Company Registration No. 11088408 (England and Wales)

HERDWICK INVESTMENTS LIMITED

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2019

PAGES FOR FILING WITH REGISTRAR



Company Registration No. 11088408

HERDWICK INVESTMENTS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	3		6,790		5,552
Investment properties	4		300,000		202,154
			306,790		207,706
Current assets					
Debtors	5	180		81	
Cash at bank and in hand		14,406		9,230	
		14,586		9,311	
Creditors: amounts falling due within one year	6	(207,498)		(208,474)	
Net current liabilities			(192,912)		(199,163)
Total assets less current liabilities			113,878		8,543
Provisions for liabilities	7		(15,089)		(238)
Net assets			98,789		8,305
Capital and reserves					
Called up share capital	8		1		1
Revaluation reserve			83,205		-
Profit and loss reserves			15,583		8,304
Total equity			98,789		8,305

HERDWICK INVESTMENTS LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2019

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 December 2019 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.

The financial statements were approved by the board of directors and authorised for issue on 10 March 2020 and are signed on its behalf by:

N Patrick
Director

1 Accounting policies

Company information

Herdwick Investments Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Coopers Bridge, Braziers Lane, Winkfield, Berkshire, RG42 6NS.

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 £.

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 for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Reporting period

The accounts have been prepared for the year ending 31 December 2019. The prior financial statements were prepared for the 398 day period ended 31 December 2018. Therefore the amounts presented in the financial statements are not entirely comparable.

Turnover

Turnover is recognised at fair value and represents the invoiced value of rental income, net of Value Added Tax, derived from property located in the UK. turnover is recognised on a straight line basis over the lease term.

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:

Leasehold improvements	nil
Computer equipment	3 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.

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.

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 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.

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 other creditors, 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.

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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was 2 (2018 - 2).

3 Tangible fixed assets

	Leasehold improvements	Computer equipment	Total
	£	£	£
Cost			
At 1 January 2019	4,150	1,655	5,805
Additions	-	2,147	2,147
At 31 December 2019	4,150	3,802	7,952
Depreciation and impairment			
At 1 January 2019	-	253	253
Depreciation charged in the year	-	909	909
At 31 December 2019	-	1,162	1,162
Carrying amount			
At 31 December 2019	4,150	2,640	6,790
At 31 December 2018	4,150	1,402	5,552

4 Investment property

	2019
	£
Fair value	
At 1 January 2019	202,154
Revaluations	97,846
At 31 December 2019	300,000

The fair value of the investment property has been arrived at on the basis of a valuation carried out by Maison Real Estate on 3 May 2019, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2019	2018
	£	£
Cost	202,154	202,154

5 Debtors

	2019	2018
Amounts falling due within one year:	**£**	**£**
Other debtors	180	81

6 Creditors: amounts falling due within one year

	2019	2018
	£	**£**
Corporation tax	2,040	1,816
Other taxation and social security	-	250
Other creditors	205,458	206,408
	207,498	208,474

7 Provisions for liabilities

	2019	2018
	£	**£**
Deferred tax liabilities	15,089	238

8 Called up share capital

	2019	2018
	£	**£**
Ordinary share capital		
Issued and fully paid		
1 ordinary share of £1 each	1	1

9 Revaluation reserve

	2019	2018
	£	**£**
At the beginning of the year	-	-
Transfer from retained earnings	83,205	-
At the end of the year	83,205	-

10 Directors' transactions

During the period a director of the company paid expenses of £nil (2018: £244,909) on behalf of the company and was repaid £1,000 (2018: £40,001). At the end of the year £203,908 (2018: £204,908) was due to the director and is shown within other creditors.

No interest was charged on this balance.