

REGISTRAR COPY

UTILE PROPERTIES LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018



UTILE PROPERTIES LIMITED
REGISTERED NUMBER:04672628

BALANCE SHEET
AS AT 31 MARCH 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	398,414	232,578
Investment property	5	1,470,000	1,470,000
		<u>1,868,414</u>	<u>1,702,578</u>
Current assets			
Debtors: amounts falling due within one year	6	47,160	6,371
Cash at bank and in hand	7	32,915	7,197
		<u>80,075</u>	<u>13,568</u>
Creditors: amounts falling due within one year	8	(98,800)	(129,673)
Net current liabilities		<u>(18,725)</u>	<u>(116,105)</u>
Total assets less current liabilities		<u>1,849,689</u>	<u>1,586,473</u>
Creditors: amounts falling due after more than one year	9	(194,234)	(10,762)
Provisions for liabilities			
Deferred tax	11	(89,549)	(66,350)
		<u>(89,549)</u>	<u>(66,350)</u>
Net assets		<u>1,565,906</u>	<u>1,509,361</u>
Capital and reserves			
Called up share capital		100	100
Revaluation reserve		150,342	150,342
Profit and loss account		1,415,464	1,358,919
		<u>1,565,906</u>	<u>1,509,361</u>

UTILE PROPERTIES LIMITED
REGISTERED NUMBER:04672628

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2018

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 Companies Act 2006.

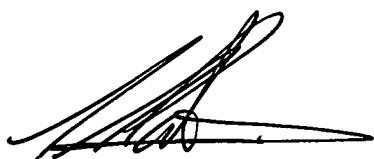
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 to the small companies regime.

The Company has opted not to file the statement of income and retained earnings 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 by:



T E Poole
Director

Date: 2/8/18

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1. General information

Utile Properties Limited is a company limited by shares, domiciled in England and Wales, registered number 04672628. The registered office is New Street, Irthlingborough, Northants, NN9 5UG.

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, other than investment properties, 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 MARCH 2018**

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, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 10% of cost
Patterns	- 5% of cost

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 Income and Retained Earnings.

2.4 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance Sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of Income and Retained Earnings unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.5 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 the Statement of Income and Retained Earnings.

2.6 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.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)**2.8 Financial instruments**

The Company only enters into basic financial instrument 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 the 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, an impairment loss is recognised in the Statement of Income and Retained Earnings.

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 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.

2.9 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.

2.10 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)

2.11 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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.

UTILE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

3. Taxation

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	-	15,437
Deferred tax		
Origination and reversal of timing differences	23,199	54,931
Taxation on profit on ordinary activities	23,199	70,368
Factors affecting tax charge for the year		

For year ending 31 March 2018 the company has utilised losses made in other group companies, hence there being no corporation tax due for the year.

4. Tangible fixed assets

	Plant and machinery £	Patterns £	Total £
Cost or valuation			
At 1 April 2017	423,476	300,700	724,176
Additions	199,399	-	199,399
Disposals	(50,000)	-	(50,000)
At 31 March 2018	572,875	300,700	873,575
Depreciation			
At 1 April 2017	326,204	165,394	491,598
Charge for the year on owned assets	18,527	15,036	33,563
Disposals	(50,000)	-	(50,000)
At 31 March 2018	294,731	180,430	475,161
Net book value			
At 31 March 2018	278,144	120,270	398,414
At 31 March 2017	97,272	135,306	232,578

UTILE PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

5. Investment property

	Freehold investment property £
Valuation	
At 1 April 2017	1,470,000
At 31 March 2018	1,470,000

The 2018 valuations were made by Prop-search.com, on an open market value for existing use basis.

6. Debtors

	2018 £	2017 £
Other debtors	47,160	6,371

7. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	32,915	7,197

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loans	39,766	24,513
Amounts owed to group undertakings	58,308	88,637
Corporation tax	-	15,437
Accruals and deferred income	726	1,086
	98,800	129,673

The bank loans disclosed under creditors falling due within one year are secured by the company.

UTILE PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

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

	2018 £	2017 £
Bank loans	<u>194,234</u>	<u>10,762</u>

The bank loans disclosed under creditors falling due after more than one year are secured by the company.

There are no bank loans falling due after more than five years.

10. Financial instruments

All debtors and creditors are basic financial instruments and are held at amortised cost.

11. Deferred taxation

	2018 £	2017 £
At beginning of year	(66,350)	(11,419)
Charged to profit or loss	(23,199)	(54,931)
At end of year	<u>(89,549)</u>	<u>(66,350)</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	<u>89,549</u>	<u>66,350</u>

12. Related party transactions

The company was under the control of Mr and Mrs T E Poole during the current year due to their majority shareholding in the holding company.

The company is a wholly owned subsidiary of Utile Holdings Limited and therefore has not reported transactions with wholly owned group members in accordance with FRS102.

13. Controlling party

The ultimate parent company is Utile Holdings Limited, who own 100% of the issued share capital in this company.