

COMPANY REGISTRATION NUMBER: 04948762

**WATERSTONE ESTATES LIMITED**

**Financial Statements**

**31 March 2016**



**GORDON DOWN & PARTNERS**

Accountants & business advisors & statutory auditor  
144 Walter Road  
Swansea  
SA1 5RW

# **WATERSTONE ESTATES LIMITED**

## **Financial Statements**

**Year ended 31 March 2016**

<b>Contents</b>	<b>Page</b>
Directors' report	<b>1</b>
Independent auditor's report to the shareholders	<b>3</b>
Consolidated statement of income and retained earnings	<b>5</b>
Company statement of income and retained earnings	<b>6</b>
Consolidated statement of financial position	<b>7</b>
Company statement of financial position	<b>8</b>
Consolidated statement of cash flows	<b>9</b>
Notes to the financial statements	<b>10</b>

# **WATERSTONE ESTATES LIMITED**

## **Directors' Report**

**Year ended 31 March 2016**

The directors present their report and the financial statements of the group for the year ended 31 March 2016.

### **Directors**

The directors who served the company during the year were as follows:

Mr S P Jehu

Mr M R Jehu

Mr A Robertson

(Retired 24 August 2015)

### **Directors' responsibilities statement**

The directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and the company and the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies 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.

### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

### **Small company provisions**

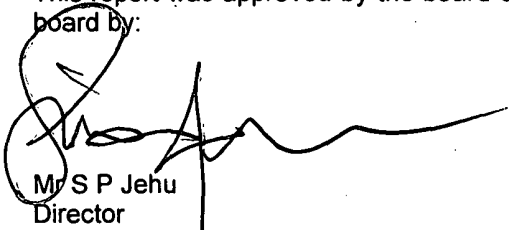
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

# WATERSTONE ESTATES LIMITED

## Directors' Report *(continued)*

Year ended 31 March 2016

This report was approved by the board of directors on 12 AUGUST 2016 and signed on behalf of the board by:



Mr S P Jehu  
Director



Mr M R Jehu  
Director

Registered office:  
Number One  
Waterton Park  
Bridgend  
CF31 3PH

# **WATERSTONE ESTATES LIMITED**

## **Independent Auditor's Report to the Shareholders of WATERSTONE ESTATES LIMITED**

**Year ended 31 March 2016**

We have audited the financial statements of WATERSTONE ESTATES LIMITED for the year ended 31 March 2016 which comprise the consolidated statement of income and retained earnings, company statement of income and retained earnings, consolidated statement of financial position, company statement of financial position, consolidated statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the directors' responsibilities statement, 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 Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2016 and of the group's profit 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 the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **WATERSTONE ESTATES LIMITED**

## **Independent Auditor's Report to the Shareholders of WATERSTONE ESTATES LIMITED** *(continued)*

**Year ended 31 March 2016**

### **Matters on which we are required to report by exception**

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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; and
- 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.



144 Walter Road  
Swansea  
SA1 5RW

18/08/2016

Laurence Cohen (Senior Statutory Auditor)

For and on behalf of  
Gordon Down & Partners  
Accountants & business advisors & statutory  
auditor

# WATERSTONE ESTATES LIMITED

## Consolidated Statement of Income and Retained Earnings

Year ended 31 March 2016

	Note	2016 £	2015 £
<b>Turnover</b>	<b>3</b>	<b>80,958</b>	1,060,382
Cost of sales		<u>24,708</u>	<u>959,912</u>
<b>Gross profit</b>		<b>56,250</b>	100,470
Administrative expenses		<b>288,467</b>	293,609
Other operating income	<b>4</b>	<u><b>266,453</b></u>	<u>233,877</u>
<b>Operating profit</b>	<b>5</b>	<b>34,236</b>	40,738
Income from shares in group undertakings	<b>6</b>	<b>25,050</b>	—
Share of profit of associates	<b>11</b>	<b>14,724</b>	19,955
Interest payable and similar charges	<b>7</b>	<u><b>11,595</b></u>	<u>22,057</u>
<b>Profit on ordinary activities before taxation</b>		<b>62,415</b>	38,636
Tax on profit on ordinary activities	<b>8</b>	<u><b>304</b></u>	<u>1,475</u>
<b>Profit for the financial year and total comprehensive income</b>		<u><b>62,111</b></u>	<u>37,161</u>
<b>Retained earnings at the start of the year</b>		<b>253,995</b>	216,834
<b>Retained earnings at the end of the year</b>		<u><b>316,106</b></u>	<u>253,995</u>

All the activities of the group are from continuing operations.

