

TAUNTFIELD LTD

COMPANY NUMBER : 3685715

FINANCIAL STATEMENTS FOR THE

YEAR ENDED 31 DECEMBER 2016

Directors: R D A Lloyd (Chairman)
Mrs E M Williams
Mrs J M Sharp
J E Holyday
C Winter
M C Blackwell
R S R Williams
P S Aplin

Secretary: M C Blackwell

Registered Office: Taunfield
South Road
Taunton
Somerset
TA1 3ND



TAUNTFIELD LTD

DIRECTORS' REPORT

The directors submit herewith their report and financial statements for the year ended 31 December 2016.

Principal activities

Tauntfeld Ltd is engaged in commercial property investment and management.

It also has significant minority holdings in two groups through its investments in Summerfield Estates Ltd and Summerfield Developments (SW) Ltd. These companies and their subsidiaries are engaged in residential and commercial property development, management and investment.

All these companies operate from the group's headquarters in Taunton.

Directors

The directors of the company who served during the year were as follows.

R D A Lloyd
Mrs E M Williams
Mrs J M Sharp
J E Holyday
C Winter
M C Blackwell
R S R Williams
P S Aplin

TAUNTFIELD LTD

DIRECTORS' REPORT (continued)

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:

- ☐ select suitable accounting policies and then apply them consistently;
- ☐ make judgements and accounting estimates that are reasonable and prudent;
- ☐ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

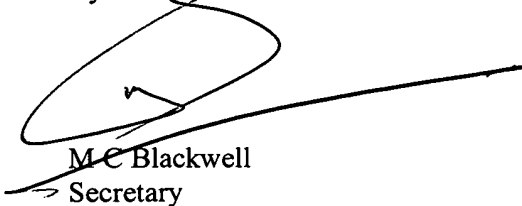
So far as each of the directors at the time the Directors' Report is approved are aware:

- a) there is no relevant audit information of which the company's auditor is unaware, and
- b) the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

By order of the board



M C Blackwell
Secretary

5 April 2017

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TAUNTFIELD LIMITED

We have audited the financial statements ("the financial statements") of Tauntfeld Limited for the year ended 31 December 2016 which comprise the Profit and Loss Account, the Balance Sheet, Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditor

As explained more fully in the Directors' Responsibilities Statement set out on the previous page, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us during the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of the profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TAUNTFIELD LIMITED
(Cont'd)

Opinion on Other Matters Prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information in the Directors' Report for the financial year ended 31 December 2016 is consistent with these accounts.
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of knowledge and understanding of the company and its environment obtained in the course of our audit, we have not identified material misstatements in the Directors' Report.

Matters on Which We are Required to Report by Exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- Certain disclosures of directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

GLENN NICOL
(Senior Statutory Auditor)

PKF Francis Clark
Statutory Auditor
Vantage Point
Woodwater Park
Pynes Hill
Exeter EX2 5FD

PKF Francis Clark

5 April 2017

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2016

	<u>Notes</u>	<u>2016</u>	<u>2015</u>
TURNOVER	5	406,351	903,912
Cost of sales		42,281	77,832
		-----	-----
GROSS PROFIT		364,070	826,080
Administrative expenses		(239,422)	(271,448)
Other operating income		6,902	3,279
		-----	-----
OPERATING PROFIT		131,550	557,911
Dividends received		184,566	199,697
Interest receivable		3,067	-
Interest payable	7	(42,335)	(44,512)
		-----	-----
PROFIT BEFORE FAIR VALUE ADJUSTMENTS		276,848	713,096
Movement on fair values	9	(88,453)	(9,760)
		-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		188,395	703,336
Taxation on profit on ordinary activities		(19,002)	24,246
		-----	-----
PROFIT FOR THE FINANCIAL YEAR		<u>£169,393</u>	<u>£727,582</u>



The notes on pages 4 to 10 form part of these financial statements.

