Company registration number 00527041 (England and Wales)

COLLEGE VALLEY ESTATES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

PAGES FOR FILING WITH REGISTRAR

COLLEGE VALLEY ESTATES LIMITED

COMPANY INFORMATION

Directors	J.A. Baker-Cresswell A. Spencer-Nairn Sir W.J.B. Riddell I.B. Speke L.M.R. Fell D.B.T. Naylor	 (Appointed 26 August 2022)
Secretary	GWA CoSec Ltd	
Company number	00527041	
Registered office	17 Walkergate Berwick-upon-Tweed Northumberland TD15 1DJ	
Auditor	Greaves West & Ayre 17 Walkergate Berwick-upon-Tweed Northumberland TD15 1DJ	
Business address	Hethpool Estate Office Wooler Northumberland NE71 6TW	
Bankers	Bank of Scotland 61 Hide Hill (Berwick Branch) Berwick upon Tweed Northumberland TD15 1EN	
Solicitors	Muckle LLP Time Central 32 Gallowgate Newcastle-upon-Tyne NE1 4BF	

COLLEGE VALLEY ESTATES LIMITED

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COLLEGE VALLEY ESTATES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible assets	**4**		1,967		-
Tangible assets	**5**		2,020,805		1,760,288
			2,022,772		1,760,288
Current assets					
Stocks		1,500		1,500	
Debtors		171,706		180,178	
Cash at bank and in hand		211,598		444,342	
		384,804		626,020	
Creditors: amounts falling due within one year		(223,705)		(156,703)	
Net current assets			161,099		469,317
Total assets less current liabilities			2,183,871		2,229,605
Government grants			(123,135)		(128,763)
Net assets			2,060,736		2,100,842
Capital and reserves					
Called up share capital			50,000		50,000
Capital redemption reserve			60,890		60,890
Other reserves			500		750
Profit and loss reserves			1,949,346		1,989,202
Total equity			2,060,736		2,100,842

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 (SI 2008/409)(b).

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

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 by the board of directors and authorised for issue on 21 October 2022 and are signed on its behalf by:

J.A. Baker-Cresswell
Director

L.M.R. Fell
Director

Company Registration No. 00527041

1 Accounting policies

Company information

College Valley Estates Limited is a private company limited by shares incorporated in England and Wales. The registered office is 17 Walkergate, Berwick-upon-Tweed, Northumberland, TD15 1DJ.

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 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.

Rental income from the properties leased out under operating leases is recognised in the profit and loss account on a straight-line basis over the term of the lease.

1.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation 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:

Basic Payment Entitlements	25% Straight Line

1.4 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.

1 Accounting policies **(Continued)**

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 Buildings, Property Improvements and Fixtures & Fittings	1.5% Reducing Balance, 2% Straight Line, 20% Reducing Balance and 25% Reducing Balance
Woodlands & Road Improvements	None and 10% Straight Line
Implements, Office Equipment & Website	10% Reducing Balance, 15% Reducing Balance and 10-33% Straight Line
Motor Vehicles	20% 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.

1.5 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.

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 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 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 Accounting policies **(Continued)**

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 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.

1.9 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 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 Accounting policies **(Continued)**

1.11 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.

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the asset. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

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:

	2022 Number	2021 Number
Total	10	10

4 Intangible fixed assets

	Total
	£
Cost	
At 1 April 2021	-
Additions	2,622
At 31 March 2022	2,622
Amortisation and impairment	
At 1 April 2021	-
Amortisation charged for the year	655
At 31 March 2022	655
Carrying amount	
At 31 March 2022	1,967
At 31 March 2021	-

5 Tangible fixed assets

	Total
	£
Cost	
At 1 April 2021	2,543,461
Additions	331,473
At 31 March 2022	2,874,934
Depreciation and impairment	
At 1 April 2021	783,173
Depreciation charged in the year	70,956
At 31 March 2022	854,129
Carrying amount	
At 31 March 2022	2,020,805
At 31 March 2021	1,760,288

6 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was qualified and the auditor reported as follows:

6 Audit report information **(Continued)**

Qualified opinion

We have audited the financial statements of College Valley Estates Limited (the 'company') for the year ended 31 March 2022 which comprise , the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 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 qualified opinion

Included in the financial statements are a number of freehold land & buildings which are included in Tangible Assets and held at their historic cost. A number of these properties are let out to tenants on either a short term or long term basis to earn rentals and so it is our opinion that they should be classified as Investment Property and held at Fair Value. It has not been practicable to quantify the level of misstatement associated with this deviation from UK GAAP as the fair values of the underlying property have not been reliably determined.

We have been informed that the Board of Director's have decided not to account for the properties at Fair Value within Investment Property on the basis that the estate is held on behalf of an ultimate controlling party with charitable status for environmental and charitable purposes. The Board therefore believe that the associated cost required to be incurred in determining Fair Value would be disproportionately greater than the associated benefit obtained by the readers of the financial statements from having done so.

Whilst it has not been practicable to reliably determine the level of misstatement associated with this treatment, we are able to confirm that Investment Property should be materially restated in order to reflect the underlying assets' fair value and Tangible Assets should be materially reduced in order to remove the assets' historic costs from the financial statements. In addition to this, deferred tax should be recognised in respect of timing differences associated with the uplift in carrying value of Investment Property to reflect its fair value. In aggregate, shareholders' equity should therefore increase by a material amount.

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 the provisions available for small entities, in the circumstances set out in note 8 to the financial statements, 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.

The senior statutory auditor was Roseanne Bennett FCA and the auditor was Greaves West & Ayre.

7 Related party transactions

Transactions with related parties
During the year the company entered into the following transactions with related parties:

	Purchases 2022 £	Purchases 2021 £
Other related parties	1,200	-

8 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to prepare and submit returns to the tax authorities, maintain the payroll records and assist with the preparation of the financial statements.