The notes on pages 10 to 17 form part of these financial statements.

# **WATERSTONE ESTATES LIMITED**

## **Company Statement of Income and Retained Earnings**

**Year ended 31 March 2016**

	Note	2016 £	2015 £
Profit for the financial year and total comprehensive income		<b>47,387</b>	<b>17,206</b>
<b>Retained earnings at the start of the year</b>		<b><u>151,788</u></b>	<b><u>134,582</u></b>
<b>Retained earnings at the end of the year</b>		<b><u>199,175</u></b>	<b><u>151,788</u></b>

The notes on pages 10 to 17 form part of these financial statements.



# WATERSTONE ESTATES LIMITED

## Consolidated Statement of Financial Position

31 March 2016

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	10	60,356	15,929
Investments	11	145,607	130,883
		<u>205,963</u>	<u>146,812</u>
<b>Current assets</b>			
Stocks		1,517,923	1,385,329
Debtors	12	163,258	971,041
Cash at bank and in hand		14,008	6,813
		<u>1,695,189</u>	<u>2,363,183</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>543,426</u>	<u>2,227,372</u>
<b>Net current assets</b>		<u>1,151,763</u>	<u>135,811</u>
<b>Total assets less current liabilities</b>		<u>1,357,726</u>	<u>282,623</u>
<b>Creditors: amounts falling due after more than one year</b>	14	<u>1,012,992</u>	<u>-</u>
<b>Net assets</b>		<u><u>344,734</u></u>	<u><u>282,623</u></u>
<b>Capital and reserves</b>			
Called up share capital	16	2	2
Revaluation reserve	17	28,626	28,626
Profit and loss account	17	316,106	253,995
<b>Shareholders funds</b>		<u><u>344,734</u></u>	<u><u>282,623</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of directors and authorised for issue on 12 AUGUST 2016 and are signed on behalf of the board by:

Mr S P Jeru  
Director

Company registration number: 04948762

The notes on pages 10 to 17 form part of these financial statements.

**WATERSTONE ESTATES LIMITED**  
**Company Statement of Financial Position**  
**31 March 2016**

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	10	60,356	15,929
Investments	11	50	50
		<u>60,406</u>	<u>15,979</u>
<b>Current assets</b>			
Stocks		1,517,923	1,385,329
Debtors	12	163,258	971,041
Cash at bank and in hand		14,008	6,813
		<u>1,695,189</u>	<u>2,363,183</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>543,426</u>	<u>2,227,372</u>
<b>Net current assets</b>		<u>1,151,763</u>	<u>135,811</u>
<b>Total assets less current liabilities</b>		<u>1,212,169</u>	<u>151,790</u>
<b>Creditors: amounts falling due after more than one year</b>	14	<u>1,012,992</u>	<u>–</u>
<b>Net assets</b>		<u><u>199,177</u></u>	<u><u>151,790</u></u>
<b>Capital and reserves</b>			
Called up share capital	16	2	2
Profit and loss account	17	199,175	151,788
<b>Shareholders funds</b>		<u><u>199,177</u></u>	<u><u>151,790</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of directors and authorised for issue on 12 August 2016, and are signed on behalf of the board by:

  
Mr S P Jehu  
Director

Company registration number: 04948762

The notes on pages 10 to 17 form part of these financial statements.

# WATERSTONE ESTATES LIMITED

## Consolidated Statement of Cash Flows

Year ended 31 March 2016

	2016 £	2015 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	62,111	37,161
<i>Adjustments for:</i>		
Depreciation of tangible assets	17,757	4,185
Income from shares in group undertakings	(25,050)	–
Share of profit of associates	(14,724)	(19,955)
Interest payable and similar charges	11,595	22,057
Tax on profit on ordinary activities	304	1,475
Accrued income	(17,692)	(226)
<i>Changes in:</i>		
Stocks	(132,594)	178,346
Trade and other debtors	807,783	(634,898)
Trade and other creditors	(620,434)	470,277
Cash generated from operations	89,056	58,422
Interest paid	(11,595)	(22,057)
Tax paid	(1,475)	(6,614)
Net cash from operating activities	<u>75,986</u>	<u>29,751</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(62,184)	–
Dividends received	25,050	–
Net cash used in investing activities	<u>(37,134)</u>	<u>–</u>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	(31,657)	(30,662)
Net cash used in financing activities	<u>(31,657)</u>	<u>(30,662)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	7,195	(911)
<b>Cash and cash equivalents at beginning of year</b>	6,813	7,724
<b>Cash and cash equivalents at end of year</b>	<u>14,008</u>	<u>6,813</u>

The notes on pages 10 to 17 form part of these financial statements.

