

REGISTERED NUMBER: 06856605 (England and Wales)

VERNON HOLDINGS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

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for the Year Ended 31 March 2018**

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VERNON HOLDINGS LIMITED

COMPANY INFORMATION
for the Year Ended 31 March 2018

DIRECTORS: J M Vernon
D J Vernon
C J R Vernon

SECRETARY: D J Vernon

REGISTERED OFFICE: 3 Castlegate
Grantham
Lincolnshire
NG31 6SF

REGISTERED NUMBER: 06856605 (England and Wales)

ACCOUNTANTS: Duncan & Toplis Limited
3 Castlegate
Grantham
Lincolnshire
NG31 6SF

STATEMENT OF FINANCIAL POSITION
31 March 2018

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Tangible assets	4		16,360		18,030
Investments	5		43		43
Investment property	6		40,647,388		38,074,476
			<u>40,663,791</u>		<u>38,092,549</u>
CURRENT ASSETS					
Debtors	7	457,804		425,348	
Cash at bank		<u>2,199,096</u>		<u>1,282,432</u>	
		2,656,900		1,707,780	
CREDITORS					
Amounts falling due within one year	8	<u>25,953,605</u>		<u>23,949,976</u>	
NET CURRENT LIABILITIES			<u>(23,296,705)</u>		<u>(22,242,196)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>17,367,086</u>		<u>15,850,353</u>
PROVISIONS FOR LIABILITIES					
			<u>1,187,445</u>		<u>1,214,787</u>
NET ASSETS			<u>16,179,641</u>		<u>14,635,566</u>
CAPITAL AND RESERVES					
Called up share capital	9		200		200
Revaluation reserve	10		7,245,409		7,568,029
Retained earnings			<u>8,934,032</u>		<u>7,067,337</u>
SHAREHOLDERS' FUNDS			<u>16,179,641</u>		<u>14,635,566</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

STATEMENT OF FINANCIAL POSITION - continued
31 March 2018

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 13 June 2018 and were signed on its behalf by:

D J Vernon - Director

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2018**

1. STATUTORY INFORMATION

Vernon Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents net invoiced rental income, excluding value added tax. Turnover is recognised in the period in which the properties are let.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 25% - 33% on cost

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Financial instruments

The company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Income Statement.

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 5 (2017 - 3) .

4. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 April 2017	35,285
Additions	9,535
At 31 March 2018	<u>44,820</u>
DEPRECIATION	
At 1 April 2017	17,255
Charge for year	11,205
At 31 March 2018	<u>28,460</u>
NET BOOK VALUE	
At 31 March 2018	<u>16,360</u>
At 31 March 2017	<u>18,030</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

5. FIXED ASSET INVESTMENTS

	Other investments £
COST	
At 1 April 2017	
and 31 March 2018	43
NET BOOK VALUE	
At 31 March 2018	43
At 31 March 2017	43

6. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 April 2017	38,074,476
Additions	3,172,912
Disposals	(600,000)
At 31 March 2018	40,647,388
NET BOOK VALUE	
At 31 March 2018	40,647,388
At 31 March 2017	38,074,476

Fair value at 31 March 2018 is represented by:

	£
Valuation in 2018	8,200,991
Cost	32,446,397
	40,647,388

Investment properties were subject to valuation by Brown & Co LLP, professionally qualified independent valuers, at 31 March 2018 on an open market basis. The methods and significant assumptions used to ascertain the fair value of £40,647,388 (2017 - £38,074,476) were as follows:

In accordance with RICS valuation standards, the valuations were prepared having regard to market based evidence for similar properties sold in the local area, subject to any occupational leases where applicable. The valuations principally focused on a continuation of existing use, having regard to the current tenancy positions and rent yield approach.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade debtors	430,990	383,573
Other debtors	12,537	26,912
Prepayments and accrued income	14,277	14,863
	<u>457,804</u>	<u>425,348</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade creditors	3,942	12,352
Corporation tax	174,183	101,256
Other taxes and social security	131,799	103,906
Other creditors	23,225,965	21,385,368
Directors' loan accounts	1,852,890	1,827,957
Accruals and deferred income	564,826	519,137
	<u>25,953,605</u>	<u>23,949,976</u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2018	2017
Number:	Class:	Nominal value:	£	£
100	Ordinary	£1	100	100
100	Ordinary 'B' shares	£1	100	100
			<u>200</u>	<u>200</u>

10. RESERVES

	Revaluation reserve
	£
At 1 April 2017	7,568,029
Disposal transfer to retained earnings	<u>(322,620)</u>
At 31 March 2018	<u>7,245,409</u>

The aggregate surplus on re-measurement of investment properties, net of associated deferred tax, is transferred to a separate non-distributable revaluation reserve in order to assist with the identification of profits available for distribution.

11. RELATED PARTY DISCLOSURES

The company had loans outstanding to the directors of £1,852,890 (2017: £1,827,957) at the year end.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.