

**BAYLIS VENTURES LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MAY 2017**



# **BAYLIS VENTURES LIMITED**

## **COMPANY INFORMATION**

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### **DIRECTORS**

E Whelan  
M V Windo

### **COMPANY SECRETARY**

C G Walton

### **REGISTERED NUMBER**

06442584

### **REGISTERED OFFICE**

Churchfields  
Westbury Hill  
Westbury On Trym  
Bristol  
BS9 3AA

### **INDEPENDENT AUDITORS**

Bishop Fleming LLP  
Chartered Accountants & Statutory Auditors  
16 Queen Square  
Bristol  
BS1 4NT

# **BAYLIS VENTURES LIMITED**

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## **BAYLIS VENTURES LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2017**

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The directors present their report and the financial statements for the year ended 31 May 2017.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company is that of an investment company.

The company owns the freehold over the site of a motor dealership at Cribbs Causeway, near Bristol, which it acquired during the year having previously held a lease over the property.

#### **DIRECTORS**

The directors who served during the year were:

E Whelan  
M V Windo

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **AUDITORS**

The auditors, Bishop Fleming LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

#### **SMALL COMPANIES NOTE**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



**C G Walton**  
Secretary

Date: 13 November 2017

Churchfields  
Westbury Hill  
Westbury On Trym  
Bristol  
BS9 3AA

## **BAYLIS VENTURES LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MAY 2017**

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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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 company and of the profit or loss of the company for that period.

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

- select suitable accounting policies for the company's financial statements 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 to 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.

## **BAYLIS VENTURES LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF BAYLIS VENTURES LIMITED**

We have audited the financial statements of Baylis Ventures Limited for the year ended 31 May 2017, set out on pages 5 to 16, and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As explained more fully in the Directors' responsibilities statement on page 2, 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 Financial Reporting Council's Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2017 and of its 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, based on the work undertaken in the course of the audit, the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

**BAYLIS VENTURES LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF BAYLIS VENTURES LIMITED  
(CONTINUED)**

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



Joseph Scaife FCA (Senior statutory auditor)  
for and on behalf of

**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
16 Queen Square  
Bristol  
BS1 4NT

23 November 2017

**BAYLIS VENTURES LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MAY 2017**

	<b>Note</b>	<b>2017 £</b>	<b>2016 £</b>
Turnover	4	604,929	560,969
Cost of sales		(85,129)	(84,146)
<b>GROSS PROFIT</b>		<b>519,800</b>	<b>476,823</b>
Administrative expenses		(38,951)	(50,630)
Gain on revaluation of investment properties		1,566,955	722,500
<b>OPERATING PROFIT</b>		<b>2,047,804</b>	<b>1,148,693</b>
Interest receivable and similar income		40	-
<b>PROFIT BEFORE TAX</b>		<b>2,047,844</b>	<b>1,148,693</b>
Tax on profit	7	(302,462)	(178,843)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>1,745,382</b>	<b>969,850</b>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>			
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>1,745,382</b>	<b>969,850</b>

The notes on pages 9 to 16 form part of these financial statements.



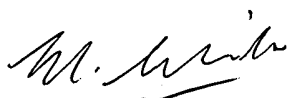
**BAYLIS VENTURES LIMITED**  
**REGISTERED NUMBER:06442584**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MAY 2017**

	Note	2017 £	2016 £
<b>FIXED ASSETS</b>			
Investment properties	8	11,500,000	8,372,500
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	9	393	31,568
Creditors: amounts falling due within one year	10	(5,700,180)	(4,557,386)
<b>NET CURRENT LIABILITIES</b>		<b>(5,699,787)</b>	<b>(4,525,818)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>5,800,213</b>	<b>3,846,682</b>
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred tax	12	(499,179)	(291,030)
<b>NET ASSETS</b>		<b>5,301,034</b>	<b>3,555,652</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	10,000	10,000
Revaluation reserve	14	3,377,499	2,018,693
Profit and loss account	14	1,913,535	1,526,959
		<b>5,301,034</b>	<b>3,555,652</b>

The company's financial statements have been prepared in accordance with the 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:



