

Company Registration No. 06842255 (England and Wales)

ORCHARDS OF LONDON LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
PAGES FOR FILING WITH REGISTRAR

ORCHARDS OF LONDON LIMITED

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ORCHARDS OF LONDON LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	3		45,296		56,871
Current assets					
Debtors	4	50,940		113,030	
Cash at bank and in hand		384,330		690,255	
		<u>435,270</u>		<u>803,285</u>	
Creditors: amounts falling due within one year	5	<u>(530,109)</u>		<u>(423,201)</u>	
Net current (liabilities)/assets			(94,839)		380,084
Total assets less current liabilities			<u>(49,543)</u>		<u>436,955</u>
Provisions for liabilities			(6,031)		(7,720)
Net (liabilities)/assets			<u><u>(55,574)</u></u>		<u><u>429,235</u></u>
Capital and reserves					
Called up share capital	6		9		13
Share premium account			1,498		249,998
Capital redemption reserve			4		-
Profit and loss reserves			<u>(57,085)</u>		<u>179,224</u>
Total equity			<u><u>(55,574)</u></u>		<u><u>429,235</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

ORCHARDS OF LONDON LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2018

The financial statements were approved by the board of directors and authorised for issue on 27 September 2019 and are signed on its behalf by:

P Connolly
Director

Company Registration No. 06842255

ORCHARDS OF LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Orchards of London Limited is a private company limited by shares incorporated in England and Wales. The registered office is Westworld, West Gate, London, W5 1DT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements have been prepared with early application of the FRS 102 Triennial Review 2017 amendments in full.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. The directors have prepared forecasts covering the next 12 months which show an improved trading position and a significant increase in profitability to absorb the deficit in profit and loss reserves at the year end. The directors have expressed willingness to continue to support the company for the foreseeable future in order to maintain cash flows and to ensure that the company can pay its debts as they fall due.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Commission on property sales is recognised on completion. Commission on lettings and associated income is recognised monthly over the term of the contract.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings - Short leasehold	Over the period of the lease - 12 and 15 years
Fixtures, fittings & equipment	20% reducing balance
Computer equipment	33% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

ORCHARDS OF LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

ORCHARDS OF LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.11 Software development costs

Software development expenditure is written off to the profit and loss account in the year in which it is incurred unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 23 (2017 - 25).

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2018 and 31 December 2018	22,351	124,732	147,083
Depreciation and impairment			
At 1 January 2018	6,107	84,105	90,212
Depreciation charged in the year	2,689	8,886	11,575
At 31 December 2018	8,796	92,991	101,787
Carrying amount			
At 31 December 2018	13,555	31,741	45,296
At 31 December 2017	16,244	40,627	56,871

ORCHARDS OF LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

4 Debtors	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	10,378	27,051
Other debtors	40,562	85,979
	<u>50,940</u>	<u>113,030</u>

5 Creditors: amounts falling due within one year	2018	2017
	£	£
Bank loans and overdrafts	37,118	2,656
Trade creditors	83,629	65,894
Taxation and social security	59,395	90,858
Other creditors	349,967	263,793
	<u>530,109</u>	<u>423,201</u>

The bank loans and overdraft are secured by unsecured personal guarantees of a director.

6 Called up share capital	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
850 Ordinary shares of 1p each	9	13
	<u>9</u>	<u>13</u>

The company has one class of ordinary shares which carry no right to fixed income.

During the year the company purchased 400 Ordinary shares of £0.01 each from an outgoing shareholder/director. This was financed by utilising the share premium reserve and profit and loss reserves.

ORCHARDS OF LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

7 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2018	2017
£	£
345,377	1,029,096
<u>345,377</u>	<u>1,029,096</u>

Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

2018	2017
£	£
-	10,000
<u>-</u>	<u>10,000</u>

8 Directors' transactions

Dividends totalling £46,500 (2017 - £125,000) were paid in the year in respect of shares held by the company's directors.

A director has provided unsecured personal guarantees to the company's bankers, up to a maximum of £40,000 in connection with a bank overdraft facility.

Loans have been granted by the company to its directors as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Director's loan	2.50	25,853	38,205	(81,620)	(17,562)
Director's loan	2.50	11,607	3,273	(14,880)	-
		<u>37,460</u>	<u>41,478</u>	<u>(96,500)</u>	<u>(17,562)</u>

The loans were unsecured and repayable on demand. The maximum amounts outstanding during the year on the above loans were £30,820 and £14,880 respectively. Interest of £64 and £72 was charged at 2.5% on the respective loans.

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.