



ABBOTSCROFT HOLDINGS LIMITED

UNAUDITED  
FINANCIAL STATEMENTS

28 FEBRUARY 2017

**REG. OF CO.'S  
COPY**

**ArmstrongWatson<sup>®</sup>**  
Accountants & Financial Advisers

**ABBOTSCROFT HOLDINGS LIMITED**  
**REGISTERED NUMBER: 03634847**

**BALANCE SHEET**  
**AS AT 28 FEBRUARY 2017**

	Note	28 February 2017 £	29 February 2016 £
<b>Fixed assets</b>			
Investment property	5	1,000,000	1,000,000
		<u>1,000,000</u>	<u>1,000,000</u>
<b>Current assets</b>			
Cash at bank and in hand	6	45,056	17,235
		<u>45,056</u>	<u>17,235</u>
Creditors: amounts falling due within one year	7	(31,474)	(32,316)
		<u>(31,474)</u>	<u>(32,316)</u>
<b>Net current assets/(liabilities)</b>		<b>13,582</b>	<b>(15,081)</b>
<b>Total assets less current liabilities</b>		<b>1,013,582</b>	<b>984,919</b>
<b>Provisions for liabilities</b>			
Deferred tax		(89,405)	(95,361)
		<u>(89,405)</u>	<u>(95,361)</u>
<b>Net assets</b>		<b>924,177</b>	<b>889,558</b>
		<u><u>924,177</u></u>	<u><u>889,558</u></u>
<b>Capital and reserves</b>			
Called up share capital		1,000	1,000
Profit and loss account	9	923,177	888,558
		<u>924,177</u>	<u>889,558</u>
		<u><u>924,177</u></u>	<u><u>889,558</u></u>

**ABBOTSCROFT HOLDINGS LIMITED**  
**REGISTERED NUMBER: 03634847**

**BALANCE SHEET (CONTINUED)**  
**AS AT 28 FEBRUARY 2017**

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 on

  
.....  
**Mr C Thorpe**  
Director

19 October 2017

The notes on pages 3 to 11 form part of these financial statements.

## **ABBOTSCROFT HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017**

#### **1. General information**

The company is a private company limited by shares, incorporated in England & Wales within the United Kingdom. The address of the registered office is Fairview House, Victoria Place, Carlisle CA1 1HP. The principal place of business is: The Orangery, 2 Rickerby House, Rickerby, Carlisle, CA3 9AA. The principal activity of the company during the year was that of property investment.

#### **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:

###### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Income in respect of rents is accounted for in the period to which the rent relates.

##### **2.3 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.

## **ABBOTSCROFT HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017**

#### **2. Accounting policies (continued)**

##### **2.3 Tangible fixed assets (continued)**

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.

Depreciation is provided on the following basis:

Fixtures and fittings	- 20% straight line
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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 income and retained earnings.

##### **2.4 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 Balance sheet 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.

##### **2.5 Investment property**

Investment property is carried at fair value determined annually by the director 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.

##### **2.6 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

## **ABBOTSCROFT HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017**

#### **2. Accounting policies (continued)**

##### **2.7 Financial instruments (continued)**

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 income and retained earnings.

##### **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 Interest income**

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

##### **2.10 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 income and retained earnings 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.

## **ABBOTSCROFT HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017**

#### **2. Accounting policies (continued)**

##### **2.11 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 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. Employees**

The average monthly number of employees, including directors, during the year was 1 (2016 - 1).

**ABBOTSCROFT HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2017**

**4. Tangible fixed assets**

	<b>Fixtures and fittings £</b>
<b>Cost or valuation</b>	
At 1 March 2016	<u>1,299</u>
At 28 February 2017	<u>1,299</u>
<b>Depreciation</b>	
At 1 March 2016	<u>1,299</u>
At 28 February 2017	<u>1,299</u>
<b>Net book value</b>	
At 28 February 2017	<u><u>-</u></u>
At 29 February 2016	<u><u>-</u></u>

**5. Investment property**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 March 2016	<u>1,000,000</u>
At 28 February 2017	<u>1,000,000</u>

The 2017 valuations were made by the director, on an open market value for existing use basis.