# **WATERSTONE ESTATES LIMITED**

## **Notes to the Financial Statements**

**Year ended 31 March 2016**

### **1. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **2. 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.

#### **Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 20.

#### **Disclosure exemptions**

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

#### **Consolidation**

The financial statements consolidate the financial statements of WATERSTONE ESTATES LIMITED and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

#### **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.

# **WATERSTONE ESTATES LIMITED**

## **Notes to the Financial Statements *(continued)***

**Year ended 31 March 2016**

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

#### **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.

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:

Fixtures & Fittings	-	20% reducing balance
Equipment	-	20% reducing balance

#### **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.

# **WATERSTONE ESTATES LIMITED**

## **Notes to the Financial Statements *(continued)***

**Year ended 31 March 2016**

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

#### **Investments in associates**

Investments in associates are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate.

#### **Investments in joint ventures**

Investments in joint ventures are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the joint venture.

#### **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.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

#### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

# WATERSTONE ESTATES LIMITED

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

### 3. Turnover

Turnover arises from:

	2016 £	2015 £
Sale of goods	<u>80,958</u>	<u>1,060,382</u>

The whole of the turnover is attributable to the principal activity of the group wholly undertaken in the United Kingdom.

### 4. Other operating income

	2016 £	2015 £
Rental income	<u>266,453</u>	<u>233,877</u>

### 5. Operating profit

Operating profit or loss is stated after charging:

	2016 £	2015 £
Depreciation of tangible assets	17,757	4,185
Defined contribution plans expense	<u>(277)</u>	<u>—</u>

### 6. Income from shares in group undertakings

	2016 £	2015 £
Income from group undertakings	<u>25,050</u>	<u>—</u>

### 7. Interest payable and similar charges

	2016 £	2015 £
Interest on banks loans and overdrafts	<u>11,595</u>	<u>22,057</u>

### 8. Tax on profit on ordinary activities

Major components of tax expense

	2016 £	2015 £
<b>Current tax:</b>		
UK current tax expense	304	1,475
<b>Tax on profit on ordinary activities</b>	<u>304</u>	<u>1,475</u>

# WATERSTONE ESTATES LIMITED

## Notes to the Financial Statements *(continued)*

**Year ended 31 March 2016**

### 8. Tax on profit on ordinary activities *(continued)*

#### Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 20%).

	2016 £	2015 £
Profit on ordinary activities before taxation	<u>62,415</u>	<u>38,636</u>
Profit on ordinary activities by rate of tax	9,538	3,736
Effect of expenses not deductible for tax purposes	3,551	837
Effect of capital allowances and depreciation	(12,785)	(425)
Utilisation of tax losses	–	(2,673)
Tax on profit on ordinary activities	<u>304</u>	<u>1,475</u>

### 9. Profit for the year of the parent company

The profit for the financial year of the parent company was £47,387 (2015: £17,206).

### 10. Tangible assets

Group and company	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>			
At 1 April 2015	34,260	42,054	76,314
Additions	62,184	–	62,184
<b>At 31 March 2016</b>	<u>96,444</u>	<u>42,054</u>	<u>138,498</u>
<b>Depreciation</b>			
At 1 April 2015	26,062	34,323	60,385
Charge for the year	16,212	1,545	17,757
<b>At 31 March 2016</b>	<u>42,274</u>	<u>35,868</u>	<u>78,142</u>
<b>Carrying amount</b>			
<b>At 31 March 2016</b>	<u>54,170</u>	<u>6,186</u>	<u>60,356</u>
At 31 March 2015	<u>8,198</u>	<u>7,731</u>	<u>15,929</u>

### 11. Investments

Group	Interests in associates £
<b>Share of net assets/cost</b>	
At 1 April 2015	130,883
Share of profit or loss	19,774
Dividends received	(5,050)
<b>At 31 March 2016</b>	<u>145,607</u>
<b>Impairment</b>	
At 1 Apr 2015 and 31 Mar 2016	<u>–</u>



