Company Registration No. 00775641 (England and Wales)

Castle Hill Holdings Limited

Annual report and unaudited financial statements for the year ended 30 June 2016

Pages for filing with the Registrar

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CHARTERED ACCOUNTANTS

Castle Hill Holdings Limited

Contents

Castle Hill Holdings Limited

Balance sheet
As at 30 June 2016

			2016		2015
	Notes	**£**	**£**	**£**	**£**
Fixed assets					
Investment properties	4		2,640,000		2,640,000
Investments	5		16,000		16,000
			2,656,000		2,656,000
Current assets					
Debtors	6	69,143		93,024	
Cash at bank and in hand		18,945		-	
		88,088		93,024	
Creditors: amounts falling due within one year	7	(504,788)		(546,926)	
Net current liabilities			(416,700)		(453,902)
Total assets less current liabilities			2,239,300		2,202,098
Creditors: amounts falling due after more than one year	8		(461,532)		(532,784)
Net assets			1,777,768		1,669,314
Capital and reserves					
Called up share capital	9		90,089		90,089
Share premium account			12,108		12,108
Profit and loss reserves			1,675,571		1,567,117
Total equity			1,777,768		1,669,314

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

Castle Hill Holdings Limited

Balance sheet (continued)
As at 30 June 2016

For the financial year ended 30 June 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

Directors' responsibilities:

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

These financial statements have been prepared and delivered 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 6 January 2017 and are signed on its behalf by:

J W Lockwood
Director

Company Registration No. 00775641

Castle Hill Holdings Limited

Statement of changes in equity
For the year ended 30 June 2016

	Share capital	Share premium account	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£	£
Balance at 1 July 2014	90,089	12,108	(193,486)	1,592,838	1,501,549
Effect of transition to FRS 102	-	-	193,486	(193,486)	-
As restated	90,089	12,108	-	1,399,352	1,501,549
Year ended 30 June 2015:					
Profit and total comprehensive income for the year	-	-	-	226,421	226,421
Dividends	-	-	-	(58,656)	(58,656)
Balance at 30 June 2015	90,089	12,108	-	1,567,117	1,669,314
Year ended 30 June 2016:					
Profit and total comprehensive income for the year	-	-	-	167,110	167,110
Dividends	-	-	-	(58,656)	(58,656)
Balance at 30 June 2016	90,089	12,108	-	1,675,571	1,777,768

1 Accounting policies

Company information

Castle Hill Holdings Limited is a private company limited by shares incorporated in England and Wales. The registered office is Scampton House, Scampton, Lincoln, LN1 2SF.

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 June 2016 are the first financial statements of Castle Hill 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 July 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 11.

The company has early adopted Section 1A of FRS 102.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents commercial rents receivable net of VAT and other sales related taxes. Rental income is recognised on an accruals basis over the term of the lease. Rent deposits received from tenants under the terms of a rent deposit deed are held in a separate restricted bank account. The deposit is included within other creditors falling due after more than one year.

1 Accounting policies (continued)

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired term is less than 20 years.

No depreciation is provided on freehold investment properties. The requirement of the Companies Act 2006 is to depreciate all fixed assets which have a useful economic life but that requirement conflicts with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, for the financial statements to give a true and fair view.

1.5 Fixed asset investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Cash and cash equivalents

Cash and cash equivalents 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.

1 Accounting policies (continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 trade and other 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 receipts 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. Accounts payable are classified as 'creditors: amounts falling due within one year' if payment is due within one year or less. If not, they are presented as 'creditors: amounts falling due after more than one year'. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss.

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 finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

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.

1 Accounting policies (continued)

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. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. 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.

1.10 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 5 (2015 : 5).

3 Taxation

	2016	2015
	£	£
Current tax		
UK corporation tax on profits for the current period	41,695	43,729
Adjustments in respect of prior periods	-	(675)
Total current tax	41,695	43,054

4 Investment property

	£
Fair value	
At 1 July 2015 and 30 June 2016	2,640,000

The fair value of the investment property has been arrived at on an open market value basis by reference to market evidence of transaction prices for similar properties.

If the investment properties were sold at 30 June 2016 this would give rise to a deferred tax asset amounting to £75,274 (2015 - £99,289). On a historical cost basis investment properties would have been included at an original cost of £2,799,632 (2015 - £2,799,632).

5 Fixed asset investments

	Unlisted investments
	£
Cost or valuation	
At 1 July 2015 & 30 June 2016	16,000
Carrying amount	
At1 July 2015 & 30 June 2016	16,000

6 Debtors

	2016	2015
Amounts falling due within one year:	£	£
Trade debtors	62,051	83,951
Other debtors	7,092	9,073
	69,143	93,024

7 Creditors: amounts falling due within one year

	2016	2015
	£	£
Bank loans and overdrafts	71,652	72,509
Trade creditors	2,527	3,298
Corporation tax	41,695	43,729
Other taxation and social security	23,475	12,100
Other creditors	365,439	415,290
	504,788	546,926

Security has been given in respect of the bank loan.

8 Creditors: amounts falling due after more than one year

	2016	2015
	£	£
Bank loans and overdrafts	461,532	532,784

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

Payable by instalments	150,081	231,449

Security has been given in respect of the bank loan.

9 Called up share capital

	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
79,197 'A' Ordinary of £1 each	79,197	79,197
10,000 'B' Ordinary of £1 each	10,000	10,000
79,197 'C' Ordinary of 1p each	792	792
10,000 'D' Ordinary of 1p each	100	100
	90,089	90,089

The A shares shall be ordinary shares with full rights for their holders to vote at general meetings of the company and, subject to Articles 2 (c) and (d), receive a proportion of any dividend, capital or distribution (including on a winding up) divided by the total number of shares issued at that time bearing such rights but subject to any prior rights to distributions of profit or capital which may attach to other shares in issue at such time.

