Company Registration No. SC083081 (Scotland)

MANCAL HOLDINGS LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2017

# PAGES FOR FILING WITH REGISTRAR

# MANCAL HOLDINGS LIMITED

## COMPANY INFORMATION

| | |
|---|---|
| **Directors** | A C Toft<br>N J Howard<br>M D C Toft |
| **Company number** | SC083081 |
| **Registered office** | White Gables<br>Auchterhouse<br>Angus<br>DD3 0QU |
| **Accountants** | Messrs Bird Simpson & Co.<br>144 Nethergate<br>Dundee<br>DD1 4EB |
| **Bankers** | The Royal Bank of Scotland plc<br>3 High Street<br>Dundee<br>DD1 9LY |
| **Solicitors** | Thorntons Law LLP<br>Whitehall House<br>33 Yeaman Shore<br>Dundee<br>DD1 4BJ |

# MANCAL HOLDINGS LIMITED

## CONTENTS

# MANCAL HOLDINGS LIMITED

## BALANCE SHEET

### *AS AT 30 NOVEMBER 2017*

| | Notes | 2017 £ | 2017 £ | 2016 £ | 2016 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Investment properties | 4 | | 3,461,455 | | 3,461,455 |
| Investments | 5 | | 196,159 | | 148,952 |
| | | | 3,657,614 | | 3,610,407 |
| **Current assets** | | | | | |
| Debtors | 6 | 5,234 | | 16,814 | |
| Cash at bank and in hand | | 326,231 | | 217,607 | |
| | | 331,465 | | 234,421 | |
| **Creditors: amounts falling due within one year** | 7 | (120,430) | | (128,311) | |
| **Net current assets** | | | 211,035 | | 106,110 |
| **Total assets less current liabilities** | | | 3,868,649 | | 3,716,517 |
| **Creditors: amounts falling due after more than one year** | 8 | | (377,937) | | (401,606) |
| **Net assets** | | | 3,490,712 | | 3,314,911 |
| **Capital and reserves** | | | | | |
| Called up share capital | 9 | | 200,000 | | 200,000 |
| Profit and loss reserves | | | 3,290,712 | | 3,114,911 |
| **Total equity** | | | 3,490,712 | | 3,314,911 |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 November 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

# MANCAL HOLDINGS LIMITED

## BALANCE SHEET (CONTINUED)

### *AS AT 30 NOVEMBER 2017*

The financial statements were approved by the board of directors and authorised for issue on 27 March 2018 and are signed on its behalf by:

A C Toft
**Director**

**Company Registration No. SC083081**

## 1 Accounting policies

**Company information**

Mancal Holdings Limited is a private company limited by shares incorporated in Scotland. The registered office is White Gables, Auchterhouse, Angus, DD3 0QU.

### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 November 2017 are the first financial statements of Mancal Holdings Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 December 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 12.

### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from rental income is recognised when the rent falls due.

### 1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Fixtures, fittings & equipment | 15% reducing balance |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**1 Accounting policies** **(Continued)**

**1.4 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

**1.5 Fixed asset investments**

Interests in listed and unlisted stocks are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in profit or loss. Transaction costs are expensed to profit or loss as incurred.

**1.6 Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.7 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**1 Accounting policies** **(Continued)**

***Basic financial liabilities***

Basic financial liabilities, including 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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. Amounts 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.

**1.8 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**1.9 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1 Accounting policies** **(Continued)**

**1.10 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 3 (2016 - 3).

**3 Tangible fixed assets**

| | Plant and machinery etc |
|---|---|
| | £ |
| **Cost** | |
| At 1 December 2016 and 30 November 2017 | 1,397 |
| **Depreciation and impairment** | |
| At 1 December 2016 and 30 November 2017 | 1,397 |
| **Carrying amount** | |
| At 30 November 2017 | - |
| At 30 November 2016 | - |

**4 Investment property**

| | 2017 |
|---|---|
| | £ |
| **Fair value** | |
| At 1 December 2016 and 30 November 2017 | 3,461,455 |

Investment property comprises commercial property in various UK locations. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 30 November 2014 by the directors. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. The directors are of the opinion that there is no material change to the market value as at 30 November 2017.

**4 Investment property** **(Continued)**

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

| | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| Cost | 2,348,636 | 2,348,636 |
| Accumulated depreciation | - | - |
| Carrying amount | 2,348,636 | 2,348,636 |

**5 Fixed asset investments**

| | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| Investments | 196,159 | 148,952 |

Listed investments are valued at the mid-price quoted on the stock exchange at close of business on 30 November. Unlisted investments are valued on the valuation included in the audited accounts.

