

Company Registration No. 06913915 (England and Wales)

GROVEWIND LIMITED

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MAY 2018**

PAGES FOR FILING WITH REGISTRAR



GROVEWIND LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MAY 2018**

| | Notes | 2018 £ | £ | 2017 £ | £ |
|---|-------|--------------------|------------------|--------------------|------------------|
| Fixed assets | | | | | |
| Intangible assets | 3 | 1,066,667 | | 1,166,667 | |
| Tangible assets | 4 | 62,690 | | 1,512 | |
| | | <u>1,129,357</u> | | <u>1,168,179</u> | |
| Current assets | | | | | |
| Stocks | | 507,838 | | 464,393 | |
| Debtors | 5 | 1,038,986 | | 1,037,873 | |
| Cash at bank and in hand | | 64,042 | | 972 | |
| | | <u>1,610,866</u> | | <u>1,503,238</u> | |
| Creditors: amounts falling due within one year | 6 | <u>(1,310,804)</u> | | <u>(1,277,163)</u> | |
| Net current assets | | | 300,062 | | 226,075 |
| Total assets less current liabilities | | | <u>1,429,419</u> | | <u>1,394,254</u> |
| Provisions for liabilities | 7 | | (599) | | (275) |
| Net assets | | | <u>1,428,820</u> | | <u>1,393,979</u> |
| Capital and reserves | | | | | |
| Called up share capital | 8 | | 2 | | 2 |
| Profit and loss reserves | | | 1,428,818 | | 1,393,977 |
| Total equity | | | <u>1,428,820</u> | | <u>1,393,979</u> |

The directors of the company have elected not to include a copy of the income statement within the financial statements.

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

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.

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.

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

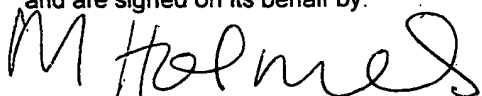
GROVEWIND LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MAY 2018

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

25/02/2019



M A Holmes
Director

GROVEWIND LIMITED

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

1 Accounting policies

Company information

Grovwind Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Springpark House, Basing View, Basingstoke, Hampshire, RG21 4HG.

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 are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence, and will continue to support the company for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

GROVEWIND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2018

1 Accounting policies (Continued)

Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 20 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

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 Freehold | 15 years straight line |
| Computer equipment | 4 years straight line |

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.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

GROVEWIND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2018

1 Accounting policies (Continued)

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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 when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

GROVEWIND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2018

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

For non-depreciable assets measured using the revaluation model and investment properties measured at fair value (except investment property with a limited useful life held by the company to consume substantially all of its economic benefit), deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2017 - 2).

GROVEWIND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2018

3 Intangible fixed assets

| | Goodwill £ |
|------------------------------------|---------------|
| Cost | |
| At 1 June 2017 and 31 May 2018 | 2,000,000 |
| Amortisation and impairment | |
| At 1 June 2017 | 833,333 |
| Amortisation charged for the year | 100,000 |
| At 31 May 2018 | 933,333 |
| Carrying amount | |
| At 31 May 2018 | 1,066,667 |
| At 31 May 2017 | 1,166,667 |

4 Tangible fixed assets

| | Land and buildings £ | Plant and machinery etc £ | Total £ |
|------------------------------------|----------------------------|------------------------------------|------------|
| Cost | | | |
| At 1 June 2017 | - | 12,650 | 12,650 |
| Additions | 65,682 | 1,030 | 66,712 |
| At 31 May 2018 | 65,682 | 13,680 | 79,362 |
| Depreciation and impairment | | | |
| At 1 June 2017 | - | 11,138 | 11,138 |
| Depreciation charged in the year | 4,379 | 1,155 | 5,534 |
| At 31 May 2018 | 4,379 | 12,293 | 16,672 |
| Carrying amount | | | |
| At 31 May 2018 | 61,303 | 1,387 | 62,690 |
| At 31 May 2017 | - | 1,512 | 1,512 |

5 Debtors

| | 2018 £ | 2017 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 15,818 | 15,774 |
| Other debtors | 1,023,168 | 1,022,099 |
| | 1,038,986 | 1,037,873 |

GROVEWIND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2018

6 Creditors: amounts falling due within one year

| | 2018 £ | 2017 £ |
|------------------------------------|------------------|------------------|
| Trade creditors | 9,943 | 5,797 |
| Corporation tax | 48,054 | 45,755 |
| Other taxation and social security | 6,209 | 6,531 |
| Other creditors | 1,246,598 | 1,219,080 |
| | <u>1,310,804</u> | <u>1,277,163</u> |

Included within other creditors is a bank loan balance of £90,789 (2017: £nil) which is repayable on demand. This balance is secured over the property to which it relates.

7 Provisions for liabilities

| | 2018 £ | 2017 £ |
|--------------------------|------------|------------|
| Deferred tax liabilities | 599 | 275 |
| | <u>599</u> | <u>275</u> |

8 Called up share capital

| | 2018 £ | 2017 £ |
|---|-----------|-----------|
| Ordinary share capital Issued and fully paid | | |
| 2 Ordinary shares of £1 each | 2 | 2 |
| | <u>2</u> | <u>2</u> |

9 Related party transactions

At the balance sheet date, the company owed Mr M A Holmes and Ms M H A Holtum, both directors of the company, £1,152,259 (2017: £1,215,530). The loan is interest free and repayable on demand.

The company was owed £1,017,850 (2017: £1,018,850) by Lyme Bay Property Limited, a company in which both Mr M A Holmes and Ms M H A Holtum are directors. The loan is interest free and repayable on demand.