

C R O C O P Y

HARWYN LIMITED

FILLETED UNAUDITED FINANCIAL STATEMENTS

31ST MARCH 2020



HARWYN LIMITED
STATEMENT OF FINANCIAL POSITION
31ST MARCH 2020

| | Note | 2020 £ | 2019 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 6 | 1,000,001 | 1,000,001 |
| Investments | 7 | 169,463 | 533,820 |
| | | <u>1,169,464</u> | <u>1,533,821</u> |
| Current assets | | | |
| Debtors | 8 | 9,730 | 19,116 |
| Cash at bank and in hand | | 196,368 | 141,533 |
| | | <u>206,098</u> | <u>160,649</u> |
| Creditors: Amounts falling due within one year | 9 | <u>(29,010)</u> | <u>(34,378)</u> |
| Net current assets | | <u>177,088</u> | <u>126,271</u> |
| Total assets less current liabilities | | <u>1,346,552</u> | <u>1,660,092</u> |
| Provisions | | | |
| Deferred tax | 10 | — | (21,670) |
| Net assets | | <u>1,346,552</u> | <u>1,638,422</u> |
| Capital and reserves | | | |
| Called up share capital | 11 | 76 | 76 |
| Revaluation reserve | 12 | 316,602 | 316,602 |
| Capital redemption reserve | 12 | 24 | 24 |
| Profit and loss account | 12 | 1,029,850 | 1,321,720 |
| Shareholders' funds | | <u>1,346,552</u> | <u>1,638,422</u> |

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.


In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31st March 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 financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 20th June 2020, and are signed on behalf of the board by:



M.W. Hender
Director

Company registration number: 02238049

HARWYN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Timberchace, The Warren, Ashted, Surrey, KT21 2SG.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover represents the invoiced value of rental income and services provided - exclusive of Value Added Tax.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

HARWYN LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31ST MARCH 2020****3. Accounting policies (continued)****Tangible assets (continued)**

A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures, fittings & equipment - 33% straight line

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 2 (2019: 2).

5. Tax on (loss)/profit**Major components of tax (income)/expense**

| | 2020 £ | 2019 £ |
|--|----------------|---------------|
| Current tax: | | |
| UK current tax expense | 11,912 | 10,888 |
| Adjustments in respect of prior periods | — | (3,277) |
| Total current tax | 11,912 | 7,611 |
| Deferred tax: | | |
| Origination and reversal of timing differences | (21,670) | 21,670 |
| Tax on (loss)/profit | <u>(9,758)</u> | <u>29,281</u> |

HARWYN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31ST MARCH 2020

6. Tangible assets

| | Freehold investment properties £ | Fixtures and fittings £ | Total £ |
|---------------------------------------|---|----------------------------------|------------------|
| Cost/valuation | | | |
| At 1st April 2019 and 31st March 2020 | <u>1,000,000</u> | <u>6,107</u> | <u>1,006,107</u> |
| Depreciation | | | |
| At 1st April 2019 and 31st March 2020 | <u>—</u> | <u>6,106</u> | <u>6,106</u> |
| Carrying amount | | | |
| At 31st March 2020 | <u>1,000,000</u> | <u>1</u> | <u>1,000,001</u> |
| At 31st March 2019 | <u>1,000,000</u> | <u>1</u> | <u>1,000,001</u> |

The historic cost of the freehold investment properties at the year end was £683,398 (2019 - £683,398).

The investment properties have been valued by the directors at 31st March 2020 on the basis of their open market value.

7. Investments

Investments other than loans

| | £ |
|---------------------------------------|------------------|
| Valuation | |
| At 1st April 2019 | 533,820 |
| Additions | 6,764 |
| Revaluations | <u>(371,121)</u> |
| At 31st March 2020 | <u>169,463</u> |
| Impairment | |
| At 1st April 2019 and 31st March 2020 | <u>—</u> |
| Carrying amount | |
| At 31st March 2020 | <u>169,463</u> |
| At 31st March 2019 | <u>533,820</u> |

8. Debtors

| | 2020 £ | 2019 £ |
|--------------------------------|--------------|---------------|
| Sundry debtors and prepayments | <u>9,730</u> | <u>19,116</u> |

HARWYN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31ST MARCH 2020

9. Creditors: Amounts falling due within one year

| | 2020 | 2019 |
|---------------------------------|---------------|---------------|
| | £ | £ |
| Corporation tax | 11,912 | 10,888 |
| Social security and other taxes | 5,303 | 6,065 |
| Other creditors and accruals | 11,795 | 17,425 |
| | <u>29,010</u> | <u>34,378</u> |

10. Deferred tax

The deferred tax included in the statement of financial position is as follows:

| | 2020 | 2019 |
|------------------------|------|--------|
| | £ | £ |
| Included in provisions | — | 21,670 |

The deferred tax provision consists of the tax effect of timing differences in respect of:

| | 2020 | 2019 |
|--|------|--------|
| | £ | £ |
| Fair value adjustment of financial asset investments | — | 21,670 |

11. Called up share capital

Issued, called up and fully paid

| | 2020 | | 2019 | |
|--------------------------------|-----------|-----------|-----------|-----------|
| | No. | £ | No. | £ |
| 'A' Ordinary shares of £1 each | 38 | 38 | 38 | 38 |
| 'B' Ordinary shares of £1 each | 38 | 38 | 38 | 38 |
| | <u>76</u> | <u>76</u> | <u>76</u> | <u>76</u> |

'A' Ordinary shares carry full voting and equity rights but no dividend rights whilst 'B' Ordinary shares carry full voting and dividend rights but no equity rights.

12. Reserves

Revaluation reserve - This reserve records the value of asset revaluations and fair value movements on assets recognised in other comprehensive income.

Capital redemption reserve - This reserve records the nominal value of shares repurchased by the company.

Profit and loss account - This reserve records retained earnings.

13. Related party transactions

Mr W.T. Hender, who is a close family relative of one of the directors of the company, was paid consultancy fees of £20,000 (2019 - £17,000) during the year.