

COMPANY REGISTRATION NUMBER: 00808510

Birchfield Court Investments (Redditch) Limited
Filleted Unaudited Financial Statements
31 March 2018



BSN ASSOCIATES LIMITED

Chartered Accountants
3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

Birchfield Court Investments (Redditch) Limited

Financial Statements

Year ended 31 March 2018

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Birchfield Court Investments (Redditch) Limited

Officers and Professional Advisers

The board of directors

M A Pardoe
P H Harrison

Company secretary

P H Harrison

Registered office

52 Bromsgrove Road
Redditch
B97 4RJ

Accountants

BSN Associates Limited
Chartered Accountants
3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

Birchfield Court Investments (Redditch) Limited

Statement of Financial Position

31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	4,125	5,500
Investments	6	2,494,246	2,645,270
		<u>2,498,371</u>	<u>2,650,770</u>
Current assets			
Debtors	7	1,355,735	1,618,841
Cash at bank and in hand		286,049	385,491
		<u>1,641,784</u>	<u>2,004,332</u>
Creditors: amounts falling due within one year	8	<u>270,389</u>	<u>458,330</u>
Net current assets		<u>1,371,395</u>	<u>1,546,002</u>
Total assets less current liabilities		<u>3,869,766</u>	<u>4,196,772</u>
Creditors: amounts falling due after more than one year	9	516,456	562,508
Provisions			
Taxation including deferred tax	10	109,697	147,923
Net assets		<u>3,243,613</u>	<u>3,486,341</u>
Capital and reserves			
Called up share capital	12	800	800
Other reserves	13	12,505	12,505
Profit and loss account	13	3,230,308	3,473,036
Shareholders funds		<u>3,243,613</u>	<u>3,486,341</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

The statement of financial position
continues on the following page.

The notes on pages 4 to 9 form part of these financial statements.

Birchfield Court Investments (Redditch) Limited

Statement of Financial Position *(continued)*

31 March 2018

These financial statements were approved by the board of directors and authorised for issue on 12 June 2018, and are signed on behalf of the board by:



M A Pardoe
Director

Company registration number: 00808510

The notes on pages 4 to 9 form part of these financial statements.

Birchfield Court Investments (Redditch) Limited

Notes to the Financial Statements

Year ended 31 March 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 52 Bromsgrove Road, Redditch, B97 4RJ.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have also been prepared on the assumption that the company is able to carry on business as a going concern as the directors are not aware of any reason why the company cannot meet its anticipated future financial obligations from its own working capital.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under FRS 102:

- No cash flow statement has been presented for the company
- Disclosures in respect of financial instruments have not been presented
- No disclosure has been given for the aggregate remuneration of key management personnel.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The only significant estimate and judgement made by management in the preparation of the financial statements is in relation to the valuation of the investment properties.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for rent and service charges, stated net of discounts and of Value Added Tax.

Birchfield Court Investments (Redditch) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	-	20% straight line
Motor Vehicles	-	25% reducing balance

Investments

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date as determined by the directors and any changes in fair value are recognised in profit or loss.

Birchfield Court Investments (Redditch) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Particulars of employees

The average number of persons employed by the company during the year amounted to 3 (2017: 3).

5. Tangible assets

	Fixtures and fittings £	Motor vehicles £	Total £
Cost			
At 1 April 2017 and 31 March 2018	<u>5,580</u>	<u>5,500</u>	<u>11,080</u>
Depreciation			
At 1 April 2017	5,580	–	5,580
Charge for the year	–	1,375	1,375
At 31 March 2018	<u>5,580</u>	<u>1,375</u>	<u>6,955</u>
Carrying amount			
At 31 March 2018	<u>–</u>	<u>4,125</u>	<u>4,125</u>
At 31 March 2017	<u>–</u>	<u>5,500</u>	<u>5,500</u>

