

**F. W. DAVIES DEVELOPMENTS (NORTH WESTERN) LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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**F. W. DAVIES DEVELOPMENTS (NORTH WESTERN) LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	A F Davies P W Davies A M Powell
<b>Company secretary</b>	A F Davies
<b>Registered number</b>	00891421
<b>Registered office</b>	Shop Unit 8, Davies House Redhall Precinct Redhall Estate Connah's Quay Deeside CH5 4TS

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**F. W. DAVIES DEVELOPMENTS (NORTH WESTERN) LIMITED**

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**CONTENTS**

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	Page
<b>Directors' Report</b>	1
<b>Statement of Income and Retained Earnings</b>	2
<b>Balance Sheet</b>	3 - 4
<b>Notes to the Financial Statements</b>	5 - 11

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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The directors present their report and the financial statements for the year ended 30 September 2018.

**Directors' responsibilities statement**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 to enable them to ensure that the financial statements 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.

**Directors**

The directors who served during the year were:

A F Davies

P W Davies

A M Powell

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 17 June 2019 and signed on its behalf.

**A M Powell**

Director

**F. W. DAVIES DEVELOPMENTS (NORTH WESTERN) LIMITED**

**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Note	2018 £	2017 £
Turnover		76,449	86,021
Cost of sales		(50,043)	(36,657)
<b>Gross profit</b>		<b>26,406</b>	<b>49,364</b>
Administrative expenses		(40,411)	(40,518)
<b>Operating (loss)/profit</b>		<b>(14,005)</b>	<b>8,846</b>
Tax on (loss)/profit	4	-	(3,768)
<b>(Loss)/profit after tax</b>		<b>(14,005)</b>	<b>5,078</b>
Retained earnings at the beginning of the year		99,230	94,152
		99,230	94,152
(Loss)/profit for the year		(14,005)	5,078
<b>Retained earnings at the end of the year</b>		<b>85,225</b>	<b>99,230</b>

There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of income and retained earnings.

The notes on pages 5 to 11 form part of these financial statements.

**F. W. DAVIES DEVELOPMENTS (NORTH WESTERN) LIMITED**  
**REGISTERED NUMBER: 00891421**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2018**

	<b>Note</b>	<b>2018</b> <b>£</b>	<b>2017</b> <b>£</b>
<b>Fixed assets</b>			
Investments	6	538,692	525,000
		<u>538,692</u>	<u>525,000</u>
<b>Current assets</b>			
Stocks		6,821	6,821
Debtors: amounts falling due within one year	7	7,007	6,984
Cash at bank and in hand	8	9,524	47,415
		<u>23,352</u>	<u>61,220</u>
Creditors: amounts falling due within one year	9	(19,431)	(29,602)
<b>Net current assets</b>		<u>3,921</u>	<u>31,618</u>
<b>Total assets less current liabilities</b>		<u>542,613</u>	<u>556,618</u>
<b>Net assets</b>		<u><u>542,613</u></u>	<u><u>556,618</u></u>

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**F. W. DAVIES DEVELOPMENTS (NORTH WESTERN) LIMITED**  
**REGISTERED NUMBER: 00891421**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 30 SEPTEMBER 2018**

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	Note	2018 £	2017 £
<b>Capital and reserves</b>			
Called up share capital		1,000	1,000
Revaluation reserve	10	456,388	456,388
Profit and loss account	10	85,225	99,230
		<u>542,613</u>	<u>556,618</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17 June 2019.

**A M Powell**

Director

The notes on pages 5 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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**1. General information**

The company is a private company limited by shares, which is incorporated under the Companies Act 2006 and registered in England (00891421). The address of the registered office is Davies House, Red Hall Estate, Connah's Quay, Clwyd, CH5 4TS.

These financial statements present information about the company as an individual undertaking. It is not a member of a group of companies. The principal activity of the company is that of owners of commercial and residential property.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The presentation currency of these financial statements is £ sterling; the financial statements are rounded to the nearest £.