**M V Windo**  
Director

Date: 13 November 2017

**BAYLIS VENTURES LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MAY 2017**

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 June 2016	10,000	2,018,693	1,526,959	3,555,652
Profit for the year	-	-	1,745,382	1,745,382
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	-	-	1,745,382	1,745,382
Transfer to revaluation reserve	-	-	(1,358,806)	(1,358,806)
Transfer from profit and loss account	-	1,358,806	-	1,358,806
<b>AT 31 MAY 2017</b>	<b>10,000</b>	<b>3,377,499</b>	<b>1,913,535</b>	<b>5,301,034</b>

**BAYLIS VENTURES LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MAY 2016**

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 June 2015	10,000	1,389,798	1,186,004	2,585,802
Profit for the year	-	-	969,850	969,850
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	-	-	969,850	969,850
Transfer to revaluation reserve	-	-	(628,895)	(628,895)
Transfer from profit and loss account	-	628,895	-	628,895
<b>AT 31 MAY 2016</b>	<b>10,000</b>	<b>2,018,693</b>	<b>1,526,959</b>	<b>3,555,652</b>

The notes on pages 9 to 16 form part of these financial statements.

## **BAYLIS VENTURES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017**

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#### **1. GENERAL INFORMATION**

The principal activity of the company is that of an investment company. Baylis Ventures Limited is a private limited company, registered in England & Wales. Its registered office is at Churchfields, Westbury Hill, Westbury on Trym, Bristol, BS9 3AA.

#### **2. ACCOUNTING POLICIES**

##### **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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The financial statements are presented in sterling which is the functional currency of the company.

The following principal accounting policies have been applied:

##### **2.1 GOING CONCERN**

The financial statements have been prepared on a going concern basis.

The net current liabilities of £5,699,787 shown in the Statement of financial position includes £5,597,185 payable to this company's parent company.

The parent company has indicated that it will not demand more than this company can pay, and anticipated cash flows are sufficient to meet the company's other liabilities as they fall due. The directors are therefore not aware of any events or conditions which may cast significant doubt upon the company's ability to continue as a going concern.

##### **2.2 TURNOVER**

Turnover represents rents receivable during the year. It is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

##### **2.3 INVESTMENT PROPERTY**

Investment property is carried at fair value determined annually 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 profit and loss account.

**2. ACCOUNTING POLICIES (continued)**

**2.4 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.

**2.5 OPERATING LEASES: THE COMPANY AS LESSOR**

Rental income in respect of property subject to operating leases is credited to the Statement of comprehensive income in accordance with the specific terms of the lease.

**2.6 OPERATING LEASES: THE COMPANY AS LESSEE**

Rentals in respect of property held under operating leases are charged to the Statement of comprehensive income in accordance with the specific terms of the lease and, in the case of other assets, on a straight line basis.

**2.7 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 comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position 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 Statement of financial position.

**2.8 CURRENT AND DEFERRED TAXATION**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit for the year in the Statement of comprehensive income, 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.

**BAYLIS VENTURES LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2017****3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION  
UNCERTAINTY**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**4. TURNOVER**

All of the company's turnover in both financial years arose in the United Kingdom.

**5. AUDITORS' REMUNERATION**

	2017 £	2016 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	<u>5,000</u>	<u>2,000</u>

**6. EMPLOYEES**

The directors of the company are also directors of the parent company and certain fellow subsidiaries. The directors do not believe that it is practicable to apportion payments made by the parent company between their services as directors of Baylis Ventures Limited and their services as directors of the parent company and fellow subsidiaries.

The company had no employees during the year other than its directors (2016: nil).

**7. TAXATION**

	2017 £	2016 £
<b>CORPORATION TAX</b>		
Current tax on profits for the year	59,499	61,052
Adjustments in respect of previous periods	(1,052)	-
Group taxation relief	35,866	24,186
<b>TOTAL CURRENT TAX</b>	<u>94,313</u>	<u>85,238</u>
<b>DEFERRED TAX</b>		
Origination and reversal of timing differences	224,317	113,348
Changes to tax rates	(16,168)	(19,743)
<b>TOTAL DEFERRED TAX</b>	<u>208,149</u>	<u>93,605</u>
<b>TAXATION ON PROFIT ON ORDINARY ACTIVITIES</b>	<u>302,462</u>	<u>178,843</u>

