

Company Registration No. 01679842 (England and Wales)

ABACONA INVESTMENTS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 24 JUNE 2017
PAGES FOR FILING WITH REGISTRAR

ABACONA INVESTMENTS LIMITED

COMPANY INFORMATION

Directors	Mrs V Pennycuick Mr M Pennycuick
Secretary	Mrs V Pennycuick
Company number	01679842
Registered office	9 Parkfields Arden Drive Dorridge Solihull West Midlands B93 8LL
Accountants	Baldwins (Wolverhampton) Limited St David's Court Union Street Wolverhampton West Midlands WV1 3JE

ABACONA INVESTMENTS LIMITED

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ABACONA INVESTMENTS LIMITED

BALANCE SHEET

AS AT 24 JUNE 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	2		16,000		20,488
Investment properties	3		2,821,508		2,866,068
			<u>2,837,508</u>		<u>2,886,556</u>
Current assets					
Debtors	4	5,946		7,599	
Investments	5	282,569		154,397	
Cash at bank and in hand		1,410,369		1,045,518	
		<u>1,698,884</u>		<u>1,207,514</u>	
Creditors: amounts falling due within one year	6	(168,728)		(117,630)	
Net current assets			<u>1,530,156</u>		<u>1,089,884</u>
Total assets less current liabilities			<u>4,367,664</u>		<u>3,976,440</u>
Capital and reserves					
Called up share capital	8		1,000		1,000
Fair value reserve	7		1,591,300		1,591,300
Profit and loss reserves			<u>2,775,364</u>		<u>2,384,140</u>
Total equity			<u>4,367,664</u>		<u>3,976,440</u>

The directors 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 24 June 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their 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.

ABACONA INVESTMENTS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 24 JUNE 2017

The financial statements were approved by the board of directors and authorised for issue on 5 March 2018 and are signed on its behalf by:

Mrs V Pennycuik
Director

Mr M Pennycuik
Director

Company Registration No. 01679842

ABACONA INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 24 JUNE 2017

1 Accounting policies

Company information

Abacona Investments Limited is a private company limited by shares incorporated in England and Wales. The registered office is 9 Parkfields, Arden Drive, Dorridge, Solihull, West Midlands, B93 8LL.

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 24 June 2017 are the first financial statements of Abacona Investments 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 25 June 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 10.

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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

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.

ABACONA INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 JUNE 2017

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:

Land and buildings Freehold	20% per annum straight line
Plant and machinery	15% per annum reducing balance
Fixtures, fittings & equipment	15% per annum reducing balance
Computer equipment	33.33% per annum 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.

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.

Revaluations have been performed by Mr M Pennycuik, director and Chartered Surveyor.

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 at bank and in hand

Cash at bank and in hand 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.

ABACONA INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 JUNE 2017

1 Accounting policies

(Continued)

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.

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 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.10 Taxation

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

ABACONA INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 JUNE 2017

1 Accounting policies

(Continued)

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.

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

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 25 June 2016 and 24 June 2017	17,685	61,702	79,387
Depreciation and impairment			
At 25 June 2016	3,537	55,362	58,899
Depreciation charged in the year	3,537	951	4,488
At 24 June 2017	7,074	56,313	63,387
Carrying amount			
At 24 June 2017	10,611	5,389	16,000
At 24 June 2016	14,148	6,340	20,488

ABACONA INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 JUNE 2017

3 Investment property

	2017 £
Fair value	
At 25 June 2016	2,866,068
Revaluations	(44,560)
	<u>2,821,508</u>
At 24 June 2017	<u>2,821,508</u>
Properties for sale or rental at cost or valuation:-	
De Montfort Court / Hodgehill Court	54,578
Minster Court / Westhouse Court / Harwood Grove	200,052
Bryanston Court / Sceptre Park / Endwood Court / Avonhurst	794,547
Chadbrook Crest	13,762
The Whitehouse Development, High Street, Henley in Arden	313,287
Lode Mill Court / Dingle Court	87,248
Gledhill Court	54,049
Woodgate Lane	9,120
Stretton, Staffordshire	45,284
St Leonards View	34,743
White Hart House	275,000
Springfield Court	14,689
Slateley Crescent	225,467
64 Goodere Drive	156,037
Sedgemoor Grove	14,633
66 Chadbrook Crest	187,283
Abnalls Court / Castle Court / Willoughby Court / Old Church Court	246,879
Hill Hook/ Bickley House	94,850
	<u>2,821,508</u>

4 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	5,946	7,599
	<u>5,946</u>	<u>7,599</u>

5 Current asset investments

	2017 £	2016 £
Other investments	282,569	154,397
	<u>282,569</u>	<u>154,397</u>

The movement in investments during the year relate to additions at market value.

ABACONA INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 JUNE 2017

6 Creditors: amounts falling due within one year

	2017 £	2016 £
Corporation tax	153,444	109,047
Other creditors	15,284	8,583
	<u>168,728</u>	<u>117,630</u>

7 Fair value reserve

	2017 £	2016 £
At beginning and end of year	<u>1,591,300</u>	<u>1,591,300</u>

8 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
1,000 ordinary of £1 each	<u>1,000</u>	<u>1,000</u>
	<u>1,000</u>	<u>1,000</u>

9 Control

The company was under the control of Mr M Pennycuik throughout the current and previous year. Mr M Pennycuik is the managing director and majority shareholder.

10 Reconciliations on adoption of FRS 102

Reconciliation of equity

	25 June 2015 £	24 June 2016 £
Equity as reported under previous UK GAAP and under FRS 102	<u>3,884,885</u>	<u>3,976,440</u>

Reconciliation of profit for the financial period

	2016 £
Profit as reported under previous UK GAAP and under FRS 102	228,186
Adjustments to prior year (note)	(36,631)
As restated	<u>191,555</u>

ABACONA INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 JUNE 2017

10 Reconciliations on adoption of FRS 102

(Continued)

Notes to reconciliations on adoption of FRS 102

Fair value adjustments on transition

Adjustments to prior year relate to fair value movements on investment property upon transition to FRS 102.

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.