The following principal accounting policies have been applied:

**2.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.3 Taxation**

Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018

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**2. Accounting policies (continued)**

**2.4 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and equipment	-	20%
Motor vehicles	-	25%
Fixtures and fittings	-	10%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

**2.5 Revaluation of tangible fixed assets**

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance Sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of Income and Retained Earnings unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

**2.6 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.7 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018

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2. Accounting policies (continued)

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2017 - 3).

4. Taxation

	2018 £	2017 £
<b>Corporation tax</b>		
Current tax on profits for the year	-	1,624
Adjustments in respect of previous periods	-	2,144
	<hr/>	<hr/>
<b>Total current tax</b>	<hr/> <b>-</b> <hr/>	<hr/> <b>3,768</b> <hr/>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018

4. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2017 - *higher than*) the standard rate of corporation tax in the UK of 19% (2017 - 19.5%). The differences are explained below:

	2018 £	2017 £
(Loss)/profit on ordinary activities before tax	<u>(14,005)</u>	<u>8,846</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.5%)	(2,661)	1,725
<b>Effects of:</b>		
Capital allowances for year in excess of depreciation	(80)	(101)
Adjustments to tax charge in respect of prior periods	-	2,144
Unrelieved tax losses carried forward	2,741	-
<b>Total tax charge for the year</b>	<u>-</u>	<u>3,768</u>

Factors that may affect future tax charges

The company has trade losses of £307,500 to carry forward for use against future trading profits. The deferred tax assets of £52,275 relating to the tax losses carried forward has not been recognised in these accounts. The company has rental losses of £14,000 to carry forward for use against future rental income profits. The deferred tax asset of £2,380 relating to the rental trade tax losses carried forward has not been recognised in these accounts.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018

5. TANGIBLE FIXED ASSETS

	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
<b>Cost or valuation</b>				
At 1 October 2017	16,605	3,600	6,294	26,499
At 30 September 2018	16,605	3,600	6,294	26,499
<b>Depreciation</b>				
At 1 October 2017	16,605	3,600	6,294	26,499
At 30 September 2018	16,605	3,600	6,294	26,499
<b>Net book value</b>				
At 30 September 2018	-	-	-	-
<b>At 30 September 2017</b>	-	-	-	-

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

**6. Fixed asset investments**

	<b>Other fixed asset investments £</b>
<b>Cost or valuation</b>	
At 1 October 2017	525,000
Additions	13,692
	<hr/>
At 30 September 2018	<u><u>538,692</u></u>

Other fixed asset investments comprise freehold land and buildings and are held at valuation plus the cost of subsequent additions.

Freehold land and buildings, which had an original cost of £43,612, were revalued on an investment basis subject to existing leases in the following years:- 1982: £118,612, 1990: £375,000, 1995: £500,000. The surplus arising on the revaluation has been taken to the revaluation reserve. The directors are of the opinion that there has been no material change in the valuation during the year.

**7. Debtors**

	<b>2018 £</b>	<b>2017 £</b>
Other debtors	7,007	6,984
	<hr/>	<hr/>
	<u><u>7,007</u></u>	<u><u>6,984</u></u>

**8. Cash and cash equivalents**

	<b>2018 £</b>	<b>2017 £</b>
Cash at bank and in hand	9,524	47,415
	<hr/>	<hr/>
	<u><u>9,524</u></u>	<u><u>47,415</u></u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Corporation tax	-	3,768
Other creditors	11,569	14,068
Accruals and deferred income	7,862	11,766
	<u>19,431</u>	<u>29,602</u>

10. Reserves

**Revaluation reserve**

The surplus arising on the revaluation has been taken to the revaluation reserve.

**Profit & loss account**

The profit and loss account includes all current and prior period retained profits and losses less dividends paid.

11. Related party transactions

	2018 £	2017 £
A M Powell - loan to company	8,594	8,594
	<u>8,594</u>	<u>8,594</u>

12. Controlling party

The company is controlled by its directors.