

Co House

Registered number: NI602679

Ancre Developments Limited

Unaudited

Financial statements

For the year ended 31 October 2017



Ancre Developments Limited
Registered number: NI602679

Statement of financial position
As at 31 October 2017

| | Note | 2017 £ | 2016 £ |
|--|------|-----------------|-----------------|
| Fixed assets: | | | |
| Investments | 4 | 446,770 | 446,770 |
| | | <u>446,770</u> | <u>446,770</u> |
| Current assets | | | |
| Cash in hand | 5 | 2 | 2 |
| | | <u>2</u> | <u>2</u> |
| Creditors: amounts falling due within one year | 6 | (91,770) | (91,770) |
| Net current liabilities | | <u>(91,768)</u> | <u>(91,768)</u> |
| Net assets | | <u>355,002</u> | <u>355,002</u> |
| Capital and reserves | | | |
| Called up share capital | 7 | 1,000 | 1,000 |
| Share premium account | | 352,583 | 352,583 |
| Merger reserve | | 1,419 | 1,419 |
| Total equity | | <u>355,002</u> | <u>355,002</u> |

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

23/03/2018



Mr Neil Black
Director

The notes on pages 2 to 6 form part of these financial statements.

Ancre Developments Limited

Notes to the financial statements For the year ended 31 October 2017

1. General information

Ancre Developments is a private company, limited by shares, incorporated in and domiciled in Northern Ireland, registration number NI602679. The address of the registered office is 1 Ballymena Road, Doagh, Co. Antrim, BT39 0QR.

The company's principal activity during the year was holding shares.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, required under Section 7 of FRS 102 and para 3.17(d), on the basis that it is a small company,
- from disclosing the Company's key management personnel compensation as required by FRS 102 para 33.7; and
- from certain financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29.

2.3 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.4 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.5 Consolidation

These financial statements contain information about the company as an individual company and do not contain consolidated financial information as the parent undertaking of a group. The company is exempt under the special provisions of the small companies' regime of the Companies Act 2006 from the requirement to prepare consolidated financial statements as the group it heads qualifies as a small sized group.

**Notes to the financial statements
For the year ended 31 October 2017**

2. Accounting policies (continued)

2.6 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.8 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2016 - 3).

Ancre Developments Limited

Notes to the financial statements For the year ended 31 October 2017

4. Fixed asset investments

| | Investments in subsidiary companies £ |
|--------------------------|---|
| Cost or valuation | |
| At 1 November 2016 | 446,770 |
| At 31 October 2017 | 446,770 |
| Net book value | |
| At 31 October 2017 | 446,770 |
| At 31 October 2016 | 446,770 |

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

| Name | Country of incorporation | Share ownership class % | Principal activity |
|------------------------------------|-----------------------------|-------------------------------------|-------------------------------|
| Sharp Pencil Restaurants Ltd | Northern Ireland | Ordinary shares of £1 each 100 % | Consulting and rental |
| Sharp Pencil Consultancy Limited | Northern Ireland | Ordinary shares of £1 each 79 % | Franchising and commission |
| Lagan Submarines (Ireland) Limited | Republic of Ireland | Ordinary shares of €1 each 100 % | Franchising and commission |

The aggregate capital and reserves and results of the company's subsidiary undertakings for the financial year were:

| | 2017 £ | 2016 £ |
|--|-----------|-----------|
| Profit for the financial year | | |
| Sharp Pencil Restaurants Limited | 21,534 | 19,430 |
| Sharp Pencil Consultancy Limited | 206,605 | 149,098 |
| Lagan Submarines (Ireland) Limited (Euros) | 477,079 | 740,369 |
| Capital and reserves | | |
| Sharp Pencil Restaurants Limited | 189,146 | 167,612 |
| Sharp Pencil Consultancy Limited | 21,113 | 40,637 |
| Lagan Submarines (Ireland) Limited (Euros) | 2,047,005 | 1,630,451 |

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5. Cash and cash equivalents

| | 2017 £ | 2016 £ |
|--------------------------|-----------|-----------|
| Cash at bank and in hand | <u>2</u> | <u>2</u> |

6. Creditors: Amounts falling due within one year

| | 2017 £ | 2016 £ |
|------------------------------------|---------------|---------------|
| Amounts owed to group undertakings | <u>91,770</u> | <u>91,770</u> |

Amounts owed to group undertakings are interest free, unsecured and repayable on demand.

7. Share capital

| | 2017 £ | 2016 £ |
|--|--------------|--------------|
| Shares classified as equity | | |
| Allotted and fully paid | | |
| 304 (2016: 304) Ordinary "A" shares of £1 each | 304 | 304 |
| 696 (2016: 696) Ordinary "B" shares of £1 each | 696 | 696 |
| | <u>1,000</u> | <u>1,000</u> |

The "A" and "B" shares rank pari passu in all respects except as otherwise provided in the Articles of Association of the company. They constitute separate classes of shares.

8. Dividends

| | 2017 £ | 2016 £ |
|--|----------------|---------------|
| Ordinary "A" and "B" | | |
| Interim paid of £194.74 (2016: £172.45) per 'A' ordinary share | 59,202 | 52,425 |
| Interim paid of £164.47 (2016: £nil) per 'A' ordinary share | 50,964 | - |
| Interim paid of £83.15 (2016: £38.45) per 'B' ordinary share | 57,871 | 26,763 |
| Interim paid of £36 (2016: £nil) per 'B' ordinary share | 25,056 | - |
| | <u>193,093</u> | <u>79,188</u> |

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Notes to the financial statements For the year ended 31 October 2017

9. Related party transactions

The company had the following transactions with related parties during the year. These entities are related parties as defined under paragraph 33.1A from the provisions of FRS 102, by virtue of their shareholdings in the company.

Transactions with related parties are as follows:

| Nature of transaction | Amount of transaction 2017 £ | Amount of transaction 2016 £ | Amount owed to related party | Amount owed to related party |
|---|------------------------------------|------------------------------------|------------------------------|------------------------------|
| | | | 2017 £ | 2016 £ |
| Sharp Pencil Consultancy Limited (Subsidiary undertaking) | Loan | - | - | 91,770 |
| | | | 91,770 | 91,770 |

10. Ultimate controlling party

The ultimate controlling parties are Mr Paul Heyes and his immediate family by virtue of their shareholding.

11. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.