6. Investments

	Investment properties £
Cost	
At 1 April 2017	2,645,270
Disposals	(10,000)
Revaluations	(141,024)
At 31 March 2018	<u>2,494,246</u>
Impairment	
At 1 April 2017 and 31 March 2018	<u>–</u>

Birchfield Court Investments (Redditch) Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2018

6. Investments (continued)

	Investment properties £
Carrying amount	
At 31 March 2018	<u>2,494,246</u>
At 31 March 2017	<u>2,645,270</u>

Investment properties which are all freehold, were revalued to fair value at 31 March 2018 by the directors based on their knowledge of the locality and experience. The method of determining fair value was based on a multiple of rental income or the expected sales value of the property if considerably lower. There are no restrictions on the realisability of investment property. Note 4 sets out the property rental income earned during the year.

The historical cost of the investment properties is £897,643 (2017: £928,717).

7. Debtors

	2018 £	2017 £
Trade debtors	51,786	52,389
Amounts owed by group undertakings	1,299,090	1,563,152
Prepayments and accrued income	4,859	3,300
	<u>1,355,735</u>	<u>1,618,841</u>

8. Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	47,548	49,044
Trade creditors	67,821	69,036
Amounts owed to group undertakings	115,814	309,426
Accruals and deferred income	7,916	8,146
Corporation tax	8,798	2,633
Social security and other taxes	22,492	20,045
	<u>270,389</u>	<u>458,330</u>

Bank loans included within creditors are secured over one of the companies investment properties.

9. Creditors: amounts falling due after more than one year

	2018 £	2017 £
Bank loans and overdrafts	<u>516,456</u>	<u>562,508</u>

Bank loans included within creditors are secured over one of the companies investment properties.

Birchfield Court Investments (Redditch) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

9. Creditors: amounts falling due after more than one year *(continued)*

Included within creditors due after more than one year is an amount of £326,265 (2017: £366,333) in respect of liabilities which fall due for payment after more than five years.

10. Provisions

	Deferred tax (note 11) £
At 1 April 2017	147,923
Additions	(38,226)
At 31 March 2018	<u>109,697</u>

11. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2018 £	2017 £
Included in provisions (note 10)	<u>109,697</u>	<u>147,923</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2018 £	2017 £
Accelerated capital allowances	(1,689)	(1,795)
Fair value adjustment of investment property	115,606	149,718
Capital losses	(4,220)	—
	<u>109,697</u>	<u>147,923</u>

12. Called up share capital

Issued, called up and fully paid

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	<u>800</u>	<u>800</u>	<u>800</u>	<u>800</u>

13. Reserves

Capital redemption reserve - This reserve records the nominal value of shares repurchased by the company.

Profit and loss account - This reserve records retained earnings and accumulated losses. The profit and loss account includes £1,600,703 (2017: £1,737,624) of non distributable reserves, with the remainder being distributable.

Birchfield Court Investments (Redditch) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

14. Related party transactions

Harbro Properties (Redditch) Limited

At the year end the company was owed £1,172,416 (2017: £1,267,082) from its fellow subsidiary.

During the year the company received advances of £46,334 (2017: £63,603) to the above related party to help fund its working capital.

Chaceley Properties Limited

At the year end the company was owed £126,675 (2017: £296,070) from its fellow subsidiary.

During the year the company received advances of £169,395 (2017: £11,458) from the above related party to help fund its working capital.

The company paid a management charge of £105,000 (2017: £108,000) to the above related party during the year.

Harrison Properties (Midlands) Limited

The company owed £115,814 (2017: £115,814) to its parent company at the year end.

During the year the company paid a dividend of £350,000 (2017: £550,000) to its parent company.

Pitcheroak Developments Limited

At the year end the company owed £Nil (2017: £193,612) to its fellow subsidiary.

During the year the company received advances of £918 (2017: paid advances of £980) from the above related party to help fund its working capital.

During the year a balance of £192,694 owed to the company was written off due to the above related party ceasing to trade.

15. Controlling party

The company's ultimate parent company is Harrison Properties (Midlands) Limited, a company registered in England and Wales.