

Company Registration No. 00678567 (England and Wales)

**NEWATER INVESTMENTS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 29 SEPTEMBER 2018**



# NEWATER INVESTMENTS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr D J Sebire Mr M S Cottrell Mr D J Suggitt Mr N R P Harris Mr R Blyth
<b>Secretary</b>	Mr L M Turner
<b>Company number</b>	00678567
<b>Registered office</b>	c/o Titanium Accountants Limited 8th Floor, Newater House 11 Newhall Street Birmingham West Midlands England B3 3NY
<b>Auditor</b>	Baldwins Audit Services Pillar House 113/115 Bath Road Cheltenham Gloucestershire GL53 7LS

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# NEWATER INVESTMENTS LIMITED

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# **NEWATER INVESTMENTS LIMITED**

## **CHAIRMAN'S REPORT**

**FOR THE YEAR ENDED 29 SEPTEMBER 2018**

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### **Results**

We are very pleased to report another year of progressive results for the Company.

Rents and service charges receivable from Newater House increased again to £487,424 (2017: £434,723). This was achieved through a full year of income being recognised on lettings achieved in the previous year, and from rent reviews implemented in 2018. A further increase in turnover is anticipated for the current year.

Cost of sales increased to £331,120 (2017: £258,591); service charge costs increased in the year due to unforeseen repairs, and there was also an increase in professional fees in connection with lease negotiations and other property related matters.

There was additional operating income in the year arising from the entitlement to a right of light claim on the future development of the old Nat West Tower. The Company's share of this claim amounted to £52,558 net of professional fees. A further claim in connection with the neighbouring property, Phoenix House, has been received in the current year.

Administrative expenses were again tightly controlled in the year and amounted to £101,928 (2017: £97,920).

The Profit on ordinary activities before taxation amounted to £236,141 (2017: £69,792).

The value of Newater House has increased further to £2.3m (2017: £2.17m). This value was determined by an independent open market valuation carried out by Jones Lang in August 2018 on behalf of the Company's bankers and has been reflected in the financial statements. As a result, the balance sheet was further improved, shareholders' funds having increased by 10.9% to £2,398,382 (2017: £2,162,241) which represents a net asset value of £52 per share.

### **Newater House**

During the year under review, a new lease was agreed with ASC Connections on the 1st floor, and after the year end, the board secured a letting of the 4th floor to BAM Construction, leaving the only vacant space in the building being on part of the 1st floor.

There is however some significant service charge expenditure being incurred in the current year, with the roof of the building being replaced and also maintenance and repair work on the lifts. The Company has agreed to fund this expenditure over three years and whilst this is service charge expenditure recoverable from tenants, many of the tenants have a capped service charge and therefore the Company will bear some of this cost. Given the age of the building, a planned maintenance programme is being implemented which will result in ongoing increased service charge expenditure for the foreseeable future.

### **Directors**

The non-executive directors continue to receive no payment for their services and the executive directors and professionals have maintained their fees at the reduced levels.

### **Financial position**

The Company renewed its bank loan in August 2018 for a further 3 years and at the current repayment rate the loan will be repaid in 2025.

### **Dividends**

The directors do not consider it appropriate to pay a dividend at this time with bank borrowings and cash reserves being required to fund major service charge expenditure over the next three years.

### **Annual General Meeting**

The Annual General Meeting will be held on Tuesday 30th April 2019 at 12.15pm at Newater House and I look forward to welcoming shareholders.

### **Prospects**

The Board believe the Company is in a strong position and the directors are confident about the future prospects for the Company and its shareholders.

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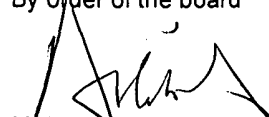
# **NEWATER INVESTMENTS LIMITED**

## **CHAIRMANS REPORT (CONTINUED)**

**FOR THE YEAR ENDED 29 SEPTEMBER 2018**

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By order of the board



Mr D J Sebire

**Chairman**

26 March 2019

# NEWATER INVESTMENTS LIMITED

## DIRECTORS' REPORT

FOR THE YEAR ENDED 29 SEPTEMBER 2018

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The directors present their annual report and financial statements for the year ended 29 September 2018.

