

Registration number: 01758228

# Alfco Investments Ltd

Annual Report and Unaudited Financial Statements

for the Year Ended 31 January 2017

MCA Shepherd Smail  
21 Market Place  
Cirencester  
Gloucestershire  
GL7 2NX



## **Alfco Investments Ltd**

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## **Alfco Investments Ltd**

### **Company Information**

<b>Directors</b>	Adrian Lindsay-Fynn Mrs Penelope J Lindsay-Fynn
<b>Company secretary</b>	Adrian Lindsay-Fynn
<b>Registration number</b>	01758228
<b>Registered office</b>	21 Market Place Cirencester Gloucestershire GL7 2NX
<b>Accountants</b>	MCA Shepherd Smail 21 Market Place Cirencester Gloucestershire GL7 2NX

**Alfco Investments Ltd**  
**(Registration number: 01758228)**  
**Balance Sheet as at 31 January 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	3	9,300,000	9,300,000
Investments		<u>178,225</u>	<u>103,016</u>
		<u>9,478,225</u>	<u>9,403,016</u>
<b>Current assets</b>			
Debtors	5	805,315	474,720
Cash at bank and in hand		<u>97,600</u>	<u>291,986</u>
		902,915	766,706
<b>Creditors: Amounts falling due within one year</b>	6	<u>(191,615)</u>	<u>(71,798)</u>
<b>Net current assets</b>		<u>711,300</u>	<u>694,908</u>
<b>Total assets less current liabilities</b>		10,189,525	10,097,924
<b>Creditors: Amounts falling due after more than one year</b>	6	(2,003,135)	(2,000,107)
<b>Provisions for liabilities</b>		<u>(1,338,062)</u>	<u>(1,355,354)</u>
<b>Net assets</b>		<u><u>6,848,328</u></u>	<u><u>6,742,463</u></u>
<b>Capital and reserves</b>			
Called up share capital		101	101
Revaluation reserve		6,692,071	6,684,223
Profit and loss account		<u>156,156</u>	<u>58,139</u>
<b>Total equity</b>		<u><u>6,848,328</u></u>	<u><u>6,742,463</u></u>

For the financial year ending 31 January 2017 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

**Alfco Investments Ltd**

**(Registration number: 01758228)**

**Balance Sheet as at 31 January 2017**

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 28/6/17 and signed on its behalf by:



Adrian Lindsay-Fynn

Company secretary and director

The notes on pages 5 to 13 form an integral part of these financial statements.

# **Alfco Investments Ltd**

## **Statement of Changes in Equity for the Year Ended 31 January 2017**

	Share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 February 2016	101	6,684,223	58,139	6,742,463
Profit for the year	-	-	123,017	123,017
Other comprehensive income	-	7,848	-	7,848
Total comprehensive income	-	7,848	123,017	130,865
Dividends	-	-	(25,000)	(25,000)
At 31 January 2017	101	6,692,071	156,156	6,848,328
	Share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 February 2015	101	6,655,241	50,989	6,706,331
Profit for the year	-	-	87,150	87,150
Other comprehensive income	-	28,982	-	28,982
Total comprehensive income	-	28,982	87,150	116,132
Dividends	-	-	(80,000)	(80,000)
At 31 January 2016	101	6,684,223	58,139	6,742,463

The notes on pages 5 to 13 form an integral part of these financial statements.

## **Alfco Investments Ltd**

### **Notes to the Financial Statements for the Year Ended 31 January 2017**

#### **1 General information**

The company is a private company limited by share capital incorporated in United Kingdom.

The address of its registered office is:

21 Market Place  
Cirencester  
Gloucestershire  
GL7 2NX

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

These financial statements are prepared in Sterling, which is the functional currency of the company. All monetary amounts are rounded to the nearest £.

##### **Going concern**

The financial statements have been prepared on a going concern basis.

##### **Judgements and estimates**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

##### **Tangible assets**

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

## **Alfco Investments Ltd**

### **Notes to the Financial Statements for the Year Ended 31 January 2017**

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Fixtures and fittings	10% straight line basis

#### **Business combinations**

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

#### **Investments**

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Trade creditors**

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 current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.



## **Alfco Investments Ltd**

### **Notes to the Financial Statements for the Year Ended 31 January 2017**

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

#### **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 statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

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 trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs 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.

#### **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 publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

## **Alfco Investments Ltd**

### **Notes to the Financial Statements for the Year Ended 31 January 2017**

#### **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.

Basic financial liabilities, including trade and other payables, 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.

Debt Instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables 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 current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **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.

#### **Other Financial Liabilities**

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.

#### **Derecognition of Financial Liabilities**

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

## Alfco Investments Ltd

### Notes to the Financial Statements for the Year Ended 31 January 2017

#### 3 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
<b>Cost or valuation</b>			
At 1 February 2016	9,300,000	62,520	9,362,520
At 31 January 2017	9,300,000	62,520	9,362,520
<b>Depreciation</b>			
At 1 February 2016	-	62,520	62,520
At 31 January 2017	-	62,520	62,520
<b>Carrying amount</b>			
At 31 January 2017	9,300,000	-	9,300,000
At 31 January 2016	9,300,000	-	9,300,000

Included within the net book value of land and buildings above is £3,550,000 (2016 - £3,550,000) in respect of freehold land and buildings and £5,750,000 (2016 - £5,750,000) in respect of long leasehold land and buildings.

