

LIBERTY HOUSE (NUNEATON) LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2018

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	Note	2018 £	2017 £
FIXED ASSETS			
Investment property	5	2,898,700	2,587,749
		<u>2,898,700</u>	<u>2,587,749</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	6	6,531	19,018
Cash at bank and in hand		913,373	55,886
		<u>919,904</u>	<u>74,904</u>
Creditors: amounts falling due within one year	7	(1,144,493)	(210,998)
NET CURRENT LIABILITIES		<u>(224,589)</u>	<u>(136,094)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,674,111</u>	<u>2,451,655</u>
Creditors: amounts falling due after more than one year	8	(1,714,500)	(1,659,727)
NET ASSETS		<u><u>959,611</u></u>	<u><u>791,928</u></u>
CAPITAL AND RESERVES			
Profit and loss account		959,611	791,928
		<u><u>959,611</u></u>	<u><u>791,928</u></u>

STATEMENT OF FINANCIAL POSITION (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:

Mr A R Hampton
Director

Mr S M Davidson
Director

Date: 26 September 2018

The notes on pages 3 to 7 form part of these financial statements.

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

1. GENERAL INFORMATION

Liberty House (Nuneaton) Limited is a private limited company, limited by guarantee, incorporated and registered in England within the United Kingdom. The registered office is Springfield House, 45 Welsh Back, Bristol, BS1 4AG and the registered number is 06454855.

The company does not have any share capital. Each of the members is liable to contribute an amount not exceeding £5 towards the assets of the company in the event of liquidation.

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 GOING CONCERN

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

that future rents receivable are sufficient to cover the capital repayments on the loan for at least the

next 12 months.

2.3 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.

2.4 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.

2.5 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.

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

2. ACCOUNTING POLICIES (continued)

2.6 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.

2.7 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.

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 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.

2.10 BORROWING COSTS

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

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

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 3 (2017: 3).

4. TAXATION

In accordance with the Memorandum of Association, the company acts as a nominee for the members. All profits accruing are treated as accruing directly to the members and will be taxed on them accordingly.

5. INVESTMENT PROPERTY

	Freehold investment property £	Short term leasehold investment property £	Total £
VALUATION			
At 1 April 2017	1,889,569	698,180	2,587,749
Additions at cost	310,951	-	310,951
Transfers between classes	698,180	(698,180)	-
AT 31 MARCH 2018	2,898,700	-	2,898,700

The company does not have beneficial ownership of the Freehold investment properties but hold them on trust for the members and directors of the company. The members and directors have beneficial title under a co-ownership agreement.

The Freehold and leasehold properties are held for investment purposes and are included in the Balance Sheet at open market value. They are revalued annually and depreciation is not provided.

The 2018 valuations were made by Alder King, Property Consultants, on an open market value for existing use basis.

6. DEBTORS

	2018 £	2017 £
Trade debtors	-	990
Other debtors	3,854	-
Prepayments and accrued income	2,677	18,028
	6,531	19,018

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

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Bank loans	156,000	113,000
Other loans	900,000	-
Trade creditors	6,420	7,840
Other taxation and social security	11,625	14,183
Accruals and deferred income	70,448	75,975
	<u>1,144,493</u>	<u>210,998</u>

Creditor amounts falling due within one year includes £156,000 (2017: £113,000) on which security has been given by the company. This amount is included in bank loans.

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018 £	2017 £
Bank loans	1,404,000	699,227
Other loans	310,500	960,500
	<u>1,714,500</u>	<u>1,659,727</u>

Creditor amounts falling due after more than one year includes £1,404,000 (2017: £699,227) on which security has been given by the company. This amount is included in bank loans.

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

9. LOANS

Analysis of the maturity of loans is given below:

	2018 £	2017 £
AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank loans	156,000	113,000
Other loans	900,000	-
	<u>1,056,000</u>	<u>113,000</u>
AMOUNTS FALLING DUE 1-2 YEARS		
Bank loans	624,000	452,000
Other loans	310,500	960,500
	<u>934,500</u>	<u>1,412,500</u>
AMOUNTS FALLING DUE AFTER MORE THAN 5 YEARS		
Bank loans	780,000	247,227
	<u>780,000</u>	<u>247,227</u>
	<u><u>2,770,500</u></u>	<u><u>1,772,727</u></u>

10. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2018 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	-	31,250
	<u>-</u>	<u>31,250</u>