

THE BUNGAY MEDICAL CENTRE PROPERTY COMPANY LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2021

THE BUNGAY MEDICAL CENTRE PROPERTY COMPANY LIMITED
REGISTERED NUMBER: 03961404

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	5	156,341	139,986
Investments	6	707,946	563,121
Investment property	7	2,065,000	2,065,000
		<u>2,929,287</u>	<u>2,768,107</u>
Current assets			
Debtors: amounts falling due within one year	8	6,002	8,452
Cash at bank and in hand	9	18,227	42,036
		<u>24,229</u>	<u>50,488</u>
Creditors: amounts falling due within one year	10	(115,255)	(113,706)
Net current liabilities		<u>(91,026)</u>	<u>(63,218)</u>
Total assets less current liabilities		<u>2,838,261</u>	<u>2,704,889</u>
Creditors: amounts falling due after more than one year	11	(214,844)	(290,463)
Provisions for liabilities			
Deferred tax	12	(46,919)	(17,858)
		<u>(46,919)</u>	<u>(17,858)</u>
Net assets		<u><u>2,576,498</u></u>	<u><u>2,396,568</u></u>
Capital and reserves			
Called up share capital	13	20,000	20,000
Profit and loss account		2,556,498	2,376,568
		<u>2,576,498</u>	<u>2,396,568</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 the 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 have been delivered in accordance with the provisions applicable to companies subject

THE BUNGAY MEDICAL CENTRE PROPERTY COMPANY LIMITED
REGISTERED NUMBER: 03961404

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2021

to the small companies regime.

The Company has opted not to file the income statement 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 11 September 2021.

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Professor C H Hand
Director

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I R Huggins
Director

The notes on pages 3 to 12 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

1.1 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 financial statements are presented in sterling which is the functional currency of the Company and rounded to the nearest £.

The following principal accounting policies have been applied:

1.2 Going concern

The Directors have considered the Company's position at the time of signing the financial statements, and in particular the current issues caused by Covid-19 and its potential impact on the Company and the wider economy. As such under the current circumstances, it is difficult to produce meaningful forecasts for the remainder of the financial year and medium term. Nevertheless, the Directors have considered the current financial strength of the Company, together with the range of measures the Directors can take to mitigate ongoing costs should they need to, and ultimately should it be required, the support now being offered by the UK government for which the Company is eligible to apply.

Based on this, the Directors have concluded that there is a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future, and based on the economic environment recovering within the timeframe currently being widely anticipated, at least twelve months from the date of signing these financial statements, the directors continue to adopt the going concern basis of accounting in preparing these financial statements.

1.3 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.4 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position 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 reporting date.

1.5 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures & fittings	- 7.5% on a straightline basis
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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 profit or loss.

1.6 Investment property

Investment property is carried at fair value determined annually by external valuers 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 profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.7 Valuation of investments

Investments in listed company shares are remeasured to market value at each Statement of Financial Position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

1.8 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.

2. Operating profit

The operating profit is stated after charging:

	2021	2020
	£	£
Other operating lease rentals	<u>13,085</u>	<u>13,085</u>

3. Employees

The average monthly number of employees, including directors, during the year was 4 (2020 - 4).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	11,689	14,989
Adjustments in respect of previous periods	-	(5,160)
	<u>11,689</u>	<u>9,829</u>
Total current tax	<u>11,689</u>	<u>9,829</u>
Deferred tax		
Origination and reversal of timing differences	26,960	(11,208)
Changes to tax rates	2,101	-
	<u>29,061</u>	<u>(11,208)</u>
Total deferred tax	<u>29,061</u>	<u>(11,208)</u>
Taxation on profit/(loss) on ordinary activities	<u>40,750</u>	<u>(1,379)</u>

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19% (2020 - 19%).

THE BUNGAY MEDICAL CENTRE PROPERTY COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

5. Tangible fixed assets

	Fixtures & fittings £
Cost or valuation	
At 1 April 2020	595,298
Additions	34,258
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At 31 March 2021	629,556
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Depreciation	
At 1 April 2020	455,312
Charge for the year on owned assets	17,903
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At 31 March 2021	473,215
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Net book value	
At 31 March 2021	156,341
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At 31 March 2020	139,986
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6. Fixed asset investments

	Listed investments £
Valuation	
At 1 April 2020	563,121
Additions	64,000
Disposals	(57,208)
Revaluations	138,033
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At 31 March 2021	707,946
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THE BUNGAY MEDICAL CENTRE PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

7. Investment property

	Long term leasehold investment property £
Valuation	
At 1 April 2020	2,065,000
Additions at cost	13,551
Surplus on revaluation	(13,551)
At 31 March 2021	2,065,000
Comprising	
Cost	768,621
Annual revaluation surplus/(deficit):	Annual revaluation surplus/(deficit):
2002 - 2019	1,332,943
2020	(23,013)
2021	(13,551)
At 31 March 2021	2,065,000

The 2021 valuations were made by the directors, on an open market value for existing use basis.

8. Debtors

	2021 £	2020 £
Trade debtors	2,281	2,238
Prepayments and accrued income	3,721	6,214
	6,002	8,452

9. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	18,227	42,036
	18,227	42,036

THE BUNGAY MEDICAL CENTRE PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

10. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Bank loans	75,619	70,654
Trade creditors	791	-
Corporation tax	11,688	14,989
Other taxation and social security	7,540	8,871
Accruals and deferred income	19,617	19,192
	<u>115,255</u>	<u>113,706</u>

The following liabilities were secured:

Details of security provided:

The bank loans are secured by way of a legal charge on the leasehold property at St Johns Road, Bungay.

THE BUNGAY MEDICAL CENTRE PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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

	2021 £	2020 £
Bank loans	214,844	290,463
	<u>214,844</u>	<u>290,463</u>

The following liabilities were secured:

Details of security provided:

The bank loans are secured by way of a legal charge on the leasehold property at St Johns Road, Bungay.

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	2021 £	2020 £
Repayable by instalments	58,742	94,994
	<u>58,742</u>	<u>94,994</u>

Repayments are made monthly at an annual interest rate of 6.82%.

12. Deferred taxation

	2021 £	2020 £
At beginning of year	(17,858)	(29,066)
Charged to the profit or loss	(29,061)	11,208
At end of year	<u>(46,919)</u>	<u>(17,858)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(27,757)	(21,859)
Fair value adjustments	(19,162)	4,001
	<u>(46,919)</u>	<u>(17,858)</u>

Deferred tax is not provided on fair value adjustments on investment property. It is the director's opinion that any taxable gain made on the sale of property would be offset by an equal gift aid donation to the Bungay Medical Centre Charitable Trust / Scott Charity and as such no net tax liability would arise.

13. Share capital

	2021 £	2020 £
Authorised, allotted, called up and fully paid		
20,000 (2020 - 20,000) ordinary shares of £1.00 each	<u>20,000</u>	<u>20,000</u>

14. Commitments under operating leases

At 31 March 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Later than 5 years	82,872	95,957
	<u>82,872</u>	<u>95,957</u>

15. Related party transactions

During the year the company paid rent totalling £13,085 (2020 £13,085) to Bungay Medical Centre Charitable Trust / Scott Charity, the controlling party. The balance outstanding owed to the related parties at 31 March 2021 was £Nil (2020: £Nil).

THE BUNGAY MEDICAL CENTRE PROPERTY COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

16. Controlling party

The company is owned and controlled by the Bungay Medical Centre Charitable Trust / Scott Charity which owns 20,000 ordinary shares in the company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.