

Registered number: 00607832

**AMALGAMATED BERKSHIRE
ESTATES LIMITED**

FINANCIAL STATEMENTS

YEAR ENDED 25 MARCH 2017



**LUBBOCK FINE
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB**

BALANCE SHEET

AS AT 25 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Investment property	4	9,630,000	9,500,000
		<u>9,630,000</u>	<u>9,500,000</u>
Current assets			
Debtors: amounts falling due within one year	5	70,657	23,039
Cash at bank and in hand	6	128,893	125,093
		<u>199,550</u>	<u>148,132</u>
Creditors: amounts falling due within one year	7	(132,259)	(204,730)
Net current assets/(liabilities)		<u>67,291</u>	<u>(56,598)</u>
Total assets less current liabilities		<u>9,697,291</u>	<u>9,443,402</u>
Provisions for liabilities			
Deferred tax		(1,068,000)	(1,152,000)
		<u>(1,068,000)</u>	<u>(1,152,000)</u>
Net assets		<u><u>8,629,291</u></u>	<u><u>8,291,402</u></u>
Capital and reserves			
Called up share capital		100	100
Revaluation reserve		7,423,974	7,209,974
Profit and loss account		1,205,217	1,081,328
		<u><u>8,629,291</u></u>	<u><u>8,291,402</u></u>

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 comprehensive income 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 by:



N H S Barber
Director

Date: 09/11/2017

The notes on pages 3 to 10 form part of these financial statements.

AMALGAMATED BERKSHIRE ESTATES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 25 MARCH 2017**

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 26 March 2015	100	7,198,974	970,771	8,169,845
Profit for the year	-	-	121,557	121,557
Transfers between reserves	-	11,000	(11,000)	-
At 26 March 2016	100	7,209,974	1,081,328	8,291,402
Profit for the year	-	-	337,889	337,889
Transfers between reserves	-	214,000	(214,000)	-
At 25 March 2017	100	7,423,974	1,205,217	8,629,291

AMALGAMATED BERKSHIRE ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 25 MARCH 2017

1. General information

Amalgamated Berkshire Estates Limited is a private company limited by shares, incorporated in England and Wales, registration number 00607832.

Its registered office and principal place of business is Bridge House, One Station Road, Amersham, Buckinghamshire, HP7 0BQ.

The financial statement are presented in sterling which is the functional currency of the company and rounded to the nearest £.

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 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 accounting policies.

The following principal accounting policies have been applied:

2.2 Turnover

The turnover shown in the statement of comprehensive income represents rent and service charges receivable for the year, exclusive of Value Added Tax.

Rental income is recognised on a straight line basis over the life of the lease. Lease incentives are amortised over the lease period.

2.3 Operating leases: the Company as lessor

Rentals income from operating leases is credited to the Statement of comprehensive income on a straight line basis over the term of the relevant lease.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 26 March 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.4 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 Statement of comprehensive income.

AMALGAMATED BERKSHIRE ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 25 MARCH 2017

2. Accounting policies (continued)

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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 three months. 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

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 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 comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

AMALGAMATED BERKSHIRE ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 25 MARCH 2017

2. Accounting policies (continued)

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 comprehensive income using the effective interest method.

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised 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 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 is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

AMALGAMATED BERKSHIRE ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 25 MARCH 2017

3. Employees

There were no employees in the current or prior period.

4. Investment Property

	Freehold investment property £
Cost or valuation	
At 26 March 2016	9,500,000
Revaluations	130,000
At 25 March 2017	<u>9,630,000</u>
Net book value	
At 25 March 2017	<u>9,630,000</u>
At 25 March 2016	<u>9,500,000</u>

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

5. Debtors

	2017 £	2016 £
Amounts owed by group undertakings	50,875	-
Financial instruments	19,782	23,039
	<u>70,657</u>	<u>23,039</u>

6. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	128,893	125,093
	<u>128,893</u>	<u>125,093</u>

AMALGAMATED BERKSHIRE ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 25 MARCH 2017

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Amounts owed to group undertakings	-	76,216
Other taxation and social security	21,456	20,831
Accruals and deferred income	110,803	107,683
	<u>132,259</u>	<u>204,730</u>

8. Deferred taxation

	2017 £	2016 £
At beginning of year	(1,152,000)	(1,163,000)
Charged to profit or loss	84,000	11,000
At end of year	<u>(1,068,000)</u>	<u>(1,152,000)</u>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Property revaluations	(1,068,000)	(1,152,000)
	<u>(1,068,000)</u>	<u>(1,152,000)</u>

9. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

10. Contingent liabilities

A fellow subsidiary undertaking has taken out a bank loan secured on a property owned by the company and a debenture over the remaining assets of the company. The maximum potential liability of the company at 25 March 2017 in respect of this loan was £8,750,000 (2016 - £5,218,518).

