

Company Registration No. 225383 (England and Wales)

**CRADLEY PROPERTY DEVELOPMENTS LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**PAGES FOR FILING WITH REGISTRAR**

# CRADLEY PROPERTY DEVELOPMENTS LIMITED

## COMPANY INFORMATION

---

<b>Director</b>	Mr B A Pegg
<b>Secretary</b>	Mrs S Pegg
<b>Company number</b>	225383
<b>Registered office</b>	12 Woodchester Hagley Nr Stourbridge West Midlands DY9 0NF
<b>Accountants</b>	CK Accounting Services No.4 Castle Court 2 Castlegate Way Dudley West Midlands DY1 4RH
<b>Business address</b>	12 Woodchester Hagley Nr Stourbridge West Midlands DY9 0NF

---

# CRADLEY PROPERTY DEVELOPMENTS LIMITED

## CONTENTS

---

	<b>Page</b>
Balance sheet	1 - 2
Statement of changes in equity	3
Notes to the financial statements	4 - 9

---

# CRADLEY PROPERTY DEVELOPMENTS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	2		100		200
Investment properties	3		565,000		490,000
			<u>565,100</u>		<u>490,200</u>
<b>Current assets</b>					
Debtors		522		219	
Cash at bank and in hand		62,510		55,382	
		<u>63,032</u>		<u>55,601</u>	
<b>Creditors: amounts falling due within one year</b>		<u>(17,614)</u>		<u>(17,152)</u>	
<b>Net current assets</b>			45,418		38,449
<b>Total assets less current liabilities</b>			610,518		528,649
<b>Provisions for liabilities</b>			<u>(73,506)</u>		<u>(59,467)</u>
<b>Net assets</b>			<u>537,012</u>		<u>469,182</u>
<b>Capital and reserves</b>					
Called up share capital	4		17,020		17,020
Capital redemption reserve			5,000		5,000
Profit and loss reserves			514,992		447,162
<b>Total equity</b>			<u>537,012</u>		<u>469,182</u>

In accordance with section 444 of the Companies Act 2006 all of the members of the company have consented to the preparation of abridged financial statements pursuant to paragraph 1A of Schedule 1 to the Small Companies and Groups (Accounts and Directors' Report) Regulations (S.I. 2008/409)(b).

The director 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 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Act 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.

The financial statements were approved and signed by the director and authorised for issue on 11 May 2017

**CRADLEY PROPERTY DEVELOPMENTS LIMITED**

**BALANCE SHEET (CONTINUED)**

***AS AT 31 DECEMBER 2016***

---

Mr B A Pegg  
**Director**

**Company Registration No. 225383**

# CRADLEY PROPERTY DEVELOPMENTS LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Share capital	Revaluation reserve	Capital redemption reserve	Profit and loss reserves	Total
Notes	£	£	£	£	£
<b>Balance at 1 January 2015</b>	17,020	98,154	5,000	82,322	202,496
Effect of transition to FRS 102	-	(98,154)	-	334,678	236,524
<b>As restated</b>	17,020	-	5,000	417,000	439,020
<b>Year ended 31 December 2015:</b>					
Profit and total comprehensive income for the year	-	-	-	30,161	30,161
<b>Balance at 31 December 2015</b>	17,020	-	5,000	447,162	469,182
<b>Year ended 31 December 2016:</b>					
Profit and total comprehensive income for the year	-	-	-	67,830	67,830
<b>Balance at 31 December 2016</b>	17,020	-	5,000	514,992	537,012

# CRADLEY PROPERTY DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2016**

---

### **1 Accounting policies**

#### **Company information**

Cradley Property Developments Limited is a private company limited by shares incorporated in England and Wales. The registered office is 12 Woodchester, Hagley, Nr Stourbridge, West Midlands, DY9 0NF.

#### **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.

These financial statements for the year ended 31 December 2016 are the first financial statements of Cradley Property Developments Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 5.

#### **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.

Tangible fixed assets include investment properties valued by the directors on an existing use open market value basis. Other tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & 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.

# CRADLEY PROPERTY DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

---

### 1 Accounting policies

(Continued)

#### 1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

#### 1.5 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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Cash and cash equivalents

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.

#### 1.7 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.



# CRADLEY PROPERTY DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

---

### 1 Accounting policies

(Continued)

#### **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.

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. 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.

### 1.8 Equity instruments

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

### 1.9 Taxation

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

#### **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.

# CRADLEY PROPERTY DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 1 Accounting policies

(Continued)

#### **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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

### 2 Tangible fixed assets

	Total £
<b>Cost</b>	
At 1 January 2016 and 31 December 2016	400
<b>Depreciation and impairment</b>	
At 1 January 2016	200
Depreciation charged in the year	100
At 31 December 2016	300
<b>Carrying amount</b>	
At 31 December 2016	100
At 31 December 2015	200

### 3 Investment property

	2016 £
<b>Fair value</b>	
At 1 January 2016	490,000
Revaluations	75,000
At 31 December 2016	565,000

# CRADLEY PROPERTY DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 3 Investment property

(Continued)

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2016 £	2015 £
Cost	127,152	127,152
Accumulated depreciation	(47,636)	(47,636)
Carrying amount	<u>79,516</u>	<u>79,516</u>

### 4 Called up share capital

	2016 £	2015 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
17,020 Ordinary shares of £1 each	<u>17,020</u>	<u>17,020</u>

### 5 Reconciliations on adoption of FRS 102

#### Reconciliation of equity

		1 January 2015 £	31 December 2015 £
	Notes		
Equity as reported under previous UK GAAP		202,496	212,199
Adjustments arising from transition to FRS 102:			
Investment properties	1	291,450	316,450
Deferred tax	2	(54,926)	(59,467)
Equity reported under FRS 102		<u>439,020</u>	<u>469,182</u>

#### Reconciliation of profit for the financial period

		2015 £
	Notes	
Profit as reported under previous UK GAAP		9,702
Adjustments arising from transition to FRS 102:		
Investment properties	1	25,000
Deferred tax	2	(4,541)
Profit reported under FRS 102		<u>30,161</u>

# **CRADLEY PROPERTY DEVELOPMENTS LIMITED**

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

***FOR THE YEAR ENDED 31 DECEMBER 2016***

---

**5 Reconciliations on adoption of FRS 102**

**(Continued)**

**Notes to reconciliations on adoption of FRS 102**

**Note 1 - Fair value of investment properties**

The fair value adjustment on investment properties has been restated for the prior year so that it passes through the profit and loss account rather than the balance sheet. The investment property revaluation reserve brought forward has been reclassified as a fair value reserve and is included in the profit and loss account.

**Note 2 - Deferred tax on investment properties**

Deferred tax has been recognised on the investment properties.

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.