

Registered number: 00679117

FERNTURN HOLDINGS LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

WEDNESDAY



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COMPANIES HOUSE

FERNTURN HOLDINGS LIMITED

COMPANY INFORMATION

Directors R P Ovens
I J Webb

Company secretary I J Webb

Company number 00679117

Registered office TLT LLP
1 Redcliff Street
Bristol
BS1 6TP

Accountants BDO LLP
Bridgewater House
Finzels Reach
Counterslip
Bristol
BS1 6BX

Bankers HSBC Bank plc
46 Fore Street
Trowbridge
Wiltshire
BA14 8EL

FERNTURN HOLDINGS LIMITED

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FERNTURN HOLDINGS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

The directors present their report and the financial statements for the year ended 30 June 2015.

Principal activities

The company principal activity is property investment.

Directors

The directors who served during the year were:

R P Ovens

I J Webb

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 on 22nd MARCH 2016 and signed on its behalf.



I J Webb
Secretary

FERNTURN HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

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 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 judgments and accounting estimates that are reasonable and prudent; and
- 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 to 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.

FERNTURN HOLDINGS LIMITED

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE
UNAUDITED FINANCIAL STATEMENTS OF FERNTURN HOLDINGS LIMITED**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Fernturn Holdings Limited Limited for the year ended 30 June 2015 which comprise of the profit and loss account, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practicing member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

This report is made solely to the board of directors of Fernturn Holdings Limited, as a body, in accordance with the terms of our engagement letter dated 7 May 2013. Our work has been undertaken solely to prepare for your approval the accounts of Fernturn Holdings Limited and state those matters that we have agreed to state to the board of directors of Fernturn Holdings Limited, as a body, in this report in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Fernturn Holdings Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that Fernturn Holdings Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Fernturn Holdings Limited. You consider that Fernturn Holdings Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Fernturn Holdings Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

BDO LLP

BDO LLP
Bristol
United Kingdom

22 March 2016

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

FERNTURN HOLDINGS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 £000	2014 £000
TURNOVER	1	265	227
Administrative expenses		(153)	(168)
OPERATING PROFIT		112	59
EXCEPTIONAL ITEMS			
Other exceptional items	3	-	5,028
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		112	5,087
Other finance charges	4	(55)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		57	5,087
Tax on profit on ordinary activities	5	-	-
PROFIT FOR THE FINANCIAL YEAR	10	57	5,087

The notes on pages 7 to 11 form part of these financial statements.

FERNTURN HOLDINGS LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 £000	2014 £000
PROFIT FOR THE FINANCIAL YEAR		57	5,087
Movement in recoverable assets of the pension scheme		6	
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR		63	5,087

The notes on pages 7 to 11 form part of these financial statements.

FERNTURN HOLDINGS LIMITED
REGISTERED NUMBER: 00679117

BALANCE SHEET
AS AT 30 JUNE 2015

	Note	£000	2015 £000	2014 £000
FIXED ASSETS				
Investment property	6		2,840	2,840
CURRENT ASSETS				
Debtors	7	118		183
Cash at bank		269		206
		<u>387</u>		<u>389</u>
CREDITORS: amounts falling due within one year	8	(18)		(83)
NET CURRENT ASSETS			<u>369</u>	<u>306</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>3,209</u></u>	<u><u>3,146</u></u>
CAPITAL AND RESERVES				
Called up share capital	9		41	41
Capital redemption reserve	10		28	28
Profit and loss account	10		3,140	3,077
SHAREHOLDERS' FUNDS	11		<u><u>3,209</u></u>	<u><u>3,146</u></u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 June 2015 and of its profit for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



22 March 2016

I J Webb
Director

The notes on pages 7 to 11 form part of these financial statements.

FERNTURN HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Going concern

The directors have considered the basis of preparation of the financial statements of the company on a going concern basis.

On 4 July 2013, the company completed its Scheme of Arrangement with all creditors relating to its previous trade. As part of the process, the company's *defined benefit pension scheme* were granted security over the freehold investment property owned by Fernturn Holdings Limited. At present, the majority of the freehold building is leased to third parties and the directors have agreed with the Trustees of the defined benefit pension scheme that the business will pass surplus rental income, net of expenses, to the pension scheme. The directors believe that continuing on this basis will enable the company to continue to meet its obligations to the scheme.

If the Trustees of the defined benefit pension scheme believe that there is no reasonable prospect of the scheme becoming fully funded through the company's normal trading activities, they may decide to place the scheme into wind up. This, in turn, would be likely to crystallise a significant liability and the wind up of the company. This represents a material uncertainty that may cast significant doubt upon the company's ability to continue as a going concern and that, therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business. However, as the business has no other creditors, nor an intention to enter into any credit agreements, the directors consider that the going concern basis is appropriate.

For these reasons, the financial statements have been prepared on a going concern basis. The financial statements do not include any adjustments that would result from the going concern basis of preparation being inappropriate.

1.3 Turnover

Revenue, which relates to rental income from the company's investment property, is recognised in a straight line over the period of the lease.

1.4 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.5 Investment properties

Investment properties are included in the balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

FERNTURN HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1. ACCOUNTING POLICIES (continued)

1.6 Pensions

The company operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 6 April 2008.

This scheme is closed to future accrual of benefit. The assets of the scheme are held separately from those of the company, being invested with insurance companies. The funds are valued every three years by a professionally qualified independent actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates. Contributions to this fund are charged to the profit and loss account so as to spread the cost of pensions over the employees' working lives within the company. The regular cost is attributed to individual years using the projected unit method of valuation.