**At 28 February 2017**

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

	<b>28 February 2017 £</b>	<b>29 February 2016 £</b>
Historic cost	<u>407,789</u>	<u>407,789</u>
	<u>407,789</u>	<u>407,789</u>



**ABBOTSCROFT HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2017**

**6. Cash and cash equivalents**

	<b>28 February 2017</b>	<i>29 February 2016</i>
	£	£
Cash at bank and in hand	<b>45,056</b>	17,235
	<b>45,056</b>	17,235

**7. Creditors: Amounts falling due within one year**

	<b>28 February 2017</b>	<i>29 February 2016</i>
	£	£
Trade creditors	<b>5</b>	-
Corporation tax	<b>7,166</b>	3,589
Other taxation and social security	<b>2,357</b>	1,699
Other creditors	<b>16,211</b>	19,537
Accruals and deferred income	<b>5,735</b>	7,491
	<b>31,474</b>	32,316

**8. Deferred taxation**

	<b>2017</b>	<i>2016</i>
	£	£
At beginning of year	<b>(95,361)</b>	(105,082)
Charged to profit or loss	<b>5,956</b>	9,721
<b>At end of year</b>	<b>(89,405)</b>	(95,361)

The provision for deferred taxation is made up as follows:

	<b>28 February 2017</b>	<i>29 February 2016</i>
	£	£
Capital gains	<b>(89,405)</b>	(95,361)
	<b>(89,405)</b>	(95,361)

**ABBOTSCROFT HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2017**

**9. Reserves**

**Profit and loss account**

Included within the profit and loss reserve is an amount of £502,806 (2016 - £496,850) which is not distributable.

ABBOTSCROFT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2017

10. First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 March 2015. The impact of the transition to FRS 102 is as follows:

	As previously stated 1 March 2015 £	Effect of transition 1 March 2015 £	FRS 102 (as restated) 1 March 2015 £	As previously stated 29 February 2016 £	Effect of transition 29 February 2016 £	FRS 102 (as restated) 29 February 2016 £
Note						
Fixed assets	1,000,000	-	1,000,000	1,000,000	-	1,000,000
Current assets	10,716	(1,166)	9,550	17,235	-	17,235
Creditors: amounts falling due within one year	(44,469)	-	(44,469)	(32,316)	-	(32,316)
<b>Net current liabilities</b>	<b>(33,753)</b>	<b>(1,166)</b>	<b>(34,919)</b>	<b>(15,081)</b>	<b>-</b>	<b>(15,081)</b>
<b>Total assets less current liabilities</b>	<b>966,247</b>	<b>(1,166)</b>	<b>965,081</b>	<b>984,919</b>	<b>-</b>	<b>984,919</b>
Provisions for liabilities	-	(105,082)	(105,082)	-	(95,361)	(95,361)
<b>Net assets</b>	<b>966,247</b>	<b>(106,248)</b>	<b>859,999</b>	<b>984,919</b>	<b>(95,361)</b>	<b>889,558</b>
Capital and reserves	966,247	(106,248)	859,999	984,919	(95,361)	889,558

ABBOTSCROFT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2017

10. First time adoption of FRS 102 (continued)

	As previously stated 29 February 2016 £	Effect of transition 29 February 2016 £	FRS 102 (as restated) 29 February 2016 £
Note			
Turnover	39,606	-	39,606
	39,606	-	39,606
Administrative expenses	(16,185)	-	(16,185)
Operating profit	23,421	-	23,421
Interest receivable and similar income	6	-	6
Taxation	(4,755)	10,887	6,132
Profit on ordinary activities after taxation and for the financial year	18,672	10,887	29,559

Explanation of changes to previously reported profit and equity:

Deferred tax has been recognised on the potential capital gain on the sale of investment properties based on the difference between their initial cost and their valuation at each balance sheet date.