COMPANY BALANCE SHEET AS AT 31 DECEMBER 2016

	<u>Notes</u>	<u>2016</u>	<u>2015</u>
		£	£
FIXED ASSETS			
Tangible assets			
Investment properties	9	3,997,000	3,709,000
Other freehold property	9	554,273	554,273
Plant, vehicles and equipment	10	2,619	3,788
		-----	-----
		4,553,892	4,267,061
Investments	11	87,640	87,640
		-----	-----
TOTAL FIXED ASSETS		4,641,532	4,354,701
CURRENT ASSETS			
Debtors	12	263,961	684,044
Cash at bank and in hand		129,113	372,734
		-----	-----
		393,074	1,056,778
CREDITORS - Amounts falling due within one year	13	315,630	339,748
		-----	-----
NET CURRENT ASSETS		77,444	717,030
TOTAL ASSETS LESS CURRENT LIABILITIES		4,718,976	5,071,731
CREDITORS - Amounts falling due after one year	14	834,912	894,029
		-----	-----
NET ASSETS		3,884,064	4,177,702
		=====	=====
CAPITAL AND RESERVES			
Called up share capital		205,600	205,600
Profit and loss account		3,678,464	3,972,102
		-----	-----
SHAREHOLDERS' FUNDS		£3,884,064	£4,177,702
		=====	=====

These accounts 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.

These accounts were approved by the board of directors and authorised for issue on 5 April 2017 and are signed on their behalf by:

 E M Williams)
) Directors
 R D A Lloyd)

The notes on pages 4 to 10 form part of these financial statements.

TAUNTFIELD LTD**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016**

	<u>Called up share capital</u> £	<u>Profit and loss account</u> £	<u>Total</u> £
At 1 January 2015	205,600	3,405,570	3,611,170
Profit for year	-	727,582	727,582
Dividends paid	-	(161,050)	(161,050)
At 31 December 2015	<u>205,600</u>	<u>3,972,102</u>	<u>4,177,702</u>
Profit for year		169,393	169,393
Dividends paid	-	(463,031)	(463,031)
At 31 December 2016	<u><u>£205,600</u></u>	<u><u>£3,678,464</u></u>	<u><u>£3,884,064</u></u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**1. GENERAL INFORMATION**

The company is a private company limited by share capital registered in England and Wales. The address of the registered office is Tauntfeld, South Road, Taunton, Somerset, TA1 3ND.

2. BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS102) Section 1A issued by the Financial Reporting Council. There are no material departures from FRS102.

The functional currency of the company is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

3. ACCOUNTING POLICIES**Exemption from preparing group accounts**

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has not exercised the option to prepare group accounts provided by Section 398 of the Companies Act 2006.

Turnover

Turnover is stated net of VAT and is recognised when the significant risks and rewards are considered to have been transferred to the buyer.

Turnover from the sale of land is recognised on legal completion.

Rental income is recognised on a straight line basis over the lease term, even if amounts are not received on such a basis.

Incentives provided to tenants to sign a lease, including rent free periods, are similarly spread on a straight line basis over the lease term.

Tangible fixed assets

Depreciation is provided on all tangible fixed assets (other than investment properties and other freehold properties except as described below) at the following annual rates in order to write off the cost less estimated residual value of each asset over its expected useful life:

Motor vehicles	30%	(on a reducing balance basis)
Plant, machinery and office equipment	20%	(on a reducing balance basis)
Technological equipment	20% to 33%	(on a straight line basis)
Leasehold property	on a straight line basis over the term of the lease	

Depreciation is provided on other freehold properties to the extent that it is perceived that a permanent diminution in value has occurred.

Investment Properties

Investment properties are measured at fair value annually with any change recognised in the profit and loss account.

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

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

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.

All financial assets and liabilities are initially measured at transaction price (including transaction costs).

Financial assets and liabilities are only offset in the balance sheet when, and only when, there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the conditions to be classified as basic instruments, which include preference shares, are subsequently measured at amortised cost using the effective interest method.

Basic instruments that are classified as payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date where transactions or events that result in an obligation to pay more tax in the future, or a right to pay less in the future have occurred at the balance sheet date.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Pensions

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the group profit and loss account.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATES UNCERTAINTY

In the application of the company's accounting policies, which are described in note 3, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Valuation of investment properties

As described in note 9 to the financial statements, investment properties are valued to open market value by the Board of Directors as at 31 December 2016. Valuations are calculated with regard to the net present value of future rental income streams with discount rates reflecting such variables as the length of lease, strength of covenant and the nature and location of the properties.