**BAYLIS VENTURES LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2017****7. TAXATION (CONTINUED)****FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK of 19.83% (2016: 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>2,047,844</u>	<u>1,148,693</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.83% (2016: 20%)	406,087	229,739
<b>EFFECTS OF:</b>		
Expenses not deductible for tax purposes	(9)	-
Adjustments to tax charge in respect of prior periods	(1,052)	-
Deferred tax movement due to indexation and lower future rate used	(86,396)	(31,153)
Change in tax rates affecting the deferred tax provided on revaluation gains	(16,168)	(19,743)
<b>TOTAL TAX CHARGE FOR THE YEAR</b>	<u><u>302,462</u></u>	<u><u>178,843</u></u>

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

There were no factors that may affect future tax charges.

**BAYLIS VENTURES LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2017****8. INVESTMENT PROPERTY**

	Long term leasehold investment property £	Freehold investment property £	Total £
<b>VALUATION</b>			
At 1 June 2016	8,372,500	-	8,372,500
Transfers between classes	(8,372,500)	8,372,500	-
Additions at cost	-	1,560,545	1,560,545
Surplus on revaluation	-	1,566,955	1,566,955
<b>AT 31 MAY 2017</b>	<b>-</b>	<b>11,500,000</b>	<b>11,500,000</b>

During the year the company acquired the freehold interest in its investment property, so the asset above has been reclassified as freehold.

The 2017 valuations were made by GVA Grimley Limited, on an open market value for existing use basis.

If investment property was included in the Statement of financial position on an historic cost accounting basis, then the carrying amount would be £7,623,322 (2016: £6,062,777).



**BAYLIS VENTURES LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2017****9. DEBTORS**

	2017 £	2016 £
Prepayments and accrued income	<u>393</u>	<u>31,568</u>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
Trade creditors	767	-
Amounts owed to group undertakings	5,597,185	4,454,204
Corporation tax	59,499	61,052
Accruals and deferred income	42,729	42,130
	<u>5,700,180</u>	<u>4,557,386</u>

**11. FINANCIAL INSTRUMENTS**

	2017 £	2016 £
<b>FINANCIAL LIABILITIES</b>		
Financial liabilities measured at amortised cost	<u>(5,602,452)</u>	<u>(4,496,334)</u>

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings and accruals.

**BAYLIS VENTURES LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2017****12. DEFERRED TAXATION**

	2017 £	2016 £
At beginning of year	(291,030)	(197,425)
Charged to profit or loss	(208,149)	(93,605)
<b>At end of year</b>	<b>(499,179)</b>	<b>(291,030)</b>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
On investment property gains	(499,179)	(291,030)

**13. SHARE CAPITAL**

	2017 £	2016 £
<b>SHARES CLASSIFIED AS EQUITY</b>		
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
10,000 Ordinary shares of £1 each	10,000	10,000

**14. RESERVES****Revaluation reserve**

This includes all current and prior period surpluses and deficits on the valuation of investment properties, less deferred tax recognised on the net surplus.

**Profit and loss account**

This includes all current and prior period retained profits and losses, less gains and losses on investment properties, which are transferred each year to the revaluation reserve to reflect their non-distributable nature.

## BAYLIS VENTURES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

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#### 15. COMMITMENTS UNDER OPERATING LEASES

At 31 May 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	-	90,753
Later than 1 year and not later than 5 years	-	363,012
Later than 5 years	-	998,283
	<hr/>	<hr/>
	-	1,452,048
	<hr/>	<hr/>

#### 16. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption available under section 33.1A of FRS 102 not to disclose transactions with other group companies on the basis that the company is a wholly owned subsidiary and the company's parent company produces publicly available consolidated financial statements in which this company is included.

Mr C G Walton acts as Company Secretary and is considered to be a part of key management of the company. During the year, Mr Walton charged the company £1,425 in respect of his services (2016: £1,245).

#### 17. CONTROLLING PARTY

The company is controlled by J.T Baylis & Company Limited, its parent company. Copies of its group financial statements can be obtained from the Registrar of Companies, Crown Way, Cardiff. The ultimate controlling party is The J.T. Baylis Discretionary Settlement.