**Movements in fixed asset investments**

| | Investments other than loans |
|---|---|
| | £ |
| **Cost or valuation** | |
| At 1 December 2016 | 148,952 |
| Additions | 82,269 |
| Valuation changes | 29,928 |
| Disposals | (64,990) |
| At 30 November 2017 | 196,159 |
| **Carrying amount** | |
| At 30 November 2017 | 196,159 |
| At 30 November 2016 | 148,952 |

## 6 Debtors

| | 2017 | 2016 |
|---|---|---|
| **Amounts falling due within one year:** | **£** | **£** |
| Trade debtors | 3,468 | 4,570 |
| Other debtors | 1,766 | 12,244 |
| | 5,234 | 16,814 |

## 7 Creditors: amounts falling due within one year

| | 2017 | 2016 |
|---|---|---|
| | **£** | **£** |
| Bank loans and overdrafts | 24,566 | 23,647 |
| Corporation tax | 36,985 | 35,278 |
| Other taxation and social security | 4,966 | 4,966 |
| Other creditors | 53,913 | 64,420 |
| | 120,430 | 128,311 |

## 8 Creditors: amounts falling due after more than one year

| | 2017 | 2016 |
|---|---|---|
| | **£** | **£** |
| Bank loans and overdrafts | 377,937 | 401,606 |

Amounts included above which fall due after five years are as follows:

| | | |
|---|---|---|
| Payable by instalments | 267,388 | 295,194 |

## 9 Called up share capital

| | 2017 | 2016 |
|---|---|---|
| | **£** | **£** |
| **Ordinary share capital** | | |
| **Issued and fully paid** | | |
| 99,000 Ordinary of £1 each | 99,000 | 99,000 |
| 100,000 A Ordinary of £1 each | 100,000 | 100,000 |
| 1,000 B Ordinary of £1 each | 1,000 | 1,000 |
| | 200,000 | 200,000 |

## 10 Directors' transactions

Dividends totalling £15,000 (2016 - £15,000) were paid in the year in respect of shares held by the company's directors.

### 11 Parent company

The company is under the control of Mrs A C Toft, director and holder of 59% of the Ordinary shares.

### 12 Reconciliations on adoption of FRS 102

**Reconciliation of equity**

| | 1 December 2015 | 30 November 2016 |
|---|---|---|
| | £ | £ |
| Equity as reported under previous UK GAAP and under FRS 102 | 3,220,993 | 3,366,963 |
| Adjustments to prior year (note 13) | (29,104) | (52,052) |
| As restated | 3,191,889 | 3,314,911 |

**Reconciliation of profit for the financial period**

| | 2016 |
|---|---|
| | £ |
| Profit as reported under previous UK GAAP and under FRS 102 | 160,970 |
| Adjustments to prior year (note 13) | (22,948) |
| As restated | 138,022 |

**Notes to reconciliations on adoption of FRS 102**

**Fixed Asset Investments**
In line with FRS 102 investments have been restated to present the balances at market value as opposed to cost.

**Revaluation Reserve**
In line with FRS 102 the revaluation reserve has been removed from the accounts and credited to retained profits.

### 13 Prior period adjustment

**Changes to the balance sheet**

| | At 30 November 2016 | | | |
|---|---|---|---|---|
| Balances as restated before FRS 102 transition adjustments: | As previously reported | Adjustment at 1 Dec 2015 | Adjustment at 30 Nov 2016 | As restated |
| | £ | £ | £ | £ |
| **Fixed assets** | | | | |
| Investments | 201,004 | (29,104) | (22,948) | 148,952 |

**13 Prior period adjustment** **(Continued)**

| Balances as restated before FRS 102 transition adjustments: | At 30 November 2016 As previously reported | Adjustment at 1 Dec 2015 | Adjustment at 30 Nov 2016 | As restated |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Capital and reserves** | | | | |
| Revaluation reserve | 1,097,879 | (1,097,879) | - | - |
| Profit and loss | 2,069,084 | 1,068,775 | (22,948) | 3,114,911 |
| Total equity | 3,366,963 | (29,104) | (22,948) | 3,314,911 |

**Changes to the profit and loss account**

| Balances as restated before FRS 102 transition adjustments: | Period ended 30 November 2016 As previously reported | Adjustment | As restated |
|---|---|---|---|
| | £ | £ | £ |
| Amounts written off investments | 17,233 | (22,948) | (5,715) |
| Profit for the financial period | 160,970 | (22,948) | 138,022 |