Registered number: 00764478

Mr Butcher The Baker Limited

Unaudited

Financial statements

For the Year Ended 31 March 2018

Mr Butcher The Baker Limited
Registered number: 00764478

Balance sheet
As at 31 March 2018

	Note		2018 £		2017 £
Fixed assets					
Tangible assets	5		**139**		278
Investment property	6		**1,685,000**		1,765,000
			1,685,139		1,765,278
Current assets					
Debtors: amounts falling due within one year	7	**15,989**		13,689	
Current asset investments	8	**1,970**		1,863	
Cash at bank and in hand	9	**239,788**		5,997	
		257,747		21,549	
Creditors: amounts falling due within one year	10	**(193,145)**		(166,924)	
Net current assets/(liabilities)			**64,602**		(145,375)
Total assets less current liabilities			**1,749,741**		1,619,903
Provisions for liabilities					
Deferred tax	11	**(144,109)**		(162,329)	
			(144,109)		(162,329)
Net assets			**1,605,632**		1,457,574
Capital and reserves					
Called up share capital			**100**		100
Investment property reserve			**918,586**		972,185
Profit and loss account			**686,946**		485,289
			1,605,632		1,457,574

Mr Butcher The Baker Limited
Registered number: 00764478

Balance sheet (continued)
As at 31 March 2018

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 on 28/11/18

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Mr S L Butcher
Director

The notes on pages 4 to 11 form part of these financial statements.

Mr Butcher The Baker Limited

Statement of changes in equity
For the Year Ended 31 March 2018

	Called up share capital	Investment property revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2016	100	966,380	470,148	1,436,628
Profit for the year	-	-	20,946	20,946
Transfer from profit and loss account	-	-	(5,805)	(5,805)
Other movement type 2	-	5,805	-	5,805
At 1 April 2017	100	972,185	485,289	1,457,574
Profit for the year	-	-	148,058	148,058
Transfer from profit and loss account	-	-	53,599	53,599
Net movement on deferred tax and property revaluation	-	(53,599)	-	(53,599)
At 31 March 2018	100	918,586	686,946	1,605,632

The notes on pages 4 to 11 form part of these financial statements.

Notes to the financial statements
For the Year Ended 31 March 2018

1. General information

The company is limited by shares and incorporated in England. The principal activities of the company throughout the year were those of property management. The registered office address is 46 Deepdene Avenue, Dorking, Surrey, RH5 4AE.

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 following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2. Accounting policies (continued)

2.4 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 balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following bases.

Depreciation is provided on the following basis:

Freehold Investment property	- Not depreciated
Fixtures & fittings	- 20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.6 Investment property

Investment property is carried at fair value determined annually by external valuers 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.

2. Accounting policies (continued)

2.7 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.

2.8 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 24 hours. 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.

2.9 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.

2.10 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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 the 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.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

2. Accounting policies (continued)

2.11 Financial instruments (continued)

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.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make judgments, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year.
The nature of estimation is such though that actual outcomes could differ significantly from those estimates.
There are no judgments or sources of estimation uncertainty that have had a significant impact on amounts recognised in the financial statements.

4. Employees

The average monthly number of employees, including directors, during the year was 2 (2017 - 2).

Notes to the financial statements
For the Year Ended 31 March 2018

5. Tangible fixed assets

	Fixtures & fittings £
Cost or valuation	
At 1 April 2017	695
At 31 March 2018	695
Depreciation	
At 1 April 2017	417
Charge for the year on owned assets	139
At 31 March 2018	556
Net book value	
At 31 March 2018	139
At 31 March 2017	278

6. Investment property

	Freehold investment property £
Valuation	
At 1 April 2017	**1,765,000**
Disposals	**(80,000)**
At 31 March 2018	**1,685,000**

The 2018 valuations were made by the Director, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2018 £	2017 £
Historic cost	**622,369**	630,538
	622,369	630,538

Notes to the financial statements
For the Year Ended 31 March 2018

7. Debtors

	2018 £	2017 £
Trade debtors	3,175	875
Other debtors	12,814	12,814
	15,989	13,689

8. Current asset investments

	2018 £	2017 £
Listed investments	1,970	1,863
	1,970	1,863

9. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	239,788	5,997
	239,788	5,997

10. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	16,470	11,959
Corporation tax	20,483	3,778
Other taxation and social security	36,586	274
Other creditors	117,008	147,915
Accruals and deferred income	2,598	2,998
	193,145	166,924

11. Deferred taxation

	2018 £	2017 £
At beginning of year	**(162,329)**	(168,165)
Charged to profit or loss	**18,220**	5,836
At end of year	**(144,109)**	(162,329)

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	**(26)**	(53)
Potential Capital Gains Tax on Investment Property	**(144,083)**	(162,276)
	(144,109)	(162,329)

12. Related party transactions

Director Mrs B Butcher was owed £74,725 (2017 - £93,648) by the company at the year end. The loan is interest free. During the year Mrs B Butcher withdrew £18,923 (2017 - £17,648).

Director Mr S Butcher was owed £23,592 (2017 - £35,577) by the company at the year end. The loan is interest free. During the year Mr S Butcher rented property from the company at an annual rent of £12,000 (2017 - £12,000). This amount was deducted from the loan account.

Mr R Butcher, son of Mrs B Butcher (director and shareholder), owed the company £12,814 (2017 - £12,814) at the year end. The balance is included in other debtors.