The B shares shall rank equally with the A shares in all respects save that:
i) the powers to pay dividends contained in Article 2 (b) may be exercised in such a way as to pay a dividend to the holders of the B shares only or to pay dividends of larger amounts to the holders of the B shares than to the owners of the A shares provided that nothing contained in these Articles shall authorise the making of a payment to the A shareholders and not to the B shareholders or of a higher amount to the A shareholders than to the B shareholders,
ii) the holders of the B shares shall not be entitled to receive notice of or to attend and vote either in person or by proxy at any general meeting of the company.

The maximum sum which shall be payable to the holders of the A shares and the B shares together whether by one payment or as a cumulative total of payments and whether by way of dividend, capital or distribution (including on a winding up) shall be limited to the net asset value.

The C shares shall rank pari passu with the A shares as regards rights to vote at general meetings and payments of dividends, save that the holders of the C shares shall only be entitled to a distribution of capital from the company either by way of dividend or on a winding up if the net asset value of the company after taking into account all assets of the company and all liabilities save sums due in respect of shares held is in excess of the revised net asset value. If the net asset value of the company is in excess of the revised net asset value the holders of the C shares shall be entitled to participate in that excess proportionately to the number of shares in issue entitled to participate in a distribution of capital, as by way of dividend or on a winding up.

9 Called up share capital (continued)

The D shares shall rank pari passu with the B shares as regards rights to vote at general meetings and payments of dividends, save that the holders of the D shares shall only be entitled to a distribution of capital from the company either by way of dividend or on a winding up if the net asset value of the company after taking into account all assets of the company and all liabilities save sums due in respect of shares held is in excess of the revised net asset value. If the net asset value of the company is in excess of the revised net asset value the holders of the D shares shall be entitled to participate in that excess proportionately to the number of shares in issue entitled to participate in a distribution of capital, as appropriate by way of dividend or on a winding up.

The "net asset value" shall mean the net assets value of the company as at 30 June 2011 after taking into account all assets and liabilities of the company and "revised net asset value" shall mean the net asset value less the cumulative total of all distributions of distributable reserves or capital made to the holders of the A shares since 30 June 2011.

10 Related party transactions

Dividends paid to directors as shareholders amounted to £58,656 (2015 - £58,656). Two directors waived their rights to dividends which would have amounted to £21,344 in aggregate (2015 - £121,344).

Included in creditors is a loan from Castle Square Developments Limited, a company in which certain directors are shareholders and directors. The loan amounted to £300,000 (2015 - £330,000). Interest was charged on the loan balance at a commercial rate of interest, which amounted to £7,938 (2015 - £8,295).

11 Reconciliations on adoption of FRS 102

Reconciliations and descriptions of the effect of the transition to FRS 102 on; (i) equity at the date of transition to FRS 102; (ii) equity at the end of the comparative period; and (iii) profit or loss for the comparative period reported under previous UK GAAP are given below.

Reconciliation of equity

	1 July 2014 £	30 June 2015 £
Equity as reported under previous UK GAAP and under FRS 102	1,501,549	1,669,314

Reconciliation of profit or loss

	Notes	2015 £
Profit as reported under previous UK GAAP		172,917
Adjustments arising from transition to FRS 102:		
Gain on revaluation of investment property	A	53,504
Profit reported under FRS 102		226,421

11 Reconciliations on adoption of FRS 102 (continued)

Reconciliation of equity

		At 1 July 2014			At 30 June 2015		
		Previous UK GAAP	*Effect of transition*	*FRS 102*	*Previous UK GAAP*	*Effect of transition*	*FRS 102*
	Notes	£	£	£	£	£	£
Fixed assets							
Investment properties		2,540,000	-	2,540,000	2,640,000	-	2,640,000
Investments		16,000	-	16,000	16,000	-	16,000
		2,556,000	-	2,556,000	2,656,000	-	2,656,000
Current assets							
Debtors		60,606	-	60,606	93,024	-	93,024
Bank and cash		5,134	-	5,134	-	-	-
		65,740	-	65,740	93,024	-	93,024
Creditors due within one year							
Loans and overdrafts		(67,273)	-	(67,273)	(72,509)	-	(72,509)
Taxation		(32,141)	-	(32,141)	(55,829)	-	(55,829)
Other creditors		(418,663)	-	(418,663)	(418,588)	-	(418,588)
		(518,077)	-	(518,077)	(546,926)	-	(546,926)
Net current liabilities		(452,337)	-	(452,337)	(453,902)	-	(453,902)
		2,103,663	-	2,103,663	2,202,098	-	2,202,098
Creditors due after one year							
Loans and overdrafts		(602,114)	-	(602,114)	(532,784)	-	(532,784)
Net assets		1,501,549	-	1,501,549	1,669,314	-	1,669,314
Capital and reserves							
Share capital		90,089	-	90,089	90,089	-	90,089
Share premium		12,108	-	12,108	12,108	-	12,108
Revaluation reserve	B	(193,486)	193,486	-	(139,982)	139,982	-
Profit and loss		1,592,838	(193,486)	1,399,352	1,707,099	(139,982)	1,567,117
Total equity		1,501,549	-	1,501,549	1,669,314	-	1,669,314

11 Reconciliations on adoption of FRS 102 (continued)

Notes to reconciliations on adoption of FRS 102

A Gain on revaluation of investment property
Investment properties are measured at fair value through profit and loss under FRS 102.

B Revaluation reserve
Revaluation gain on investment properties are included in the profit and loss account under FRS 102.