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

5. TURNOVER

	<u>2016</u> £	<u>2015</u> £
Rent received	406,351	403,912
Land disposals and option agreements	-	500,000
	-----	-----
	406,351	903,912
	=====	=====

6. AUDITOR'S REMUNERATION

	<u>2016</u> £	<u>2015</u> £
Audit of the financial statements	6,100	7,000
	=====	=====

7. INTEREST PAYABLE

	<u>2016</u> £	<u>2015</u> £
Payable on bank loans repayable after more than five years	39,714	42,153
Preference dividends paid	2,621	2,359
	-----	-----
	42,335	44,512
	=====	=====

8. DIRECTORS AND EMPLOYEES

	<u>2016</u> £	<u>2015</u> £
The average monthly number of employees (including Directors) during the year was:		
Administrative Staff	6	6
Site Staff	2	2
	-----	-----
	8	8
	=====	=====

9. PROPERTY

	<u>Freehold Investment Property</u> £	<u>Other Freehold Property</u> £	<u>Total</u> £
<u>COST OR VALUATION</u>			
At 1 January 2016	3,709,000	554,273	4,263,273
Additions	376,453	-	376,453
Deficit on fair value	(88,453)	-	(88,453)
	-----	-----	-----
At 31 December 2016	£3,997,000	£554,273	£4,551,273
	=====	=====	=====

The historical cost of properties included at valuation is as follows:-

	£	£	£
At 31 December 2016	£3,726,666	£554,273	£4,280,939
	=====	=====	=====
At 31 December 2015	£3,350,213	£554,273	£3,904,486
	=====	=====	=====

The freehold investment properties are included at fair value and are based on directors' valuations as at 31 December 2016. In determining these valuations the directors have made use of discounted cash flow methodology and key assumptions made concerning the level of existing rents, the market sectors in which the existing tenants operate and the discount rates. The movement in fair value is recognised through profit and loss.

10. PLANT, VEHICLES & EQUIPMENT

11. FIXED ASSET INVESTMENTS

	No. of Shares held		% of Voting rights		% of issued ordinary capital			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>%</u> <u>2016</u>	<u>%</u> <u>2015</u>	<u>2016</u> £	<u>2015</u> £
SUBSIDIARIES								
Quantock Finishings Ltd Ordinary shares of £1	-	7,000	-	100	-	100	-	-
WSS Investments Ltd Ordinary shares of £1	2	2	100	100	100	100	-	-
TOTAL OF SUBSIDIARIES							----- -	----- -
ASSOCIATED COMPANIES								
Summerfield Estates Ltd Ordinary shares of £1	214,992	214,992	28.1	28.1	28.1	28.1	24,943	24,943
Summerfield Developments (SW) Ltd Ordinary shares of £1	117,900	117,900	22.9	22.9	22.9	22.9	62,697	62,697
TOTAL OF ASSOCIATED COMPANIES							----- 87,640	----- 87,640
TOTAL OF INVESTMENTS							----- 87,640	----- 87,640

TAUNTFIELD LTD**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016****12. DEBTORS**

	<u>2016</u>	<u>2015</u>
	£	£
Trade debtors	103,869	41,576
Trade balances owed by associated undertakings	12,500	551,102
Owed by group undertakings	18,374	65
Other debtors	117,610	77,577
Prepayments	11,608	13,724
	-----	-----
	263,961	684,044
	=====	=====

13. CREDITORS : Amounts falling due within one year

	<u>2016</u>	<u>2015</u>
	£	£
Bank loans	59,367	56,254
Trade creditors	8,258	4,309
Trade balances owed to associated undertakings	24,756	-
Owed to group undertakings	2	2
Social security and other taxes	3,637	22,761
Corporation tax	19,256	3,653
Other creditors	23,609	40,516
Accruals and deferred income	176,745	212,253
	-----	-----
	315,630	£339,748
	=====	=====

14. CREDITORS : Amounts falling due after one year

	<u>2016</u>	<u>2015</u>
	£	£
Bank loans	788,652	847,769
Shares classed as financial liabilities	46,260	46,260
	-----	-----
	834,912	894,029
	=====	=====

