

REGISTERED NUMBER: 08299002 (England and Wales)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

FOR

THE DAVENTRY ESTATE COMPANY LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

	Page
Company Information	1
Statement of Financial Position	2
Notes to the Financial Statements	3

THE DAVENTRY ESTATE COMPANY LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2017**

DIRECTORS:

S P Bowers
K Flynn
J Gilford
C Poole
R P Micklewright

SECRETARY:

J E Lewis

REGISTERED OFFICE:

Daventry District Council
Lodge Road
Daventry
Northamptonshire
NN11 4FP

REGISTERED NUMBER:

08299002 (England and Wales)

AUDITORS:

DNG Dove Naish
Chartered Accountants
and Statutory Auditor
Eagle House
28 Billing Road
Northampton
Northamptonshire
NN1 5AJ

STATEMENT OF FINANCIAL POSITION
31 MARCH 2017

	Notes	2017 £	£	2016 £	£
FIXED ASSETS					
Investment property	3		6,735,500		7,040,000
CURRENT ASSETS					
Debtors	4	18,568		7,391	
Cash at bank		<u>141,829</u>		<u>118,995</u>	
		160,397		126,386	
CREDITORS					
Amounts falling due within one year	5	<u>24,078</u>		<u>30,952</u>	
NET CURRENT ASSETS			<u>136,319</u>		<u>95,434</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			6,871,819		7,135,434
CREDITORS					
Amounts falling due after more than one year	6		(6,270,163)		(6,270,862)
PROVISIONS FOR LIABILITIES			<u>(24,900)</u>		<u>(125,564)</u>
NET ASSETS			<u>576,756</u>		<u>739,008</u>
CAPITAL AND RESERVES					
Called up share capital			1,000		1,000
Investment property reserve	7		497,727		701,563
Retained earnings	7		<u>78,029</u>		<u>36,445</u>
SHAREHOLDERS' FUNDS			<u>576,756</u>		<u>739,008</u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 4 September 2017 and were signed on its behalf by:

S P Bowers - Director

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

1. STATUTORY INFORMATION

The Daventry Estate Company Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents rental income from investment properties.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Financial instruments

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income under administrative expenses.

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

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

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Finance leases

Assets held under finance leases are capitalised in the balance sheet. The interest element of these obligations is charged to the statement of comprehensive income over the relevant period. The capital element of future payments is treated as a liability.

3. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 April 2016	7,040,000
Revaluations	(304,500)
At 31 March 2017	<u>6,735,500</u>
NET BOOK VALUE	
At 31 March 2017	<u>6,735,500</u>
At 31 March 2016	<u>7,040,000</u>

Cost or valuation at 31 March 2017 is represented by:

	£
Valuation in 2015	290,127
Valuation in 2016	537,000
Valuation in 2017	(304,500)
Cost	<u>6,212,873</u>
	<u>6,735,500</u>

If Investment property had not been revalued it would have been included at the following historical cost:

	2017 £	2016 £
Cost	<u>6,212,873</u>	<u>6,212,873</u>
Aggregate depreciation	<u>(364,072)</u>	<u>(239,815)</u>

The investment properties were valued on a fair value basis on 31 March 2017 by Jason Low BSc MRICS MBA, an employee of Daventry District Council.

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

3. INVESTMENT PROPERTY - continued

The investment properties were all held under finance leases. The fair value of these assets is as stated above.

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade debtors	12,236	3,728
Prepayments and accrued income	<u>6,332</u>	<u>3,663</u>
	<u>18,568</u>	<u>7,391</u>

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Finance leases	428	418
Amounts owed to group undertakings	3,086	11,083
Tax	14,146	11,952
Accruals and deferred income	<u>6,418</u>	<u>7,499</u>
	<u>24,078</u>	<u>30,952</u>

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

	2017	2016
	£	£
Finance leases	6,211,157	6,211,586
Amounts owed to group undertakings	<u>59,006</u>	<u>59,276</u>
	<u>6,270,163</u>	<u>6,270,862</u>

Amounts falling due in more than five years:

Repayable by instalments		
Finance leases	<u>6,209,339</u>	<u>6,209,810</u>

7. RESERVES

	Retained earnings £	Investment property reserve £	Totals £
At 1 April 2016	36,445	701,563	738,008
Deficit for the year	(147,252)		(147,252)
Dividends	(15,000)		(15,000)
Reserves transfer	<u>203,836</u>	<u>(203,836)</u>	-
At 31 March 2017	<u>78,029</u>	<u>497,727</u>	<u>575,756</u>

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

8. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Andrew Clifford (Senior Statutory Auditor)
for and on behalf of DNG Dove Naish

9. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

10. CONTROLLING PARTY

The Directors consider that The Daventry Estate Company Limited (TDECL) is a "controlled" company under the terms of the Local Government and Housing Act 1989 and the Local Authorities (Companies) Order 1995. This is because Daventry District Council (DDC) is the sole shareholder of the company. As such DDC has 100% of the voting rights at general meetings and has the sole right to appoint and remove directors.

DDC can be contacted at Lodge Road, Daventry, Northamptonshire, NN11 4FP.

11. FIRST YEAR ADOPTION

This is the first year in which the financial statements have been produced under FRS 102 (1A). Transition to FRS 102 has resulted in a change in accounting policy for deferred tax. Deferred tax is now provided on revalued properties. Refer to pages 13 -15 for the impact of these changes.

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.