying amount</b>			
At 31 March 2017	38,635	1,803	40,438
At 31 March 2016	52,684	-	52,684

### 5 Investment properties

	2017 £	2016 £
At 1 April	3,335,000	1,764,781
Additions	737,143	517,605
Fair value adjustments	(235,143)	1,052,614
At 31 March	3,837,000	3,335,000

Investment property is carried at fair value, derived from the current market prices for comparable property determined annually by the company's directors. Changes in fair value are recognised in profit or loss.

There has been no valuation of investment property by an independent valuer.



# DAVENPORT & SONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

### 6 Other financial assets (current and non-current)

	Financial assets at fair value through profit and loss £	Total £
<b>Non-current financial assets</b>		
<b>Cost or valuation</b>		
At 1 April 2016	960	960
Fair value adjustments	(24)	(24)
At 31 March 2017	936	936
<b>Carrying amount</b>		
At 31 March 2017	936	936
At 31 March 2016	960	960

### 7 Debtors

	2017 £	2016 £
Trade debtors	24,643	20,322
Other debtors	75,421	7,293
	100,064	27,615

### 8 Creditors

	Note	2017 £	2016 £
<b>Due within one year</b>			
Loans and borrowings	9	905,848	195,210
Taxation and social security		12,137	6,743
Other creditors		142,222	67,243
		1,060,207	269,196
<b>Due after one year</b>			
Loans and borrowings	9	542,429	554,273

# DAVENPORT & SONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

### 9 Loans and borrowings

	2017 £	2016 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	497,500	500,000
Finance lease liabilities	44,929	54,273
	<u>542,429</u>	<u>554,273</u>
	2017 £	2016 £
<b>Current loans and borrowings</b>		
Bank overdrafts	710,071	-
Finance lease liabilities	8,777	8,210
Other borrowings	187,000	187,000
	<u>905,848</u>	<u>195,210</u>

Bank loans, borrowings and overdrafts are secured on the company's investment property and finance lease liabilities are secured on the assets to which they relate.

### 10 Transition to FRS 102

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements for the year ended 31 March 2016 were prepared under previous UK GAAP and the transition date to FRS 102 is therefore 1 April 2015.

Adopting FRS 102 has meant that a number of accounting policies have changed to comply with the new standard resulting in the following impact:

#### Investment property

Under previous GAAP unrealised revaluation gains and losses on investment property were taken to the statement of recognised gains and losses (and credited/debited to the revaluation reserve). However, under FRS 102 revaluation gains and losses are recognised in the profit and loss account. As a result the investment property revaluation gain of £1,052,614 at 31 March 2016 has been reallocated from the revaluation reserve to the profit and loss account. A subsequent transfer of an amount equivalent to the revaluation gain (£1,052,614) less the deferred tax debit relating to the investment properties at 31 March 2016 (£189,995) i.e. a net amount of £862,619 was made from the profit and loss account to the fair value reserve (formerly the revaluation reserve).

#### Deferred tax

Under previous GAAP deferred tax was provided for under the partial method and therefore did not take into account unrealised revaluation gains. FRS 102 now requires deferred tax to be calculated on the full provision basis, therefore taking into account revaluation gains on investment properties. The impact has been to introduce a deferred tax provision of £65,000 at 1 April 2015 (with a corresponding debit to the fair value reserve) and to increase this provision by £189,995 in the year to 31 March 2016 (£189,995 credit to fair value reserve).

# DAVENPORT & SONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

### Balance Sheet at 1 April 2015

	Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>					
Tangible assets	21	-	-	-	21
Investment property	1,750,000	-	-	-	1,750,000
Investments	1,105	-	-	-	1,105
		<u>1,751,126</u>	<u>-</u>	<u>-</u>	<u>1,751,126</u>
<b>Current assets</b>					
Debtors	33,167	-	-	-	33,167
Cash at bank and in hand	88,829	-	-	-	88,829
		<u>121,996</u>	<u>-</u>	<u>-</u>	<u>121,996</u>
Creditors: Amounts falling due within one year	(268,050)	-	-	-	(268,050)
Net current liabilities	(146,054)	-	-	-	(146,054)
Total assets less current liabilities	1,605,072	-	-	-	1,605,072
Provisions for liabilities	-	(65,000)	-	-	(65,000)
Net assets/(liabilities)	1,605,072	(65,000)	-	-	1,540,072
<b>Capital and reserves</b>					
Called up share capital	75,000	-	-	-	75,000
Capital reserve	7,557	-	-	-	7,557
Fair value reserve	695,515	(65,000)	-	-	630,515
General reserves	807,000	-	-	-	807,000
Profit and loss account	20,000	-	-	-	20,000
Total equity	1,605,072	(65,000)	-	-	1,540,072

# DAVENPORT & SONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

### Balance Sheet at 31 March 2016

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>				
Tangible assets	52,684	-	-	52,684
Investment property	3,335,000	-	-	3,335,000
Investments	960	-	-	960
	<u>3,388,644</u>	<u>-</u>	<u>-</u>	<u>3,388,644</u>
<b>Current assets</b>				
Debtors	27,615	-	-	27,615
Cash at bank and in hand	46,609	-	-	46,609
	<u>74,224</u>	<u>-</u>	<u>-</u>	<u>74,224</u>
Creditors: Amounts falling due within one year	<u>(269,196)</u>	<u>-</u>	<u>-</u>	<u>(269,196)</u>
Net current liabilities	<u>(194,972)</u>	<u>-</u>	<u>-</u>	<u>(194,972)</u>
Total assets less current liabilities	3,193,672	-	-	3,193,672
Creditors: Amounts falling due after more than one year	<u>(554,273)</u>	<u>-</u>	<u>-</u>	<u>(554,273)</u>
Provisions for liabilities	<u>-</u>	<u>(254,995)</u>	<u>-</u>	<u>(254,995)</u>
Net assets/(liabilities)	<u>2,639,399</u>	<u>(254,995)</u>	<u>-</u>	<u>2,384,404</u>
<b>Capital and reserves</b>				
Called up share capital	75,000	-	-	75,000
Share premium reserve	20,000	-	-	20,000
Capital reserve	7,557	-	-	7,557
Fair value reserve	1,748,129	(254,995)	-	1,493,134
Profit and loss account	<u>788,713</u>	<u>-</u>	<u>-</u>	<u>788,713</u>
Total equity	<u>2,639,399</u>	<u>(254,995)</u>	<u>-</u>	<u>2,384,404</u>