Details of bank loans not wholly repayable within one year are as follows:-

	<u>2016</u>	<u>2015</u>
	£	£

The maturity of debt may be analysed as follows:-

Between one and two years	62,654	59,367
Between two and five years	725,998	272,205
In five years or more	46,260	562,457
	-----	-----
	834,912	894,029
	=====	=====

Shares classed as financial liabilities comprised:

£1 "A" preference shares	15,420	15,420
£1 "B" preference shares	30,840	30,840
	-----	-----
	46,260	46,260
	=====	=====

The "A" preference shares are non cumulative, pay a gross dividend at the rate of 5% per annum, and rank first in the event of a winding up. The "B" preference shares are non cumulative, pay a gross dividend at the rate of 6% per annum, and rank second in the event of a winding up. Neither "A" nor "B" preference shares carry voting rights. Dividends are considered to be at market rate.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**15. FINANCIAL INSTRUMENTS**

The carrying values of the company's financial assets and liabilities are summarised by category below:

	<u>2016</u> £	<u>2015</u> £
Financial assets		
Measured at undiscounted amount receivable:		
Trade debtors	103,869	41,576
Amounts due from group and related undertakings	30,874	551,167
Equity instruments measured at cost less impairment:		
Fixed asset investments in unlisted equity instruments	87,640	87,640
	----- 222,383	----- 680,383
	=====	=====
Financial liabilities		
Measured at amortised cost:		
Bank loans	848,019	904,023
Preference shares	46,260	46,260
Measured at undiscounted amount payable:		
Trade creditors	8,258	4,309
Amounts owed to group and related undertakings	2	2
	----- 902,539	----- 954,594
	=====	=====

The company's income, expense, gains and losses in respect of financial instruments are summarised below:

	<u>2016</u> £	<u>2015</u> £
Interest income and expense		
Total interest expense for financial liabilities at amortised cost	(42,335)	(44,512)
	=====	=====
Impairment losses		
On unlisted equity instruments measured at cost less impairment	-	-
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**17. RELATED PARTY TRANSACTIONS**

During the year no contracts or transactions were entered into by the company in which either its directors or any non corporate “related parties” had an interest.

Summerfield Estates Ltd and Summerfield Developments (SW) Ltd are associated undertakings of Taunfield Ltd.

RDA Lloyd, MC Blackwell, J Holyday and C Winter are all directors of Summerfield SD3 Ltd and Taunfield Ltd; furthermore there are a number of common shareholders.

Therefore Taunfield Ltd, Summerfield Estates Ltd, Summerfield Developments (SW) Ltd, Summerfield SD3 Ltd and their respective subsidiaries are deemed to be related parties. Transactions between these companies and their subsidiaries during the year were as follows:-

	<u>Purchases</u>		<u>Sales</u>	
	<u>2016</u>	<u>from</u>	<u>2016</u>	<u>to</u>
	<u>£'000</u>	<u>2015</u>	<u>£'000</u>	<u>2015</u>
		<u>£'000</u>		<u>£'000</u>
Summerfield Developments (SW) Ltd	394	35	119	665

All transactions were carried out at arms' length.

During the year the company received dividends from Summerfield Estates Limited of £111,979 (2015: £111,979) and from Summerfield Developments (SW) Limited of £63,754 (2015: £60,718).

At the year end £24,756 was due to (2015: £389,041 due from) Summerfield Developments (SW) Ltd and £12,500 (2015: £162,061) was due from Summerfield Estates Ltd.

During the year the directors (and/or their spouses) received dividends from the company in respect of ordinary shares totalling £ Nil (2015: £119,142).

18. PENSION SCHEME

The company operates defined contribution pension schemes and a group personal pension scheme. The assets of the schemes are held separately from the assets of the company in independently administered funds. The pension cost charge representing the contributions payable by the company to the funds amounted to £1,572 (2015: £1,567).

No amounts due were unpaid at the year end.

19. PARENT COMPANY

During the year the company's entire share capital was purchased by Taunfield Holdings Limited by way of a share for share exchange and a share for loan notes exchange. There is no controlling party of Taunfield Holdings Limited.