

SHERGATE LIMITED
Filleted Unaudited Financial Statements
31 October 2018



SHERGATE LIMITED

Statement of Financial Position

31 October 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	4,225,761	2,936,695
Investments	5	127	127
		<u>4,225,888</u>	<u>2,936,822</u>
Current assets			
Debtors	6	63	3,436
Cash at bank and in hand		5,315	43,729
		<u>5,378</u>	<u>47,165</u>
Creditors: amounts falling due within one year	7	<u>35,298</u>	<u>53,776</u>
Net current liabilities		<u>29,920</u>	<u>6,611</u>
Total assets less current liabilities		<u>4,195,968</u>	<u>2,930,211</u>
Creditors: amounts falling due after more than one year	8	1,615,681	1,565,473
Provisions			
Taxation including deferred tax		446,097	–
Net assets		<u>2,134,190</u>	<u>1,364,738</u>
Capital and reserves			
Called up share capital		2	2
Revaluation reserve		2,111,690	1,303,616
Profit and loss account		<u>22,498</u>	<u>61,120</u>
Shareholders funds		<u>2,134,190</u>	<u>1,364,738</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 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 comprehensive income has not been delivered.

For the year ending 31 October 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The statement of financial position
continues on the following page.

The notes on pages 3 to 6 form part of these financial statements.

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Statement of Financial Position *(continued)*

31 October 2018

These financial statements were approved by the board of directors and authorised for issue on 11 February 2019, and are signed on behalf of the board by:



Company registration number: 03259995

The notes on pages 3 to 6 form part of these financial statements.

SHERGATE LIMITED

Notes to the Financial Statements

Year ended 31 October 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Bodymoor House, Bodymoor Heath Lane, Sutton Coldfield, West Midlands, B76 9JB, England.

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.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

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.

SHERGATE LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31 October 2018

3. Accounting policies *(continued)*

Tangible assets *(continued)*

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. 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:

Furnishing and Equipment - 25% straight line

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.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

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.

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Notes to the Financial Statements *(continued)*

Year ended 31 October 2018

4. Tangible assets

	Land and buildings £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 November 2017	2,936,695	141,118	3,077,813
Additions	34,279	937	35,216
Revaluations	1,254,026	—	1,254,026
At 31 October 2018	4,225,000	142,055	4,367,055
Depreciation			
At 1 November 2017	—	141,118	141,118
Charge for the year	—	176	176
At 31 October 2018	—	141,294	141,294
Carrying amount			
At 31 October 2018	4,225,000	761	4,225,761
At 31 October 2017	2,936,695	—	2,936,695

Tangible assets held at valuation

The freehold investment property was professionally revalued by Knight Frank at open market value on 23 February 2017. The valuation was £4,225,000.

5. Investments

	Other investments other than loans £
Cost	
At 1 November 2017 and 31 October 2018	127
Impairment	
At 1 November 2017 and 31 October 2018	—
Carrying amount	
At 31 October 2018	127
At 31 October 2017	127

6. Debtors

	2018 £	2017 £
Trade debtors	63	3,436

SHERGATE LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31 October 2018

7. Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	28,620	38,376
Trade creditors	—	638
Corporation tax	25	26
Social security and other taxes	3,211	5,452
Other creditors	3,442	9,284
	<u>35,298</u>	<u>53,776</u>

The bank loan is repayable over twenty years and is secured by a fixed charge on the freehold property of the company and a floating charge over all other assets.

8. Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Bank loans and overdrafts	691,592	701,384
Amounts owed to group undertakings and undertakings in which the company has a participating interest	924,089	864,089
	<u>1,615,681</u>	<u>1,565,473</u>

The amount of the bank loan repayments due after five years from the balance sheet date amount to £512,764. The loan is secured on the assets of the company.

9. Director's advances, credits and guarantees

At 31 October 2018 the company owed the director £2341.50 (2017 : £3968.57).

10. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed.