

Company Registration No. 03211534 (England and Wales)

TOOGOODS PROPERTY COMPANY LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

PAGES FOR FILING WITH REGISTRAR

TOOGOODS PROPERTY COMPANY LIMITED

COMPANY INFORMATION

Directors	Mr P J Toogood Mrs A Toogood Mr M Toogood
Secretary	Mrs A Toogood
Company number	03211534
Registered office	33 The Clarendon Centre Dairy Meadow Lane Salisbury SP1 2TJ
Accountants	Moore Stephens (South) LLP 33 The Clarendon Centre Salisbury Business Park Dairy Meadow Lane Salisbury Wiltshire SP1 2TJ

TOOGOODS PROPERTY COMPANY LIMITED

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TOOGOODS PROPERTY COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	£	£
Profit for the year	463,329	355,251
Other comprehensive income		
Revaluation of property, plant and equipment	(1,567,738)	2,513,409
Total comprehensive income for the year	<u>(1,104,409)</u>	<u>2,868,660</u>

TOOGOODS PROPERTY COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Property, plant and equipment	3		19,005		660,433
Investment properties	4		12,544,915		12,453,453
Investments	5		10		10
			<u>12,563,930</u>		<u>13,113,896</u>
Current assets					
Inventories			33,542		-
Trade and other receivables	6		65,724		226,225
Cash at bank and in hand			993,997		295,216
			<u>1,093,263</u>		<u>521,441</u>
Current liabilities	7		<u>(936,639)</u>		<u>(816,304)</u>
Net current assets/(liabilities)			<u>156,624</u>		<u>(294,863)</u>
Total assets less current liabilities			<u>12,720,554</u>		<u>12,819,033</u>
Non-current liabilities	8		<u>(6,918,245)</u>		<u>(8,183,315)</u>
Net assets			<u><u>5,802,309</u></u>		<u><u>4,635,718</u></u>
Equity					
Called up share capital	10		2,400,000		1,000
Revaluation reserve	11		1,521,938		3,089,676
Retained earnings			1,880,371		1,545,042
Total equity			<u><u>5,802,309</u></u>		<u><u>4,635,718</u></u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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 member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

TOOGOODS PROPERTY COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2016

The financial statements were approved by the board of directors and authorised for issue on 27 June 2017 and are signed on its behalf by:

Mr P J Toogood
Director

Company Registration No. 03211534

TOOGOODS PROPERTY COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Share capital £	Revaluation reserve £	Retained earnings £	Total £
Balance at 1 January 2015		1,000	576,267	1,289,791	1,867,058
Year ended 31 December 2015:					
Profit for the year		-	-	355,251	355,251
Other comprehensive income:					
Revaluation of property, plant and equipment		-	2,513,409	-	2,513,409
Total comprehensive income for the year		-	2,513,409	355,251	2,868,660
Dividends		-	-	(100,000)	(100,000)
Balance at 31 December 2015		1,000	3,089,676	1,545,042	4,635,718
Year ended 31 December 2016:					
Profit for the year		-	-	463,329	463,329
Other comprehensive income:					
Revaluation of property, plant and equipment		-	(1,567,738)	-	(1,567,738)
Total comprehensive income for the year		-	(1,567,738)	463,329	(1,104,409)
Issue of share capital	10	2,399,000	-	-	2,399,000
Dividends		-	-	(128,000)	(128,000)
Balance at 31 December 2016		2,400,000	1,521,938	1,880,371	5,802,309

TOOGOODS PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Toogoods Property Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is 33 The Clarendon Centre, Dairy Meadow Lane, Salisbury, SP1 2TJ.

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 31 December 2016 are the first financial statements of Toogoods Property Company 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 January 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 13.

1.2 Revenue

Revenue represents amounts received in respect of rent and services rendered in respect of rental services.

Revenue is recognised when it is probable that any future economic benefits associated with the transaction flow to the entity and the amount of revenue can be reliably measured. In the case of rental income, the value is agreed upon signing of the rental contract and income is collected monthly in arrears. Any rent collected in advance is prepaid and released over the period of the rental.

1.3 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	15% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

TOOGOODS PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the income statement.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as property, plant and equipment.

1.5 Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.6 Inventories

Inventories consist of work in progress for the development of investment properties. Stocks are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 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.