#### 4 Investments

	2017 £	2016 £
Investments held as fixed assets	178,225	103,016

#### 5 Debtors

	2017 £	2016 £
Tax repayable on directors' loan account	100,832	156,426
Other prepayments	6,460	5,353
Other debtors	387,308	310,934
Directors' loan account	310,715	2,007
Total current trade and other debtors	805,315	474,720

# Alfco Investments Ltd

## Notes to the Financial Statements for the Year Ended 31 January 2017

### 6 Creditors

	Note	2017 £	2016 £
<b>Due within one year</b>			
Trade creditors		16,160	43,279
Directors' loan account		1,549	1,549
Loan interest payable		12,436	-
Accruals		5,160	5,160
Rent in advance		27,223	21,810
Corporation Tax		129,087	-
		<u>191,615</u>	<u>71,798</u>
<b>Due after one year</b>			
Loans and borrowings	7	<u>2,003,135</u>	<u>2,000,107</u>

### 7 Loans and borrowings

	2017 £	2016 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	<u>2,003,135</u>	<u>2,000,107</u>

### 8 Deferred tax and other provisions

	Deferred tax £	Total £
At 1 February 2016	1,355,354	1,355,354
Increase (decrease) in existing provisions	<u>(17,292)</u>	<u>(17,292)</u>
At 31 January 2017	<u>1,338,062</u>	<u>1,338,062</u>

### 9 Dividends

#### Final dividends paid

	2017 £	2016 £
Final dividend of £250 (2016 - £800) per each Ordinary shares	<u>25,000</u>	<u>80,000</u>

# Alfco Investments Ltd

## Notes to the Financial Statements for the Year Ended 31 January 2017

### 10 Share capital

#### Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
A Ordinary shares of £1 each	100	100	100	100
B Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
	<u>101</u>	<u>101</u>	<u>101</u>	<u>101</u>

### 11 Transition to FRS 102

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102), the financial reporting standard applicable in the UK and Republic of Ireland.

The date of transition was 1 February 2015.

#### Balance Sheet at 1 February 2015

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>				
Investment property	9,300,000	-	-	9,300,000
Investments	<u>103,016</u>	<u>-</u>	<u>-</u>	<u>103,016</u>
	<u>9,403,016</u>	<u>-</u>	<u>-</u>	<u>9,403,016</u>
<b>Current assets</b>				
Debtors	474,720	-	-	474,720
Cash at bank and in hand	<u>291,986</u>	<u>-</u>	<u>-</u>	<u>291,986</u>
	766,706	-	-	766,706
Creditors: Amounts falling due within one year	<u>71,798</u>	<u>-</u>	<u>-</u>	<u>71,798</u>
Net current assets	<u>838,504</u>	<u>-</u>	<u>-</u>	<u>838,504</u>
Total assets less current liabilities	10,241,520	-	-	10,241,520
Creditors: Amounts falling due after more than one year	2,000,107	-	-	2,000,107

# Alfco Investments Ltd

## Notes to the Financial Statements for the Year Ended 31 January 2017

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Provisions for liabilities	-	-	1,355,354	1,355,354
Net assets	12,241,627	-	1,355,354	13,596,981
<b>Capital and reserves</b>				
Called up share capital	101	-	-	101
Revaluation reserve	8,039,577	-	(1,355,354)	6,684,223
Profit and loss account	58,139	-	-	58,139
Total equity	8,097,817	-	(1,355,354)	6,742,463

# Alfco Investments Ltd

## Notes to the Financial Statements for the Year Ended 31 January 2017

### Balance Sheet at 31 January 2016

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>				
Investment property	9,300,000	-	-	9,300,000
Investments	103,016	-	-	103,016
	<u>9,403,016</u>	<u>-</u>	<u>-</u>	<u>9,403,016</u>
<b>Current assets</b>				
Debtors	474,720	-	-	474,720
Cash at bank and in hand	291,986	-	-	291,986
	<u>766,706</u>	<u>-</u>	<u>-</u>	<u>766,706</u>
Creditors: Amounts falling due within one year	71,798	-	-	71,798
Net current assets	<u>838,504</u>	<u>-</u>	<u>-</u>	<u>838,504</u>
Total assets less current liabilities	10,241,520	-	-	10,241,520
Creditors: Amounts falling due after more than one year	2,000,107	-	-	2,000,107
Provisions for liabilities	-	-	1,355,354	1,355,354
Net assets	<u>12,241,627</u>	<u>-</u>	<u>1,355,354</u>	<u>13,596,981</u>
<b>Capital and reserves</b>				
Called up share capital	101	-	-	101
Revaluation reserve	8,039,577	-	(1,355,354)	6,684,223
Profit and loss account	58,139	-	-	58,139
Total equity	<u>8,097,817</u>	<u>-</u>	<u>(1,355,354)</u>	<u>6,742,463</u>