

ALTOVALE LIMITED

Registered number: 02394611

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016



ALTOVALE LIMITED

COMPANY INFORMATION

Directors

G P Smith
P E Lucas
G J Denton
A Ashby-Bogoni

Company secretary

C A Richey

Registered number

02394611

Registered office

Kingfisher House
Albury Close
Loverock Road
Reading
Berkshire
RG30 1BD

Independent auditors

Haines Watts
Chartered Accountants & Statutory Auditors
Advantage
87 Castle Street
Reading
Berkshire
RG1 7SN

ALTOVALE LIMITED

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ALTOVALE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

Introduction

As required, the directors have included this strategic report to inform members of the Company, and to help them assess how the directors have performed their duty to promote the success of the Company.

Business review

The directors are pleased to report that the Company has achieved a level of profitability for the year that represents a good performance in the current economic conditions.

Principal risks and uncertainties

The Company has adopted a risk averse approach to its trading activities historically, which has resulted in significant reserves being held. As such, in the short term, no particular risks are considered to be fundamental to the business, although the directors are always aware of internal and external threats to the business and the wider industry.

The principal risk affecting the company is that which affects the industry as a whole, being the long time period required to undertake property developments and the exposure to external changes in economic conditions.

Financial key performance indicators

The key performance indicators considered by the Company in respect of its trading activities are operating profit and shareholders funds.

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



.....
C A Richey
Secretary

Date: 17/7/2017

ALTOVALE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Principal activity

The principal activity of the Company during the year was the development, ownership, management and sale of industrial units.

Results and dividends

The profit for the year, after taxation, amounted to £110,630 (2015 - £75,969).

The directors have not recommended a dividend.

Directors

The directors who served during the year were:

G P Smith
P E Lucas
G J Denton
A Ashby-Bogoni
W F Phelps (resigned 23 June 2016)

Future developments

The directors consider that the Company is well positioned to benefit from future trading conditions.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

ALTOVALE LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 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.

Disclosure of information to auditors

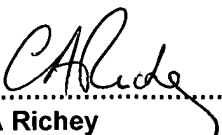
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Haines Watts, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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


.....
C A Richey
Secretary

Date: 17/7/2017

ALTOVALE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ALTOVALE LIMITED

We have audited the financial statements of Altovale Limited for the year ended 31 December 2016, set out on pages 6 to 19. The relevant financial reporting framework that has been applied in their preparation is applicable law and the 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'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

As explained more fully in the Directors' responsibilities statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit or loss 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

ALTOVALE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ALTOVALE LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and the Directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' report and take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

Haines Watts

Peter Wright BSc FCA (Senior statutory auditor)

for and on behalf of
Haines Watts

Chartered Accountants
Statutory Auditors

Advantage
87 Castle Street
Reading
Berkshire
RG1 7SN

26 July 2017

ALTOVALE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 £	2015 £
Administrative expenses		(54,030)	(81,425)
Other operating income	3	218,526	205,025
Operating profit		164,496	123,600
Interest payable and expenses		(26,285)	(28,638)
Profit before tax		138,211	94,962
Tax on profit	5	(27,581)	(18,993)
Profit for the year		110,630	75,969

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2016 (2015:£NIL).

The notes on pages 10 to 19 form part of these financial statements.

ALTOVALE LIMITED
REGISTERED NUMBER: 02394611

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	6	2,298,604	2,317,439
		<u>2,298,604</u>	<u>2,317,439</u>
Current assets			
Debtors: amounts falling due within one year	7	47,402	29,597
Cash at bank and in hand	8	272,947	249,648
		<u>320,349</u>	<u>279,245</u>
Creditors: amounts falling due within one year	9	(335,968)	(322,461)
Net current liabilities		<u>(15,619)</u>	<u>(43,216)</u>
Total assets less current liabilities		<u>2,282,985</u>	<u>2,274,223</u>
Creditors: amounts falling due after more than one year	10	(550,000)	(650,000)
Provisions for liabilities			
Deferred tax	13	(1,148)	(3,016)
		<u>(1,148)</u>	<u>(3,016)</u>
Net assets		<u><u>1,731,837</u></u>	<u><u>1,621,207</u></u>
Capital and reserves			
Called up share capital		100	100
Capital reserve		207,191	207,191
Profit and loss account		1,524,546	1,413,916
		<u><u>1,731,837</u></u>	<u><u>1,621,207</u></u>

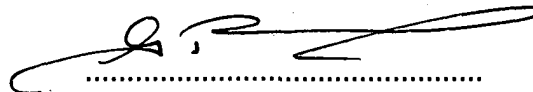
ALTOVALE LIMITED
REGISTERED NUMBER: 02394611

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2016

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 by:


.....
A Ashby-Bogoni
Director


.....
G P Smith
Director

Date: **17/1/2017**

The notes on pages 10 to 19 form part of these financial statements.

ALTOVALE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2016	100	207,191	1,413,916	1,621,207
Comprehensive income for the year				
Profit for the year	-	-	110,630	110,630
At 31 December 2016	100	207,191	1,524,546	1,731,837

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2015	100	207,191	1,337,947	1,545,238
Comprehensive income for the year				
Profit for the year	-	-	75,969	75,969
At 31 December 2015	100	207,191	1,413,916	1,621,207

The notes on pages 10 to 19 form part of these financial statements.

ALTOVALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. General information

Altovale Limited, a company limited by shares, is incorporated in the UK. Its primary trading activities which are the development, ownership and management of industrial estates, derive from its address in Reading, Berkshire.

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 following principal accounting policies have been applied:

2.2 Other operating income

Incidental income arising from properties held for sale, such as rental income are recognised over the period to which they relate.

2.3 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.

The estimated useful lives range as follows:

Fixtures & fittings	- 4 years
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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 comprehensive income.

2.4 Investment property

Investment property is carried at fair value determined annually by the Directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.5 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.

2.6 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.

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

ALTOVALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.8 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.

2.9 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

ALTOVALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Other operating income

	2016 £	2015 £
Other operating income	21,575	5,326
Net rents receivable	196,951	199,699
	<u>218,526</u>	<u>205,025</u>

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2015: £NIL).

ALTOVALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

5. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	29,449	20,913
Adjustments in respect of previous periods	-	1,032
	<u>29,449</u>	<u>21,945</u>
Total current tax	<u>29,449</u>	<u>21,945</u>
Deferred tax		
Origination and reversal of timing differences	(1,868)	(2,952)
Total deferred tax	<u>(1,868)</u>	<u>(2,952)</u>
Taxation on profit on ordinary activities	<u>27,581</u>	<u>18,993</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - *lower than*) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>138,211</u>	<u>94,962</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	27,642	19,230
Effects of:		
Capital allowances for year in excess of depreciation	(60)	-
Other differences leading to an increase (decrease) in the tax charge	(1)	(237)
Total tax charge/(credit) for the year	<u>27,581</u>	<u>18,993</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

ALTOVALE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. Tangible fixed assets

	Leasehold property £	Fixtures & fittings £	Total £
Cost			
At 1 January 2016	2,272,960	79,893	2,352,853
At 31 December 2016	<u>2,272,960</u>	<u>79,893</u>	<u>2,352,853</u>
Depreciation			
At 1 January 2016	-	35,414	35,414
Charge for the year	-	18,835	18,835
At 31 December 2016	<u>-</u>	<u>54,249</u>	<u>54,249</u>
Net book value			
At 31 December 2016	<u>2,272,960</u>	<u>25,644</u>	<u>2,298,604</u>
At 31 December 2015	<u>2,272,960</u>	<u>44,479</u>	<u>2,317,439</u>

Leasehold properties are investment properties and have been included in the balance sheet at open market valuation made by the Directors on 31 December 2016.

The historic cost of the investment properties is £2,065,769 (2015: £2,065,769).

7. Debtors

	2016 £	2015 £
Trade debtors	38,449	20,489
Other debtors	1,331	-
Prepayments and accrued income	7,622	9,108
	<u>47,402</u>	<u>29,597</u>

ALTOVALE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

8. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	272,947	249,648
	<u>272,947</u>	<u>249,648</u>

9. Creditors: Amounts falling due within one year

	2016 £	2015 £
Bank loans	100,000	100,000
Trade creditors	5,223	2,408
Amounts owed to group undertakings	5,844	13,867
Corporation tax	29,449	20,913
Taxation and social security	11,747	8,665
Other creditors	112,049	109,993
Accruals and deferred income	71,656	66,615
	<u>335,968</u>	<u>322,461</u>

Secured loans

The bank loan is secured by way of a first legal charge over units 1-10 Lancaster Court, Coronation Road, High Wycombe, Buckinghamshire.

10. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Bank loans	550,000	650,000
	<u>550,000</u>	<u>650,000</u>

Secured loans

The bank loan is secured by way of a first legal charge over units 1-10 Lancaster Court, Coronation Road, High Wycombe, Buckinghamshire.

ALTOVALE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

11. Loans

Analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due within one year		
Bank loans	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
Amounts falling due 1-2 years		
Bank loans	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
Amounts falling due 2-5 years		
Bank loans	450,000	550,000
	<u>450,000</u>	<u>550,000</u>

ALTOVALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

12. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	272,947	249,648
Financial assets that are debt instruments measured at amortised cost	39,780	20,489
	<u>312,727</u>	<u>270,137</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(844,774)	(942,883)
	<u>(844,774)</u>	<u>(942,883)</u>

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

Financial assets that are debt instruments measured at amortised cost comprise trade and certain other debtors.

Financial liabilities measured at amortised costs comprise trade and certain other creditors.

13. Deferred taxation

	2016 £
At beginning of year	(3,016)
Charged to profit or loss	1,868
At end of year	<u>(1,148)</u>

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	(1,148)	(3,016)
	<u>(1,148)</u>	<u>(3,016)</u>

ALTOVALE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

14. Related party transactions

During the year, the Company purchased services for estate management and collections of rents amounting to £30,938 (2015: £46,880) from Country Estates Limited, a company controlled by G P Smith and G J Denton.

At 31 December 2016, £5,844 (2015: £13,110) was due to Country Estates limited in respect of the above transactions.

All of the above transactions were at arms length and under normal commercial terms.

15. Controlling party

The Company is controlled by Country Estates Limited and Drimount Limited by virtue of their equal shareholdings.