

Registered number: 01685862

AVERYCROWN LIMITED

UNAUDITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2019



AVERYCROWN LIMITED

COMPANY INFORMATION

Directors

Mr D Atherton
Mrs M N Atherton
Mrs R Spencer
Ms S E Atherton

Company secretary

Mrs M N Atherton

Registered number

01685862

Registered office

C/O Grant Thornton UK LLP
Royal Liver Building
Liverpool
L3 1PS

Accountants

Grant Thornton UK LLP
Chartered Accountants
Royal Liver Building
Liverpool
L3 1PS

Bankers

Barclays Bank PLC
50 Lord Street
Liverpool
L2 1TD

AVERYCROWN LIMITED

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AVERYCROWN LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

The directors present their report and the unaudited financial statements for the year ended 30 September 2019.

Directors

The directors who served during the year were:

Mr D Atherton
Mrs M N Atherton
Mrs R Spencer
Ms S E Atherton

Small companies note

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 and signed on its behalf.

S Atherton

Ms S E Atherton
Director

Date: 29/5/2020



**Report to the directors on the preparation of the unaudited statutory financial statements of
Averycrown Limited for the year ended 30 September 2019**

We have compiled the accompanying financial statements of Averycrown Limited based on the information you have provided. These financial statements comprise the Statement of Financial Position of Averycrown Limited as at 30 September 2019, the Statement of Comprehensive Income for the year then ended, the Statement of Changes in Equity and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Board of Directors of Averycrown Limited, as a body, in accordance with the terms of our engagement letter dated 14 January 2020. Our work has been undertaken solely to prepare for your approval the financial statements of Averycrown Limited and state those matters that we have agreed to state to the Board of Directors of Averycrown Limited, as a body, in this report in accordance with our engagement letter dated 14 January 2020. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Averycrown Limited and its Board of Directors, as a body, for our work or for this report.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at www.icaew.com.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Grant Thornton UK LLP

Grant Thornton UK LLP

Chartered Accountants

Liverpool

Date: 11/6/2020

AVERYCROWN LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

	Note	2019 £	2018 £
Turnover		328,411	303,070
Gross profit		328,411	303,070
Administrative expenses		(68,354)	(94,398)
Other operating income		2,363	2,814
Operating profit		262,420	211,486
Interest payable and expenses		(8,013)	(8,000)
Profit before tax		254,407	203,486
Tax on profit	5	(47,431)	(38,602)
Profit for the financial year		206,976	164,884

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 6 to 13 form part of these financial statements.

AVERYCROWN LIMITED
REGISTERED NUMBER:01685862

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	7	1,224	1,316
Investment property	8	3,311,925	3,525,068
		<u>3,313,149</u>	<u>3,526,384</u>
Current assets			
Stocks	9	97,711	97,711
Debtors: amounts falling due within one year	10	31,239	17,541
Cash at bank and in hand		1,124,945	758,742
		<u>1,253,895</u>	<u>873,994</u>
Creditors: amounts falling due within one year	11	(203,097)	(193,407)
Net current assets		<u>1,050,798</u>	<u>680,587</u>
Net assets		<u><u>4,363,947</u></u>	<u><u>4,206,971</u></u>
Capital and reserves			
Called up share capital		600	600
Profit and loss account		4,363,347	4,206,371
Shareholders' funds		<u><u>4,363,947</u></u>	<u><u>4,206,971</u></u>

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 were approved and authorised for issue by the board and were signed on its behalf by:

S Atherton

Ms S E Atherton
Director

Date: 29/05/2020

AVERYCROWN LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2017	600	4,091,511	4,092,111
Profit for the year	-	164,884	164,884
Total comprehensive income for the year	-	164,884	164,884
Dividends: Equity capital	-	(50,024)	(50,024)
At 1 October 2018	600	4,206,371	4,206,971
Profit for the year	-	206,976	206,976
Total comprehensive income for the year	-	206,976	206,976
Dividends: Equity capital	-	(50,000)	(50,000)
At 30 September 2019	600	4,363,347	4,363,947

The notes on pages 6 to 13 form part of these financial statements.

AVERYCROWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

1. General information

Averycrown Limited is a company limited by shares and registered under the Companies Act 2006 in England and Wales. The registered number is 01685862 and the registered office is c/o Grant Thornton UK LLP, Royal Liver Building, Liverpool, L3 1PS.

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 rent receivable in the year.

2.3 Operating leases: the Company as lessor

Rentals income from operating leases is credited to the Statement of comprehensive income on a straight line basis over the term of the relevant lease.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

2.5 Interest income

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

2.6 Taxation

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 reporting date in the countries where the Company operates and generates income.

EVERYCROWN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

2. Accounting policies (continued)**2.7 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.

Chief rents are included at cost and are not depreciated.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Computer equipment	- 25% reducing balance method
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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.

