

BOLTSTONE LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016



MHA MacIntyre Hudson
GLOBAL EXPERTISE • NATIONAL EXPERIENCE • LOCAL EXCELLENCE®

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	4	453,271	452,640
		<u>453,271</u>	<u>452,640</u>
Current assets			
Debtors: amounts falling due within one year	5	704	3,483
Cash at bank and in hand	6	5,063	-
		<u>5,767</u>	<u>3,483</u>
Creditors: amounts falling due within one year	7	(78,179)	(72,759)
Net current liabilities		<u>(72,412)</u>	<u>(69,276)</u>
Total assets less current liabilities		<u>380,859</u>	<u>383,364</u>
Creditors: amounts falling due after more than one year	8	(24,011)	(47,496)
		<u>356,848</u>	<u>335,868</u>
Provisions for liabilities			
Deferred taxation	11	(38,688)	(38,476)
		<u>(38,688)</u>	<u>(38,476)</u>
Net assets		<u>318,160</u>	<u>297,392</u>
Capital and reserves			
Called up share capital	12	1,000	1,000
Profit and loss account		<u>317,160</u>	<u>296,392</u>
		<u>318,160</u>	<u>297,392</u>

The director considers 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 director acknowledges his 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.

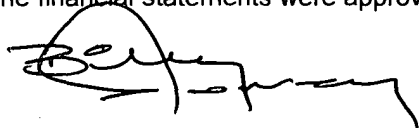
The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

BOLTSTONE LIMITED
REGISTERED NUMBER:03607770

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2016

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



27 September 2017

W.L. Murray

Director

The notes on pages 3 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. General information

Boltstone Limited is a private company limited by shares, incorporated and registered in England and Wales. Details of the company's registered office can be found on the Company Information page.

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 the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

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:

Fixtures and fittings	- 25% reducing balance
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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.

2.4 Investment property

Investment property is carried at fair value determined annually by the director and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions.

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. 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. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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,

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.7 Financial instruments (continued)

an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the 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 balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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 balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2015 - 2).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

4. Tangible fixed assets

	Investment property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2016	450,000	8,302	458,302
Additions	-	1,898	1,898
Disposals	-	(535)	(535)
At 31 December 2016	450,000	9,665	459,665
Depreciation			
At 1 January 2016	-	5,662	5,662
Charge for the year	-	788	788
Disposals	-	(56)	(56)
At 31 December 2016	-	6,394	6,394
Net book value			
At 31 December 2016	450,000	3,271	453,271
At 31 December 2015	450,000	2,640	452,640

The investment property was revalued by the director at 31 December 2013 on an open market basis for similar properties.

The gross amounts of assets held under operating lease agreements in 2016 was £450,000 (2015: £450,000), with no related accumulated depreciation.

In respect of certain fixed assets stated at valuations, the comparable historical cost is £260,261 (2015: £260,261).

5. Debtors

	2016 £	2015 £
Trade debtors	704	3,483
	<u>704</u>	<u>3,483</u>

BOLTSTONE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. Cash and cash equivalents

	2016 £	2015 £
Cash at bank	5,063	-
Less: bank overdrafts	-	(1,555)
	<u>5,063</u>	<u>(1,555)</u>

7. Creditors: Amounts falling due within one year

	2016 £	2015 £
Bank overdrafts	-	1,555
Bank loans	22,723	21,989
Corporation tax	5,087	4,117
Other creditors	47,369	42,098
Accruals and deferred income	3,000	3,000
	<u>78,179</u>	<u>72,759</u>

8. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Bank loans	24,011	47,496
	<u>24,011</u>	<u>47,496</u>

Secured loans

The bank loans are secured by fixed and floating charges over all of the company's assets.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

9. Loans

Analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due within one year		
Bank loans	22,723	21,989
	<u>22,723</u>	<u>21,989</u>
Amounts falling due 2-5 years		
Bank loans	24,011	47,496
	<u>24,011</u>	<u>47,496</u>
	<u>46,734</u>	<u>69,485</u>

10. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	5,767	3,483
	<u>5,767</u>	<u>3,483</u>
Financial liabilities		
Financial liabilities measured at fair value through profit or loss	144,472	158,236
	<u>144,472</u>	<u>158,236</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and trade and other debtors.

Financial liabilities measured at fair value through profit or loss comprise accruals, bank loans, related party loan balance, bank overdraft and trade and other creditors.

BOLTSTONE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

11. Deferred taxation

	2016 £	2015 £
At beginning of year	38,476	38,454
Charged to profit or loss	212	22
At end of year	38,688	38,476

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	38,688	38,476
	38,688	38,476

12. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000

13. Related party transactions

The company was under the control of W.L. Murray throughout the current and previous years. W.L. Murray is a director and majority shareholder. At 31 December 2016 the company owed W.L. Murray £47,369 (2015: £42,098) with regards to capital introduced into the business.

14. Controlling party

W.L. Murray is the ultimate controlling party by virtue of his majority shareholding in the company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

15. First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 January 2015. The impact of the transition to FRS 102 is as follows:

Reconciliation of equity at 1 January 2015

	Note	£
Equity at 1 January 2015 under previous UK GAAP		127,696
Revaluation of property		189,739
Deferred tax on revaluation of property		(37,948)
Equity shareholders funds at 1 January 2015 under FRS 102		279,487

Reconciliation of equity at 31 December 2015

	Note	£
Equity at 31 December 2015 under previous UK GAAP		144,601
Revaluation of property		189,739
Deferred tax on revaluation of property		(37,948)
Equity shareholders funds at 31 December 2015 under FRS 102		296,392

Reconciliation of profit and loss account for the year ended 31 December 2015

	£
Profit for the year under previous UK GAAP	16,905
Revaluation of property	-
Deferred tax on revaluation of property	-
Profit for the year ended 31 December 2015 under FRS 102	16,905

The following were changes in accounting policies arising from the transition to FRS 102:

- 1 Following transition to FRS 102 the revaluation of investment property is recognised within profit and loss, together with deferred tax on the fair value gains arising.