

Brownfield Investments Limited
Annual Report and Unaudited Financial Statements
Year Ended 29 February 2020
Registration number: 01169572



Brownfield Investments Limited

Company Information

Directors I Dunlop
M Giddings
N Giddings
B J Ballard

Company secretary D Giddings

Registered office Old Mine Offices
Wheal Jane
Baldhu
Truro
Cornwall
TR3 6EE

Solicitors Stephens Scown LLP
Osprey House
Malpas Road
Truro
Cornwall
TR1 1UT

Accountants Francis Clark LLP
Lowin House
Tregolls Road
Truro
Cornwall
TR1 2NA

Brownfield Investments Limited

Balance Sheet

29 February 2020

	Note	2020 £	2019 £
Fixed assets			
Investment property	4	2,354,840	2,254,840
Current assets			
Stocks	5	236,989	226,785
Debtors	6	79,147	298,337
Cash at bank and in hand		<u>564,925</u>	<u>547,867</u>
		881,061	1,072,989
Creditors: Amounts falling due within one year	7	<u>(431,900)</u>	<u>(586,007)</u>
Net current assets		<u>449,161</u>	<u>486,982</u>
Total assets less current liabilities		2,804,001	2,741,822
Creditors: Amounts falling due after more than one year	7	(648,584)	(728,238)
Provisions for liabilities		<u>(79,070)</u>	<u>(78,525)</u>
Net assets		<u><u>2,076,347</u></u>	<u><u>1,935,059</u></u>
Capital and reserves			
Called up share capital	10	513,000	513,000
Capital redemption reserve		171,000	171,000
Profit and loss account		<u>1,392,347</u>	<u>1,251,059</u>
Total equity		<u><u>2,076,347</u></u>	<u><u>1,935,059</u></u>

Brownfield Investments Limited

Balance Sheet

29 February 2020

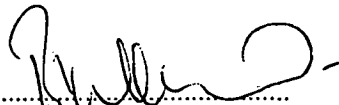
For the financial year ending 29 February 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 09/02/21 and signed on its behalf by:



.....
B J Ballard
Director

Company Registration Number: 01169572

Brownfield Investments Limited

Notes to the Unaudited Financial Statements

Year Ended 29 February 2020

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:

Old Mine Offices

Wheal Jane

Baldhu

Truro

Cornwall

TR3 6EE

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 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of Section 1A of FRS102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in pounds sterling which is the functional currency of the company.

Monetary amounts in these financial statements are rounded to the nearest pound.

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.

Covid-19 statement

The directors of the company have considered the impact of COVID-19. In the opinion of the directors the company has sufficient working capital within existing facilities to continue to trade for the foreseeable future, and therefore the financial statements have been prepared on a going concern basis.

Brownfield Investments Limited

Notes to the Unaudited Financial Statements

Year Ended 29 February 2020

Revenue recognition

Revenue comprises the total amount in respect of sales of land sites, and other related revenue streams. Sales of property developments are recognised upon completion.

The company is a lessor in respect of the investment property which it owns. Rental income is recognised within other operating income in the financial statements, and is accounted for on an accruals basis.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Bank loans; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for bank loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Bank loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

Brownfield Investments Limited

Notes to the Unaudited Financial Statements

Year Ended 29 February 2020

Investment property

Investment property is carried at fair value, derived by the Directors upon consideration of current market values, rental yields, and valuations undertaken for lending purposes.

The Directors use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset.

Changes in fair value are recognised within other operating income within profit and loss.

Stocks

Stocks comprise of development work in progress, which includes development land.

Stock is stated at the lower of cost and net realisable value. At each reporting date stocks are assessed for impairment. If stocks are impaired the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit and loss.

Critical judgements and estimation uncertainty

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following areas are where the Directors have applied judgement in the preparation of the financial statements:

Valuation of investment properties

As described within the accounting policies, the investment properties are held at the balance sheet date at their market value. The director has applied his professional knowledge of the sector, coupled with discussions with other professionals in evaluating opportunities in order to derive market values.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 2 (2019 - 3).

Brownfield Investments Limited

Notes to the Unaudited Financial Statements

Year Ended 29 February 2020

4 Investment properties

	2020 £
At 1 March 2019	2,254,840
Additions	<u>100,000</u>
At 29 February 2020	<u>2,354,840</u>

The valuation of investment properties has been derived by the Directors using readily available market information.

In the assessment of the Directors there has been no material movement in the valuation of investment properties in the current period.

5 Stocks

	2020 £	2019 £
Development work in progress	<u>236,989</u>	<u>226,785</u>

6 Debtors

	2020 £	2019 £
Trade debtors	78,756	235,357
Amounts due from connected undertakings	-	4,215
Other debtors	-	57,249
Prepayments	<u>391</u>	<u>1,516</u>
	<u>79,147</u>	<u>298,337</u>

Brownfield Investments Limited

Notes to the Unaudited Financial Statements

Year Ended 29 February 2020

7 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	8	249,205	344,713
Trade creditors		-	21,197
Amounts due to connected undertakings		11,836	11,646
Social security and other taxes		19,535	10,003
Other creditors		110,701	107,440
Corporation tax		40,623	91,008
		<u>431,900</u>	<u>586,007</u>

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	8	321,798	392,375
Deferred income		<u>326,786</u>	<u>335,863</u>
		<u>648,584</u>	<u>728,238</u>

Brownfield Investments Limited

Notes to the Unaudited Financial Statements

Year Ended 29 February 2020

8 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Bank borrowings	70,723	67,454
Other borrowings	<u>178,482</u>	<u>277,259</u>
	<u>249,205</u>	<u>344,713</u>
	2020 £	2019 £
Loans and borrowings due after one year		
Bank borrowings	<u>321,798</u>	<u>392,375</u>

The security and key terms in relation to each of the loan balances above can be summarised as follows:

Bank borrowings

The amounts disclosed as bank borrowings above are secured by means of fixed and floating charges over certain assets owned by the company.

Included in bank borrowings due in more than one year above is £3,632 (2019 - £88,793) which is payable in more than five years. The loan attracts interest at 4.11% above base, and is repayable on a 10 year term from the date of draw-down.

Other borrowings

The amounts in respect of other borrowings relates to loans from Directors and shareholders. These loans are unsecured and repayable upon demand.

9 Reserves

The profit and loss account comprises of two elements:

- An unrealised loss of £152,786 (2019 - £161,863), which relates to the difference between the historical cost of investment properties and their current carrying value (being their current market value), adjusted for deferred income movements.
- A realised profit of £1,545,133 (2019 - £1,412,922).

The unrealised element of the profit and loss is not distributable.

Brownfield Investments Limited

Notes to the Unaudited Financial Statements

Year Ended 29 February 2020

10 Share capital

Allotted, called up and fully paid shares

	No.	2020 £	No.	2019 £
Ordinary shares of £1 each	<u>513,000</u>	<u>513,000</u>	<u>513,000</u>	<u>513,000</u>

11 Non adjusting events after the financial period

In accordance with FRS102, and guidance released by the ICAEW the emergence of the Coronavirus ("CV19") is deemed to be a non-adjusting post balance sheet event because the significant development and spread of CV19 in the United Kingdom did not take place until after February 2020.

Specifically although cases were reported to the World Health Organisation on 31 December 2019, its announcement of CV19 as a global pandemic was not made until 11 March 2020. The impact of CV19 on the going concern assessment for the company is outlined in note 2 to the financial statements.

Given the ongoing nature of this event at the time of signing the financial statements management are unable to quantify the financial impact that this event has caused.