2.8 Investment property

Investment property is carried at cost. This is not in accordance with FRS 102 which requires investment property to be stated at fair value. No depreciation is provided. This policy represents a departure from the Companies Act 2006, which requires depreciation to be provided on all fixed assets; however the departures from the provisions of the Act is required in order to give a true and fair view.

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on purchase price, including associated professional costs.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the statement of comprehensive income.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.11 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.

EVERYCROWN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

2. Accounting policies (continued)**2.12 Creditors**

Short term creditors are measured at the transaction price.

2.13 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 and loans from banks and other third parties.

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.

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 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 reporting date.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 5 (2018 - 5).

4. Directors' remuneration

	2019	2018
	£	£
Directors' emoluments	25,004	23,535
	25,004	23,535

AVERYCROWN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

5. Taxation

	2019	2018
	£	£
Corporation tax		
Current tax on profits for the year	47,428	38,602
Adjustments in respect of previous periods	3	-
	47,431	38,602
	47,431	38,602
Total current tax	47,431	38,602

6. Dividends

	2019	2018
	£	£
Dividends paid on equity capital	50,000	50,024
	50,000	50,024

AVERYCROWN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

7. Tangible fixed assets

	Computer equipment £	Chief rents £	Total £
Cost			
At 1 October 2018	3,949	950	4,899
At 30 September 2019	3,949	950	4,899
Depreciation			
At 1 October 2018	3,583	-	3,583
Charge for the year on owned assets	92	-	92
At 30 September 2019	3,675	-	3,675
Net book value			
At 30 September 2019	274	950	1,224
At 30 September 2018	366	950	1,316

8. Investment property

	Freehold investment property £
Cost	
At 1 October 2018	3,525,068
Disposals	(213,143)
At 30 September 2019	3,311,925

AVERYCROWN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

9. Stocks

	2019 £	2018 £
Properties at cost	97,711	97,711
	<u>97,711</u>	<u>97,711</u>

10. Debtors

	2019 £	2018 £
Other debtors	31,239	17,541
	<u>31,239</u>	<u>17,541</u>

11. Creditors: Amounts falling due within one year

	2019 £	2018 £
Corporation tax	47,431	38,602
Other taxation and social security	3,416	3,271
Other creditors	152,250	151,534
	<u>203,097</u>	<u>193,407</u>

AVERYCROWN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

12. Commitments under operating leases

At 30 September 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Rent	24,000	30,000
	<u>24,000</u>	<u>30,000</u>
	<u>24,000</u>	<u>30,000</u>
	2019 £	2018 £
Not later than 1 year	6,000	6,000
Later than 1 year and not later than 5 years	18,000	24,000
	<u>24,000</u>	<u>30,000</u>
	<u>24,000</u>	<u>30,000</u>

At 30 September 2019 the Company had future minimum lease receipts under non-cancellable operating leases as follows:

	2019 £	2018 £
Rent		
Not later than 1 year	228,125	237,675
Later than 1 year and not later than 5 years	392,375	478,321
Later than 5 years	16,000	33,000
	<u>636,500</u>	<u>748,996</u>
	<u>636,500</u>	<u>748,996</u>

AVERYCROWN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

13. Related party transactions

During 2009 the company entered into a lease with a director, D Atherton. The annual payment due under the lease in 2019 was £6,000 (2018: £6,000). Dividends paid to the directors during the year were as follows:

	2019 £
Mrs M N Atherton	6,167
Mr D Atherton	7,500
Ms S E Atherton	6,167
Mrs R Spencer	6,167
	<hr/> 26,001 <hr/>

Interest of £8,000 (2018: £8,000) was paid to Mrs M N Atherton during the year.

The following amounts are due to the directors:

	2019 £	2018 £
Mrs M N Atherton (interest- bearing)	84,616	86,461
Mr D Atherton (interest- free)	2,683	2,683
	<hr/> 87,299 <hr/>	<hr/> 89,144 <hr/>

There are no fixed dates of repayment and the amounts due are not secured.

14. Post balance sheet events

Since 31 December 2019, the outbreak of COVID-19 and related global responses have caused material disruptions to businesses around the world, leading to an economic slowdown.

Global property values have experienced significant volatility and weakness. As at 26/5/20, the date that these financial statements were authorised for issue, the value of the company's investment properties had declined significantly and may now be below cost.

The duration and extent of the impact of the COVID-19 outbreak, as well as the effectiveness of government and central bank responses, remains unclear at this time. The property market is currently subject to material valuation uncertainty and it is therefore impossible to quantify the potential fall in value.

These subsequent changes in the fair value of the company's investment properties are not reflected in the financial statements as at 30 September 2019.