AMALGAMATED BERKSHIRE ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 25 MARCH 2017

11. Ultimate parent company

The ultimate and immediate parent company is Amalgamated Berkshire Holdings Limited.

AMALGAMATED BERKSHIRE ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 25 MARCH 2017

12. First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 26 March 2015. The impact of the transition to FRS 102 is as follows:

	Note	As previously stated 26 March 2015 £	Effect of transition 26 March 2015 £	FRS 102 (as restated) 26 March 2015 £	As previously stated 25 March 2016 £	Effect of transition 25 March 2016 £	FRS 102 (as restated) 25 March 2016 £
Fixed assets		9,500,000	-	9,500,000	9,500,000	-	9,500,000
Current assets	1	121,344	27,089	148,433	125,093	23,039	148,132
Creditors: amounts falling due within one year		(315,588)	-	(315,588)	(204,730)	-	(204,730)
Net current liabilities		(194,244)	27,089	(167,155)	(79,637)	23,039	(56,598)
Total assets less current liabilities		9,305,756	27,089	9,332,845	9,420,363	23,039	9,443,402
Provisions for liabilities	2	-	(1,163,000)	(1,163,000)	-	(1,152,000)	(1,152,000)
Net assets		9,305,756	(1,135,911)	8,169,845	9,420,363	(1,128,961)	8,291,402
Capital and reserves	1,2,3	9,305,756	(1,135,911)	8,169,845	9,420,363	(1,128,961)	8,291,402

AMALGAMATED BERKSHIRE ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 25 MARCH 2017

12. First time adoption of FRS 102 (continued)

		As previously stated 25 March 2016 £	Effect of transition 25 March 2016 £	FRS 102 (as restated) 25 March 2016 £
Turnover		418,116	-	418,116
		418,116	-	418,116
Administrative expenses		(303,538)	-	(303,538)
Change in fair value of investment property		-	-	-
Operating profit		114,578	-	114,578
Interest receivable and similar income		29	-	29
Change in fair value of derivatives	1	-	(4,050)	(4,050)
Taxation	2	-	11,000	11,000
Profit on ordinary activities after taxation and for the financial year		114,607	6,950	121,557

Explanation of changes to previously reported profit and equity:

1 Upon transition to FRS 102 on 26 March 2015, the fair value of a derivative held by the company has been recognised as a financial asset totalling £27,089. At 25 March 2016 the derivative has been valued at £23,039 with the fair value movements totalling £4,050 being reflected in the profit and loss account as 'changes in fair values of derivatives'.

2 Under FRS 102, deferred tax is recognised on a timing difference plus approach, consequently deferred tax has been recognised on all fair value remeasurements.

Upon transition at 26 March 2015 a deferred tax liability of £1,152,000 has been recognised on the uplift in the value of the investment property. In 2016 £11,000 of the provision has been released to the profit and loss account, leaving a deferred tax liability at 25 March 2016 of £1,152,000.

3 Under FRS 102, changes in the fair value of investment properties are recorded in the Statement of Comprehensive Income. Under previous UK GAAP these were recorded in the Statement of Total Recognised Gains and Losses. There is no effect on the total equity position as at either 26 March 2015 or 26 March 2016 as a result of this treatment.

13. Auditors' information

These financial statements have been prepared for the purposes of filing with Companies House and no Statement of Income and Director's Report is included within this set of financial statements. The full financial statements have been subject to audit and there were no qualifications or modifications to the audit report within the full financial statements. The audit was undertaken by Lubbock Fine Chartered Accountants & Statutory Auditors, and the Senior Statutory Auditor was Andrew Noton.