1.8 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 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 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.

TOOGOODS PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

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

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 payments 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 payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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.

1.9 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.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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

The accounting policy in respect of deferred tax reflects the requirements of FRS 19 - Deferred Tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.11 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 non-current 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.

TOOGOODS PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 5 (2015 - 3).

3 Property, plant and equipment

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2016	648,893	44,365	693,258
Additions	-	9,862	9,862
Disposals	(648,893)	-	(648,893)
At 31 December 2016	-	54,227	54,227
Depreciation and impairment			
At 1 January 2016	-	32,825	32,825
Depreciation charged in the year	-	2,397	2,397
At 31 December 2016	-	35,222	35,222
Carrying amount			
At 31 December 2016	-	19,005	19,005
At 31 December 2015	648,893	11,540	660,433

4 Investment property

	2016 £
Fair value	
At 1 January 2016	12,453,453
Additions	1,675,771
Transfers	803,429
Disposals	(820,000)
Revaluations	(1,567,738)
At 31 December 2016	12,544,915

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 December 2016 by Lloyds Bank, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties and the rental yield of the properties. Under FRS 102 section 35 the fair value has been used as the deemed cost on transition.

TOOGOODS PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

5 Fixed asset investments

	2016 £	2015 £
Investments	10	10
	<u>10</u>	<u>10</u>

The company holds 10 ordinary shares in Portway Business Centre Management Company, a company incorporated in Great Britain. The company was dormant throughout the year.

Movements in non-current investments

	Investments other than loans £
Cost or valuation	
At 1 January 2016 & 31 December 2016	10
Carrying amount	
At 31 December 2016	10
At 31 December 2015	10

6 Trade and other receivables

	2016 £	2015 £
Amounts falling due within one year:		
Trade receivables	40,659	74,565
Amounts due from group undertakings	-	65,873
Other receivables	25,065	85,787
	<u>65,724</u>	<u>226,225</u>

7 Current liabilities

	2016 £	2015 £
Bank loans and overdrafts	378,222	355,961
Trade payables	66,908	44,592
Amounts due to group undertakings	76,041	53,316
Corporation tax	42,336	35,501
Other taxation and social security	61,383	32,849
Other payables	311,749	294,085
	<u>936,639</u>	<u>816,304</u>

TOOGOODS PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

8 Non-current liabilities

	2016 £	2015 £
Bank loans and overdrafts	6,776,351	5,500,809
Other payables	141,894	2,682,506
	<u>6,918,245</u>	<u>8,183,315</u>

The long-term loans are secured by fixed and floating charges over all of the Company's assets.

9 Deferred income

	2016 £	2015 £
Other deferred income	<u>148,965</u>	<u>154,933</u>

10 Called up share capital

	2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
2,400,000 Ordinary shares of £1 each	<u>2,400,000</u>	<u>1,000</u>

11 Revaluation reserve

	2016 £	2015 £
At beginning of year	3,089,676	576,267
Revaluation surplus arising in the year	<u>(1,567,738)</u>	<u>2,513,409</u>
At end of year	<u>1,521,938</u>	<u>3,089,676</u>

12 Operating lease commitments

Operating lease payments represent rentals payable by the company for a vehicle on fixed contract hire.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2016 £	2015 £
	<u>3,236</u>	<u>-</u>

13 Reconciliations on adoption of FRS 102

TOOGOODS PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

13 Reconciliations on adoption of FRS 102 (Continued)

Reconciliation of equity

	1 January 2015 £	31 December 2015 £
Equity as reported under previous UK GAAP and under FRS 102	1,867,058	4,635,718

Reconciliation of profit for the financial period

	2015 £
Profit as reported under previous UK GAAP and under FRS 102	355,251
Adjustments to prior year (note)	2,513,409
As restated	2,868,660
Does not agree to TB. Check statutory database entries.	355,251

Notes to reconciliations on adoption of FRS 102

Under FRS 102 changes in fair value of investment properties are recognised in the profit and loss, whereas under old UK GAAP, equivalent gains and losses were taken to the statement of total recognised gains and losses. As fair value gains are not realised profits, the fair value movements are recognised in a non-distributable reserve to show them separately from retained earnings.

Under FRS 102 a deferred tax provision is recognised on fair value uplifts on investment properties. This is also shown in the non-distributable reserve.

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