

**FERNTOWER PROPERTIES LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MAY 2018**  
**PAGES FOR FILING WITH REGISTRAR**

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# **FERNTOWER PROPERTIES LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	A J Creedy S K Creedy
<b>Company number</b>	09023531
<b>Registered office</b>	32 Fort Road Guildford Surrey GU1 3TE
<b>Accountants</b>	RSM UK Tax and Accounting Limited Chartered Accountants One London Square Cross Lanes Guildford Surrey GU1 1UN

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**FERNTOWER PROPERTIES LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 MAY 2018**

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Investment properties	4		59,650		61,000
<b>Current assets</b>					
Stocks		-		84,912	
Debtors	5	26,600		30,135	
Cash at bank and in hand		438,306		519,959	
		464,906		635,006	
<b>Creditors: amounts falling due within one year</b>	6	(5,947)		(188,610)	
<b>Net current assets</b>			458,959		446,396
<b>Total assets less current liabilities</b>			518,609		507,396
<b>Capital and reserves</b>					
Called up share capital	7		2		2
Profit and loss reserves			518,607		507,394
<b>Total equity</b>			518,609		507,396

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 (the Act) 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 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act 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.

The financial statements were approved by the board of directors and authorised for issue on 3 November 2018 and are signed on its behalf by:



A J Creedy  
Director

# FERNTOWER PROPERTIES LIMITED

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

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### 1 Accounting policies

#### Company information

Ferntower Properties Limited is a private company limited by shares incorporated in England and Wales. The registered office is 32 Fort Road, Guildford, Surrey GU1 3TE.

#### 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" 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 £.

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

#### Going concern

The directors believe that the company is able to meet all of its obligations as they fall due for a period of at least twelve months from the date of approval of these financial statements. Therefore, the directors consider it appropriate to prepare the financial statements on the going concern basis.

#### Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods 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.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, 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.

#### Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently, it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

#### 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.

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, 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.

# FERNTOWER PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MAY 2018

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#### 1 Accounting policies (Continued)

##### **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, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

##### **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 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 period.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

# FERNTOWER PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MAY 2018

#### 1 Accounting policies (Continued)

##### Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

##### Leases

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.

#### 2 Employees

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

#### 3 Directors' remuneration

	2018 £	2017 £
Remuneration paid to directors	-	20,000

#### 4 Investment property

	2018 £
Fair value	
At 1 June 2017	61,000
Revaluations	(1,350)
At 31 May 2018	59,650

Investment properties comprises the company's retained interest in the freehold of its former development property asset. The fair value of the investment property was arrived at on the basis of a valuation carried out by Clarke Gammon Wellers, Chartered Surveyors, who are not connected with the company. The valuation as at 31 May 2017 was made on an open market value basis and on the basis of the ground rent applicable in future years. This value has been updated by the directors as at 31 May 2018.

#### 5 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Other debtors	26,600	30,135

# FERNTOWER PROPERTIES LIMITED

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

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### 6 Creditors: amounts falling due within one year

	2018 £	2017 £
Corporation tax	2,947	125,708
Other creditors	3,000	62,902
	<u>5,947</u>	<u>188,610</u>

### 7 Called up share capital

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

### 8 Directors' transactions

At the balance sheet date, the company owed A J Creedy and S K Creedy a total of £Nil (31 May 2017: £26,819) in respect of their directors' current account. This amount was included within other creditors in the prior year.