# WATERSTONE ESTATES LIMITED

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

Carrying amount	
At 31 March 2016	<u>145,607</u>
At 31 March 2015	<u>130,883</u>
<b>Company</b>	<b>Shares in group undertakings</b>
	<b>£</b>
<b>Cost</b>	
At 1 Apr 2015 and 31 Mar 2016	<u>50</u>
<b>Impairment</b>	
At 1 Apr 2015 and 31 Mar 2016	<u>—</u>
<b>Carrying amount</b>	
At 1 Apr 2015 and 31 Mar 2016	<u>50</u>

### Subsidiaries, associates and other investments

Details of the investments in which the group and the parent company have an interest of 20% or more are as follows:

	Country of incorporation	Class of share	Percentage of shares held
<b>Subsidiary undertakings</b>			
Waterstone Estates (Wauanceirch) Ltd	Wales	Ordinary	50

### Investments in associates

Summarised financial information of associates:

	2016 £	2015 £
Fixed assets	207,500	207,500
Current assets	49,296	47,524
Current liabilities	<u>111,189</u>	<u>124,140</u>

## 12. Debtors

	Group		Company
	2016 £	2015 £	2016 £
Trade debtors	90,900	43,490	90,900
Other debtors	<u>72,358</u>	<u>927,551</u>	<u>72,358</u>
	<u>163,258</u>	<u>971,041</u>	<u>163,258</u>
	<u>163,258</u>	<u>971,041</u>	<u>163,258</u>

# WATERSTONE ESTATES LIMITED

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

### 13. Creditors: amounts falling due within one year

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Bank loans and overdrafts	380,265	411,922	380,265	411,922
Trade creditors	9,795	348,037	9,795	348,037
Corporation tax	304	1,475	304	1,475
Social security and other taxes	17,016	—	17,016	—
Other creditors	136,046	1,465,938	136,046	1,465,938
	<u>543,426</u>	<u>2,227,372</u>	<u>543,426</u>	<u>2,227,372</u>

### 14. Creditors: amounts falling due after more than one year

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Other creditors	<u>1,012,992</u>	<u>—</u>	<u>1,012,992</u>	<u>—</u>

### 15. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £(277) (2015: £Nil).

### 16. Called up share capital

#### Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

The unlisted investment represents the historical cost in respect of the acquisition of 50% of the issued share capital of Waterstone Estates(Waunceirch) Limited, a company incorporated in Great Britain. The capital and reserves of Waterstone Homes (Waunceirch) Limited at the 31st March 2016 were £291,214 and its profit for the year after taxation was £39,547.

### 17. Reserves

Revaluation reserve - This reserve records the value of asset revaluations and fair value movements on assets recognised in other comprehensive income. Profit and loss account - This reserve records retained earnings and accumulated losses.

# **WATERSTONE ESTATES LIMITED**

## **Notes to the Financial Statements *(continued)***

**Year ended 31 March 2016**

### **18. Directors' advances, credits and guarantees**

The company operates a loan account with the directors. The amount owed to the directors is £41,015. The balance has remained the same for the past 2 years.

### **19. Related party transactions**

#### **Company**

During the year the company received services from Jehu Project Services Limited a company in which both Mr S P Jehu and Mr M R Jehu have an interest. The amount owed by the company at the year end was £951,463 and is included within Creditors. The company also rents out property to Jehu Project Services Limited and receives rent and service charges.

The company also transfers money to Waterstone Homes (Crosshands) Limited, a company in which both Mr S P Jehu and Mr M R Jehu have an interest. The amount owed by the company at the year end was £61,529 and is included in Other Creditors.

The company also transfers money to Waterstone Homes Limited, a company in which both Mr S P Jehu and Mr M R Jehu have an interest. The amount due to the company at the year end was £0. The company also rents out property to Waterstone Homes Limited and receives rent and service charges.

The company also transfers money to Jehu West Limited, a company in which both Mr S P Jehu and Mr M R Jehu have an interest. The amount owed to the company at the year end was £0. The company also rents out property to Jehu West Limited and receives rent and service charges.

The company also transfers money to Jehu Group Limited, a company in which both Mr S P Jehu and Mr M R Jehu have an interest. The amount owed to the company at the year end was £26,603 and is included within Other Debtors.

The company also transfers money to Waterstone Estates (Waunceirch) Limited, a company in which both Mr S P Jehu and Mr M R Jehu have an interest. The amount owed to the company at the year end was £20,000 and is included in Other Debtors.

### **20. Transition to FRS 102**

These are the first financial statements that comply with FRS 102. The group and the company transitioned to FRS 102 on 1 April 2014.

No transitional adjustments were required in equity or profit or loss for the year.