

MURTON GRANGE LIMITED

**UNAUDITED
FINANCIAL STATEMENTS**

31 MARCH 2018



ArmstrongWatson[®]

Accountants, Business & Financial Advisers

MURTON GRANGE LIMITED
REGISTERED NUMBER: 03320015

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	4	105,000	112,500
Tangible assets	5	3,488,092	3,528,305
Investment property	6	1,070,000	1,070,000
		<u>4,663,092</u>	<u>4,710,805</u>
Current assets			
Stocks	7	315,448	319,333
Debtors: amounts falling due within one year	8	12,120	14,914
Cash at bank and in hand		174,833	50,614
		<u>502,401</u>	<u>384,861</u>
Creditors: amounts falling due within one year	9	(629,992)	(478,535)
Net current liabilities		<u>(127,591)</u>	<u>(93,674)</u>
Total assets less current liabilities		<u>4,535,501</u>	<u>4,617,131</u>
Creditors: amounts falling due after more than one year	10	(1,000,000)	(1,000,000)
Provisions for liabilities			
Deferred tax	11	(54,989)	(122,897)
		<u>(54,989)</u>	<u>(122,897)</u>
Net assets		<u><u>3,480,512</u></u>	<u><u>3,494,234</u></u>

MURTON GRANGE LIMITED
REGISTERED NUMBER: 03320015

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2018

	Note	2018 £	2017 £
Capital and reserves			
Called up share capital	12	3,200,002	3,200,002
Revaluation reserve	13	662,780	662,780
Profit and loss account	13	(382,270)	(368,548)
		<u>3,480,512</u>	<u>3,494,234</u>

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

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Mr W J D Morrison
Director

Date: 13/12/2018

The notes on pages 3 to 10 form part of these financial statements.

MURTON GRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. General information

Murton Grange Limited is a private company limited by shares, incorporated in England, with the registration number 03320015. The address of its office and principal place of business is Myton Hall Farms, Haddocks Lane, Myton on Swale, York, YO61 2RB. Presentational and functional currency is in pounds sterling.

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 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

MURTON GRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.4 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, 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 reporting 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 Statement of financial position 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 reporting date.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Intangible assets held by the company are amortised over 20 years using the straight line method.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, 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.

MURTON GRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2% or 4% straight line
Plant and machinery	- 7% or 20% straight line
Motor vehicles	- 25% straight line

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 income and retained earnings.

2.7 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of financial position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of income and retained earnings unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.8 Investment property

Investment property is carried at fair value determined annually by external valuers 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 income and retained earnings.

2.9 Stocks

Biological assets include cattle and sheep.

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

MURTON GRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.10 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.

2.11 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.

2.12 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.

2.13 Financial instruments

The Company only enters into basic financial instrument 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.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2017 - 2).

4. Intangible assets

	Licences £
Cost	
At 1 April 2017	150,000
At 31 March 2018	150,000
Amortisation	
At 1 April 2017	37,500
Charge for the year	7,500
At 31 March 2018	45,000
Net book value	
At 31 March 2018	105,000
At 31 March 2017	112,500

MURTON GRANGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

5. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2017	3,304,539	528,415	41,025	3,873,979
Additions	3,975	60,858	-	64,833
Disposals	-	-	(2,750)	(2,750)
At 31 March 2018	<u>3,308,514</u>	<u>589,273</u>	<u>38,275</u>	<u>3,936,062</u>
Depreciation				
At 1 April 2017	115,226	220,216	10,230	345,672
Charge for the year on owned assets	19,034	81,792	4,220	105,046
Disposals	-	-	(2,750)	(2,750)
At 31 March 2018	<u>134,260</u>	<u>302,008</u>	<u>11,700</u>	<u>447,968</u>
Net book value				
At 31 March 2018	<u><u>3,174,254</u></u>	<u><u>287,265</u></u>	<u><u>26,575</u></u>	<u><u>3,488,094</u></u>
At 31 March 2017	<u><u>3,189,312</u></u>	<u><u>308,198</u></u>	<u><u>30,795</u></u>	<u><u>3,528,305</u></u>

MURTON GRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

6. Investment property

	Freehold investment property £
Valuation	
At 1 April 2017	1,070,000
At 31 March 2018	1,070,000

Investment properties have been valued on an open market basis by the directors and they believe the valuations remain appropriate at 31 March 2018.

At 31 March 2018

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2018 £	2017 £
Historic cost	251,753	251,753
	251,753	251,753

7. Stocks

	2018 £	2017 £
Livestock, growing crops and other stock	315,448	319,333
	315,448	319,333

8. Debtors

	2018 £	2017 £
Trade debtors	-	1,600
Other debtors	6,438	7,328
Prepayments and accrued income	5,682	5,986
	12,120	14,914

MURTON GRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	30,161	167,728
Other taxation and social security	691	-
Other creditors	596,720	308,457
Accruals and deferred income	2,420	2,350
	<u>629,992</u>	<u>478,535</u>

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

	2018 £	2017 £
Other creditors	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>

11. Deferred taxation

	2018 £
At beginning of year	(122,897)
Charged to profit or loss	67,908
At end of year	<u>(54,989)</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(59,390)	(121,270)
Tax losses carried forward	159,868	153,840
Revaluation reserve	(155,467)	(155,467)
	<u>(54,989)</u>	<u>(122,897)</u>

MURTON GRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

12. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
3,200,002 Ordinary shares of £1 each	<u>3,200,002</u>	<u>3,200,002</u>

13. Reserves

Revaluation reserve

The revaluation reserve represents the amount of unrealised surplus created when the investment property was revalued, less any deferred tax provision.

14. Pension commitments

The company operates defined contributions pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £26,309 (2017 - £24,130). No contributions (2017 - £Nil) were payable to the funds at the reporting date.

15. Related party transactions

At the balance sheet date there is an amount of £596,720 (2017: £308,457) in current liabilities together with an amount of £1,000,000 (2017: £1,000,000) in long term liabilities. Both amounts are owed to the director and no interest has been charged to the company on these amounts.

During the year the company paid £12,000 into a pension scheme for the director.