2. DIRECTORS' REMUNERATION

	2015 £000	2014 £000
Aggregate remuneration	<u>60</u>	<u>63</u>

3. EXCEPTIONAL ITEMS

	2015 £000	2014 £000
Write off amounts owed to group undertakings	<u>-</u>	<u>5,028</u>

The prior year gain relates to balances owed to group undertakings which have been written off during the year due to those companies being dissolved in the year.

4. OTHER FINANCE (CHARGES)/INCOME

	2015 £000	2014 £000
Expected return on pension scheme assets	515	636
Interest on pension scheme liabilities	(570)	(636)
	<u>(55)</u>	<u>-</u>

FERNTURN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

5. TAXATION

	2015 £000	2014 £000
UK corporation tax charge on profit for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The company has excess management expenses of £4,273,000 (2014 - £4,337,000) to offset against future profits of the property business. No deferred tax asset has been recognised in respect of these losses as the recognition criteria set out in the Financial Reporting Standard for Smaller Entities (effective April 2008) have not been met.

6. INVESTMENT PROPERTY

	Freehold investment property £000
Valuation	
At 1 July 2014 and 30 June 2015	<u>2,840</u>

The 2015 valuations were made by the directors based on the 2012 professional valuation at open market existing use value carried out by BNP Paribas, a firm of independent Chartered Surveyors. The directors reviewed this professional valuation and revalued investment properties in the year ended 30 June 2013 based on prices of similar properties. The Directors consider that this valuation continues to be appropriate.

7. DEBTORS

	2015 £000	2014 £000
Other debtors	<u>118</u>	<u>183</u>

**8. CREDITORS:
Amounts falling due within one year**

	2015 £000	2014 £000
Other creditors	<u>18</u>	<u>83</u>

9. SHARE CAPITAL

	2015 £000	2014 £000
Allotted, called up and fully paid		
40,765 Ordinary shares of £1 each	<u>41</u>	<u>41</u>

FERNTURN HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

10. RESERVES

	Capital redempt'n reserve £000	Profit and loss account £000
At 1 July 2014	28	3,077
Profit for the year	-	57
Movement in recoverable assets of the pension scheme	-	6
At 30 June 2015	<u>28</u>	<u>3,140</u>

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015 £000	2014 £000
Opening shareholders' funds/(deficit)	3,146	(1,941)
Profit for the financial year	57	5,087
Other recognised gains and losses during the year	6	-
Closing shareholders' funds	<u>3,209</u>	<u>3,146</u>

12. PENSION COMMITMENTS

The company's total pension charge included within operating profit was £Nil (2014 - £Nil).

The company operates a defined benefit pension scheme, which is funded.

The assets of the scheme are held separately from those of the company, being invested with insurance companies.

The pension cost and provision for the year ended 30 June 2015 is based on the advice of a professionally qualified actuary. The most recent formal valuation is dated 30 June 2015. The results of this valuation were an overall actuarial loss of £101,000 (2014 - gain of £507,000), based on an asset gain of £605,000 (2014 - £442,000), and an experience gain of £118,000 (2014 - £NIL), and a loss on the defined benefit obligation of £824,000 (2014 - Gain of £65,000).

The contribution made for the year ended 30 June 2015 was £49,000. The agreed contribution rate for future years is NIL%.

Value of scheme assets and liabilities

The pension scheme surplus is considered irrecoverable as it will not be recovered by the company through either reduced future contributions or by way of a refund.

Market value of assets	17,279	16,455
Present value of scheme liabilities	(14,663)	(13,732)
Surplus in the scheme	<u>2,616</u>	<u>2,723</u>
Surplus not recognised	(2,616)	(2,723)
Net pension asset	<u>-</u>	<u>-</u>

FERNTURN HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

12. PENSION COMMITMENTS (continued)

	2015 £000	2014 £000
Movements in surplus during the year:		
Surplus in scheme at beginning of year	2,723	2,216
Actuarial (loss)/gain	(101)	507
Change in recoverable assets	(6)	-
	<hr/> 2,616	<hr/> 2,723
Surplus in scheme at end of year	<hr/> <hr/> 2,616	<hr/> <hr/> 2,723

13. RELATED PARTY TRANSACTIONS

During the year £18,435 (2014 - £12,248) was paid to WayPoint Change LLP in respect of services provided by Nick Winks and Andy Pearson, who are Partners of that firm. Nick Winks and Andy Pearson held senior management positions within Fernturn Holdings Limited. At the balance sheet date £1,200 (2014 - £1,000) was due to WayPoint Change LLP.

During the year £27,047 (2014 - £42,858) was paid to RP Ovens Limited in respect of services provided by R Ovens, who is a director of that firm. Ruth Ovens is a director of Fernturn Holdings Limited and this amount does not include fees payable in respect of her services to Fernturn Holdings Limited as a director. At the balance sheet date £1,917 (2014 - £Nil) was due to RP Ovens Limited.

During the year £17,479 (2014 - £23,925) was paid to IWFD Limited in respect of services provided by Ian Webb, who is a director of that firm. Ian Webb is a director of Fernturn Holdings Limited and this amount does not include fees payable in respect of his services to Fernturn Holdings Limited as a director. At the balance sheet date £1,500 (2014 - £Nil) was due to IWFD Limited.

The company has taken advantage of the exemption available in Financial Reporting Standard for Smaller Entities, not to disclose transactions with group companies where 100% of the voting rights are controlled within the group.

14. CONTROLLING PARTY

The company is controlled by Praxis Trustees Limited, a company registered in Guernsey.

The ultimate controlling party is D Kingsbury.