
BESLEY HILL FRANCHISING LIMITED

UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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BESLEY HILL FRANCHISING LIMITED
REGISTERED NUMBER: 04827803

BALANCE SHEET
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	5	-	699
Tangible assets	6	-	14,113
Investments	7	247,985	600,008
		<u>247,985</u>	<u>614,820</u>
Current assets			
Debtors: amounts falling due within one year	8	167,265	77,230
Cash at bank and in hand		-	8,983
		<u>167,265</u>	<u>86,213</u>
Creditors: amounts falling due within one year	9	(235,749)	(355,474)
Net current liabilities		<u>(68,484)</u>	<u>(269,261)</u>
Total assets less current liabilities		<u>179,501</u>	<u>345,559</u>
Provisions for liabilities			
Deferred tax		-	(1,321)
		<u>-</u>	<u>(1,321)</u>
Net assets		<u><u>179,501</u></u>	<u><u>344,238</u></u>
Capital and reserves			
Called up share capital		63	63
Capital redemption reserve		45	45
Profit and loss account		179,393	344,130
		<u><u>179,501</u></u>	<u><u>344,238</u></u>

BESLEY HILL FRANCHISING LIMITED
REGISTERED NUMBER: 04827803

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2017

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 profit and loss account 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:



A Offer
Director



A Firks-Matthews
Director

Date: 19/12/2017

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

BESLEY HILL FRANCHISING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. General information

Besley Hill Franchising Limited is a private company, limited by shares, incorporated in England and Wales. The registered office is located at 764-766 Fishponds Road, Fishponds, Bristol, BS16 3UA and the registered number is 04827803.

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.

These financial statements are the first annual financial statements of the company prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" as applied in the context of the small entities regime. The first date at which FRS 102 was applied was 1 April 2015. The company prepared its financial statements in the previous year in accordance with the FRSSE (2015).

The financial statements have been prepared on a going concern basis.

The following principal accounting policies have been applied:

2.2 Revenue

Turnover comprises two streams of income; franchisor income and franchisee income. Franchisor income includes franchise fees and recharged expenses; and franchisee income includes estate agency fees and letting income.

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Rendering of services

Turnover 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 turnover 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.

BESLEY HILL FRANCHISING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.3 Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the profit and loss account over its useful economic life, being 10 years.

2.4 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 most appropriate method.

Depreciation is provided on the following basis:

Property improvements	- 10% straight line
Fixtures and fittings	- 15% reducing balance
Computer equipment	- 3 years straight line

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 profit and loss account.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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

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.

BESLEY HILL FRANCHISING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.8 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, an impairment loss is recognised in the profit and loss account.

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 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

BESLEY HILL FRANCHISING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.11 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.12 Current and deferred taxation

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

2.13 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

3. Employees

The average monthly number of employees, including directors, during the year was 14 (2016 - 14).

BESLEY HILL FRANCHISING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

4. Exceptional items

On 24 March 2017, the franchisee trade and assets were sold to the directors at market value. The profit on disposal was £131,307.

On 24 March 2017, the franchisor trade and assets were sold to Hunters Property Plc, a listed entity, at market value. The profit on disposal was £1,839,793.

The company's principal activity from 24 March 2017 is disclosed in the Director's Report.

The aggregate of the amounts above are shown on the face of the profit and loss account.

5. Intangible assets

	Goodwill £
Cost	
At 1 April 2016	150,438
Disposals	(150,438)
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At 31 March 2017	-
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Amortisation	
At 1 April 2016	149,739
Charge for the year	699
On disposals	(150,438)
	<hr/>
At 31 March 2017	-
	<hr/>
Net book value	
At 31 March 2017	-
	<hr/> <hr/>
At 31 March 2016	699
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BESLEY HILL FRANCHISING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

6. Tangible fixed assets

	Property improvements £	Fixtures and fittings £	Computer equipment £	Total £
At 1 April 2016	22,665	7,586	16,350	46,601
Additions	-	-	2,024	2,024
Disposals	(22,665)	(7,586)	(18,374)	(48,625)
At 31 March 2017	-	-	-	-
At 1 April 2016	11,335	5,655	15,498	32,488
Disposals	(11,335)	(5,655)	(15,498)	(32,488)
At 31 March 2017	-	-	-	-
Net book value				
At 31 March 2017	-	-	-	-
At 31 March 2016	11,330	1,931	852	14,113

BESLEY HILL FRANCHISING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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7. Fixed asset investments

	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2016	600,008	-	600,008
Additions	-	250,000	250,000
Disposals	(599,700)	-	(599,700)
Revaluations	-	(2,323)	(2,323)
At 31 March 2017	<u>308</u>	<u>247,677</u>	<u>247,985</u>
Net book value			
At 31 March 2017	<u>308</u>	<u>247,677</u>	<u>247,985</u>
At 31 March 2016	<u>600,008</u>	<u>-</u>	<u>600,008</u>

The fair value of the listed investments at 31 March 2017 was £247,677 (2016 - £NIL).

8. Debtors

	2017 £	2016 £
Trade debtors	32,782	18,191
Amounts due from related companies	133,000	-
Prepayments and accrued income	-	56,639
Tax recoverable	1,483	-
Other debtors	-	2,400
	<u>167,265</u>	<u>77,230</u>

BESLEY HILL FRANCHISING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

9. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	-	32,417
Amounts owed to group undertakings	67,369	67,369
Amounts owed to related companies	9,988	-
Director's current account - A Offer	-	102,894
Director's current account - A Firks-Matthews	-	57,915
Corporation tax	112,605	3,644
Other taxation and social security	-	40,728
Accruals and deferred income	-	4,720
Other creditors	45,787	45,787
	<u>235,749</u>	<u>355,474</u>

10. Commitments under operating leases

At 31 March 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	-	14,010
	<u>-</u>	<u>14,010</u>

11. Related party transactions

During the period J A Property (Bristol) Limited, a company of which A Firks-Matthews and A Offer are also directors, purchased assets and liabilities from the company for £130,000 (2016 - £Nil). The balance due to the company at 31 March 2017 was £133,000 (2016 - £Nil). A Firks-Matthews and A Offer are guarantors relating to the disposal of the franchisor trade and assets.

The company's bank facilities are personally guaranteed, up to a limit of £100,000 by A Offer and A Firks-Matthews, directors of the company.

During the year the company made payments totaling £2,345,756 (2016 - £465,226) to a remuneration trust. The assets of the trust are controlled by Pixydog Limited and Offcorp Limited via fiduciary services agreements.

A Firks-Matthews and A Offer are sole directors and shareholders of these two companies, respectively, and are therefore the ultimate recipients of the £2,345,756 contributions made.

BESLEY HILL FRANCHISING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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12. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.