

Unaudited Abbreviated Financial Statements

Federal Estates Limited

For the year ended 31 August 2016



Registered number: 02937482

Company Information

Director	E J Wykes
Company secretary	D J Wykes
Registered number	02937482
Registered office	Goosey Lodge Wymington Nr Rushden Northants NN10 9LU
Accountants	Grant Thornton UK LLP Chartered Accountants Grant Thornton House 202 Silbury Boulevard Milton Keynes MK9 1LW
Bankers	Lloyds TSB Bank PLC 48 Market Street Wellingborough Northants NN8 1AG

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Report to the director on the preparation of the unaudited abbreviated financial statements of Federal Estates Limited for the year ended 31 August 2016

We have compiled the accompanying abbreviated financial statements of Federal Estates Limited based on the information you have provided. These abbreviated financial statements comprise the Abbreviated Balance Sheet of Federal Estates Limited as at 31 August 2016, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the director of Federal Estates Limited in accordance with the terms of our engagement letter dated 14 February 2014. Our work has been undertaken solely to prepare for your approval the financial statements of Federal Estates Limited and state those matters that we have agreed to state to the director of Federal Estates Limited in this report in accordance with our engagement letter dated 14 February 2014. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Federal Estates Limited and its director for our work or for this report.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with section 444(3) of the Companies Act 2006, and the regulations under that section. As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at www.icaew.com.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with section 444(3) of the Companies Act 2006, and the regulations under that section.

Grant Thornton UK LLP

Grant Thornton UK LLP

Chartered Accountants

Milton Keynes

Date: *28 May 2017*

Abbreviated Balance Sheet

As at 31 August 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	2		33,679,831		34,563,768
Investments	3		1		1
			<u>33,679,832</u>		<u>34,563,769</u>
Current assets					
Debtors		1,702,217		2,494,237	
Cash at bank		1,223,490		46,383	
		<u>2,925,707</u>		<u>2,540,620</u>	
Creditors: amounts falling due within one year		<u>(22,993,839)</u>		<u>(25,489,537)</u>	
Net current liabilities			<u>(20,068,132)</u>		<u>(22,948,917)</u>
Total assets less current liabilities			<u>13,611,700</u>		<u>11,614,852</u>
Creditors: amounts falling due after more than one year			<u>(5,801,157)</u>		<u>(5,501,157)</u>
Provisions for liabilities					
Deferred tax			<u>(185,707)</u>		<u>(30,174)</u>
Net assets			<u>7,624,836</u>		<u>6,083,521</u>
Capital and reserves					
Called up share capital	4		100		100
Profit and loss account			<u>7,624,736</u>		<u>6,083,421</u>
Shareholders' funds			<u>7,624,836</u>		<u>6,083,521</u>

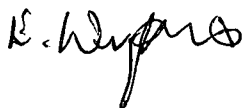
Abbreviated Balance Sheet (continued)

As at 31 August 2016

The director considers that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 August 2016 and of its profit for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies régime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on **25 May 2017**.



E J Wykes
Director

The notes on pages 4 to 7 form part of these financial statements.

Notes to the Abbreviated Accounts

For the year ended 31 August 2016

1. Accounting Policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Going concern

For the year ended 31 August 2016 the company had reserves totalling £7,624,836.

Group and commonly held companies, together with the Director, continue to support the company in respect of long term loans. Having considered these matters, the director considers it appropriate to prepare the financial statements of the company on a going concern basis.

1.3 Turnover

Turnover is the total amount receivable by the company in respect of rental income from commercial and domestic property together with the sale of renewable electricity.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Motor vehicles	-	35% reducing balance
Fixtures & fittings	-	15% reducing balance
Solar Farm	-	18 years straight line

1.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

Notes to the Abbreviated Accounts

For the year ended 31 August 2016

1. Accounting Policies (continued)

1.7 Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. Tangible fixed assets

	£
Cost	
At 1 September 2015	37,870,283
Additions	532,327
Disposals	(11,089)
At 31 August 2016	<u>38,391,521</u>
Depreciation	
At 1 September 2015	3,306,515
Charge for the year	1,415,910
On disposals	(10,735)
At 31 August 2016	<u>4,711,690</u>
Net book value	
At 31 August 2016	<u><u>33,679,831</u></u>
At 31 August 2015	<u><u>34,563,768</u></u>

Included in land and buildings is freehold land at cost of £4,935,177 (2015 - £4,808,784) which is not depreciated.

Notes to the Abbreviated Accounts

For the year ended 31 August 2016

3. Fixed asset investments

	£
Cost or valuation	
At 1 September 2015 and 31 August 2016	1
Net book value	
At 31 August 2016	1
At 31 August 2015	1

Subsidiary undertakings

The company owns some of the issued share capital of the company listed below, as follows:

Name	Class of shares	Holding
Ancillary Components Europe Limited	Special share	100%
Chelfarm LLP	Ordinary	100%

The aggregate of the share capital and reserves as at 31 October 2015, and 31 March 2016 respectively and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit £
Ancillary Components Europe Limited	5,397,750	289,316
Chelfarm LLP	1,534	600

4. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

5. Related party transactions

At the year end the company owed Mrs E J Wykes £154,992 (2015: £154,992) in respect of her director's loan account. Interest is charged at a rate of 8% on this loan account and the loan is repayable without notice. Interest was accrued on this loan, but not paid at the year end amounting to £74,777 (2015: £62,378).

At the year end the company owed Mr D J Wykes £546,164 (2015: £546,164) in respect of a loan. Interest is charged at a rate of 8% on this loan account and the loan is repayable without notice. Interest was accrued on this loan, but not paid at the year end amounting to £262,159 (2015: £218,465).

During the year, the company traded with the following companies in which Mr & Mrs D J Wykes are directors and/or shareholders:

Notes to the Abbreviated Accounts

For the year ended 31 August 2016

5. Related party transactions (continued)

	Sales during the year to 31 August 2016 £	Purchases during the year to 31 August 2016 £	Balance owed to the company at 31 August 2016 £	Balance owed by the company at 31 August 2016 £
Wykes Engineering Co. (Rushden) Limited	31,954	9,082,867	-	21,798,220
K J Wykes Limited	-	16,024	-	1,205
Ancillary Components Europe Limited	-	-	-	5,100,001
Ancillary Components Limited	60,846	-	-	-
Chelveston Renewable Energy Limited	314,923	-	432,691	-
	<u>407,723</u>	<u>9,098,891</u>	<u>432,691</u>	<u>26,899,426</u>