### Principal activities

The principal activity of the company continued to be that of property rental.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr D J Sebire  
Mr M S Cottrell  
Mr D J Suggitt  
Mr N R P Harris  
Mr R Blyth

### Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 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 and then apply them consistently;
- make judgements 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.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

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

By order of the board



Mr L M Turner  
**Secretary**  
26 March 2019

# NEWATER INVESTMENTS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF NEWATER INVESTMENTS LIMITED

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#### Opinion

We have audited the financial statements of Newater Investments Limited (the 'company') for the year ended 29 September 2018 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 29 September 2018 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.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's *responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

# **NEWATER INVESTMENTS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF NEWATER INVESTMENTS LIMITED**

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

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

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.

#### **Responsibilities of directors**

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



# **NEWATER INVESTMENTS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF NEWATER INVESTMENTS LIMITED**

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#### **Use of our report**

This report is made solely to the company's members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



**Nicola Smith (Senior Statutory Auditor)**  
**for and on behalf of Baldwins Audit Services**

**Statutory Auditor**

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Pillar House  
113/115 Bath Road  
Cheltenham  
Gloucestershire  
GL53 7LS

# NEWATER INVESTMENTS LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 29 SEPTEMBER 2018

	Notes	2018 £	2017 £
Turnover		487,424	434,723
Cost of sales		(331,120)	(258,591)
<b>Gross profit</b>		<b>156,304</b>	<b>176,132</b>
Administrative expenses		(101,928)	(97,920)
Other operating income		59,500	-
<b>Operating profit</b>		<b>113,876</b>	<b>78,212</b>
Interest receivable and similar income		2,081	1,083
Interest payable and similar expenses		(9,816)	(10,503)
Fair value gains and losses on investment properties	4	130,000	-
<b>Profit before taxation</b>		<b>236,141</b>	<b>68,792</b>
Tax on profit		-	-
<b>Profit for the financial year</b>		<b>236,141</b>	<b>68,792</b>

# NEWATER INVESTMENTS LIMITED

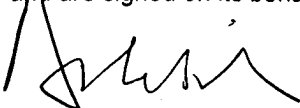
## BALANCE SHEET

AS AT 29 SEPTEMBER 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Investment properties	4	2,300,000		2,170,000	
Investments	5	18,801		18,801	
		<u>2,318,801</u>		<u>2,188,801</u>	
<b>Current assets</b>					
Debtors	6	374,755		333,501	
Cash at bank and in hand		236,703		153,767	
		<u>611,458</u>		<u>487,268</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(300,877)</u>		<u>(513,828)</u>	
<b>Net current assets/(liabilities)</b>			310,581		(26,560)
<b>Total assets less current liabilities</b>			<u>2,629,382</u>		<u>2,162,241</u>
<b>Creditors: amounts falling due after more than one year</b>	8		(231,000)		-
<b>Net assets</b>			<u>2,398,382</u>		<u>2,162,241</u>
<b>Capital and reserves</b>					
Called up share capital			46,000		46,000
Non-distributable profits reserve			1,251,663		1,121,663
Distributable profit and loss reserves			1,100,719		994,578
<b>Total equity</b>			<u>2,398,382</u>		<u>2,162,241</u>

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

The financial statements were approved by the board of directors and authorised for issue on 26 March 2019 and are signed on its behalf by:

  
Mr D J Sebire  
Director

  
Mr M S Cottrell  
Director

Company Registration No. 00678567

# NEWATER INVESTMENTS LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 29 SEPTEMBER 2018

	Share capital £	Non-distributable profits £	Profit and loss reserves £	Total £
<b>Balance at 30 September 2016</b>	46,000	1,121,663	925,786	2,093,449
<b>Year ended 29 September 2017:</b>				
Profit and total comprehensive income for the year	-	-	68,792	68,792
<b>Balance at 29 September 2017</b>	46,000	1,121,663	994,578	2,162,241
<b>Year ended 29 September 2018:</b>				
Profit and total comprehensive income for the year	-	-	236,141	236,141
Fair value gains and loss on investment properties, net of tax		130,000	(130,000)	-
<b>Balance at 29 September 2018</b>	46,000	1,251,663	1,100,719	2,398,382

# **NEWATER INVESTMENTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 29 SEPTEMBER 2018**

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### **1 Accounting policies**

#### **Company information**

Newater Investments Limited is a private company limited by shares incorporated in England and Wales. The registered office is c/o Titanium Accountants Limited, 8th Floor, Newater House, 11 Newhall Street, Birmingham, West Midlands, England, B3 3NY.

#### **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.

#### **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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably.

#### **1.3 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.

The fair values of the assets are regularly reviewed by the directors and further adjustments to carrying values are made where considered appropriate.

Properties are valued using an open market valuation on a leasehold basis, and are supported by independent valuations, where appropriate.

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

#### **1.4 Fixed asset investments**

Investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Transaction costs are expensed to profit or loss as incurred. Changes in fair value are recognised in other comprehensive income except to the extent that a gain reverses a loss previously recognised in profit or loss, or a loss exceeds the accumulated gains recognised in equity; such gains and loss are recognised in profit or loss.

# NEWATER INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 SEPTEMBER 2018

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### 1 Accounting policies

(Continued)

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where a reasonable and consistent basis of allocation can be identified, assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

#### 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.

# NEWATER INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 SEPTEMBER 2018

### 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 transaction 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.

# NEWATER INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 SEPTEMBER 2018

### 1 Accounting policies

(Continued)

#### 1.10 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### 1.11 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.

### 2 Judgements and key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Investment property

Investment properties are reviewed annually for their fair value, where this valuation materially differs to carrying value, adjustments are made to revalue these assets. This movement is recognised in profit or loss.

Independent valuations are obtained from suitably qualified professionals. These are conducted on a periodic basis in order to prevent material misstatement.

The fair value of investment properties was reassessed at August 2018 to be £2,300,000. Consequently, a gain of £130,000 was recognised, net of taxation.

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 5 (2017 - 5).

### 4 Investment property

	2018 £
Fair value	
At 30 September 2017	2,170,000
Revaluations	130,000
At 29 September 2018	<u>2,300,000</u>



# NEWATER INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 SEPTEMBER 2018

### 4 Investment property

(Continued)

The fair value movement included within profit or loss for the year was £130,000 (2017: £Nil).

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

	2018 £	2017 £
Cost	1,048,337	1,048,337
Accumulated depreciation	-	-
Carrying amount	<u>1,048,337</u>	<u>1,048,337</u>

Investment property is valued on an open market basis.

Advice was sought from an independent specialist, Jones, Lang LaSalle Limited, in August 2018. This valuation has been used to support the basis of the directors' valuation as at 29th September 2018.

### 5 Fixed asset investments

	2018 £	2017 £
Investments	<u>18,801</u>	<u>18,801</u>

The Directors consider cost to be an appropriate valuation of the unlisted investments. At the balance sheet date, these investments are included at a cost of £18,801 (2017: £18,801).

#### Movements in fixed asset investments

	Investments other than loans £
<b>Cost or valuation</b>	
At 30 September 2017 & 29 September 2018	<u>18,801</u>
<b>Carrying amount</b>	
At 29 September 2018	<u>18,801</u>
At 29 September 2017	<u>18,801</u>

# NEWATER INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 SEPTEMBER 2018

<b>6 Debtors</b>		
	<b>2018</b>	<b>2017</b>
<b>Amounts falling due within one year:</b>	<b>£</b>	<b>£</b>
Trade debtors	181,321	107,020
Prepayments and accrued income	193,434	226,481
	<u>374,755</u>	<u>333,501</u>

<b>7 Creditors: amounts falling due within one year</b>		
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
	<b>Notes</b>	
Bank loans and overdrafts	38,500	308,000
Trade creditors	41,610	3,153
Other taxation and social security	10,058	14,817
Other creditors	5,938	5,938
Accruals and deferred income	204,771	181,920
	<u>300,877</u>	<u>513,828</u>

Amounts due to the company's bankers are secured by a first legal charge over the company's investment property and its associated assets.

<b>8 Creditors: amounts falling due after more than one year</b>		
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
	<b>Notes</b>	
Bank loans and overdrafts	231,000	-
	<u>231,000</u>	<u>-</u>

Amounts due to the company's bankers are secured by a first legal charge over the company's investment property and its associated assets.

## 9 Financial commitments, guarantees and contingent liabilities

As at 29th September 2018, the company continues to be committed to the payment of an annual ground rent of £47,000, subject to review in 2029, until 29th September 2062. This commitment falls away upon the sale of the leasehold property held by the company.