

**CAPER HOUSE LIMITED**

**UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**Company Registration No. SC174724 (Scotland)  
PAGES FOR FILING WITH REGISTRAR**

# CAPER HOUSE LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr John Lynch Mr William Lynch
<b>Company number</b>	SC174724
<b>Registered office</b>	East Brockloch Farm By Maybole Ayrshire KA19 8ED
<b>Accountants</b>	William Duncan + Co 30 Miller Road Ayr Ayrshire KA7 2AY
<b>Bankers</b>	Bank of Scotland 123 High Street Ayr Ayrshire KA7 1QP  The Co-operative Bank PLC 29 Gordon Street Glasgow G1 3PF

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# CAPER HOUSE LIMITED

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# CAPER HOUSE LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	2	2,772	2,521
Investment properties	3	1,272,397	1,272,397
		<u>1,275,169</u>	<u>1,274,918</u>
<b>Current assets</b>			
Debtors	4	50,743	47,635
Cash at bank and in hand		20,690	30,527
		<u>71,433</u>	<u>78,162</u>
<b>Creditors: amounts falling due within one year</b>	5	<u>(192,392)</u>	<u>(55,970)</u>
<b>Net current (liabilities)/assets</b>		<u>(120,959)</u>	<u>22,192</u>
<b>Total assets less current liabilities</b>		<u>1,154,210</u>	<u>1,297,110</u>
<b>Creditors: amounts falling due after more than one year</b>	6	(335,923)	(527,728)
<b>Provisions for liabilities</b>		<u>(95,044)</u>	<u>(111,263)</u>
<b>Net assets</b>		<u><u>723,243</u></u>	<u><u>658,119</u></u>
<b>Capital and reserves</b>			
Called up share capital	8	100	100
Revaluation reserve	9	445,052	445,052
Profit and loss reserves		278,091	212,967
<b>Total equity</b>		<u><u>723,243</u></u>	<u><u>658,119</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

## **CAPER HOUSE LIMITED**

### **BALANCE SHEET (CONTINUED)**

***AS AT 31 DECEMBER 2016***

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For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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.

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 29 August 2017 and are signed on its behalf by:

Mr William Lynch  
**Director**

**Company Registration No. SC174724**

# CAPER HOUSE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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### **1 Accounting policies**

#### **Company information**

Caper House Limited is a private company limited by shares incorporated in Scotland. The registered office is East Brockloch Farm, By Maybole, Ayrshire, KA19 8ED.

#### **1.1 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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2016 are the first financial statements of Caper House Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 11.

#### **1.2 Turnover**

Turnover represents the total invoice value, excluding value added tax, of rental income received during the year.

Rental income from operating leases is recognised on a straight-line basis over the lease term.

#### **1.3 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:

Plant and machinery	20% on cost
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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.

#### **1.4 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

Gains or losses arising from changes in the fair value of investment property are included in profit and loss for the period in which they arise.

# CAPER HOUSE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### 1.5 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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets 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.

#### 1.7 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 in the company's balance sheet 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 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# CAPER HOUSE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **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 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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the 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.

### 1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.



# CAPER HOUSE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 1 Accounting policies

(Continued)

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

### 2 Tangible fixed assets

#### **Plant and machinery etc £**

#### **Cost**

At 1 January 2016	4,675
Additions	1,371

At 31 December 2016 6,046

#### **Depreciation and impairment**

At 1 January 2016	2,154
Depreciation charged in the year	1,120

At 31 December 2016 3,274

#### **Carrying amount**

At 31 December 2016	<u>2,772</u>
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At 31 December 2015 2,521

# CAPER HOUSE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 3 Investment property

2016  
£

#### Fair value

At 1 January 2016 and 31 December 2016

1,272,397

Investment property comprises commercial properties. The fair value of the investment property has been arrived at on the basis of a valuation carried out at the year end by a director of a related party who is a qualified surveyor. 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:

	2016 £	2015 £
Cost	716,083	716,083
Accumulated depreciation	-	-
Carrying amount	716,083	716,083

### 4 Debtors

	2016 £	2015 £
<b>Amounts falling due within one year:</b>		
Trade debtors	16,456	11,051
Amounts due from group undertakings	26,772	32,028
Other debtors	7,515	4,556
	50,743	47,635

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

	2016 £	2015 £
Bank loans and overdrafts	138,705	35,000
Trade creditors	7,500	3,702
Other taxation and social security	15,846	3,059
Other creditors	30,341	14,209
	192,392	55,970

# CAPER HOUSE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 6 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loans and overdrafts	-	137,574
Other creditors	335,923	390,154
	<u>335,923</u>	<u>527,728</u>

The company's bank borrowings are secured by a standard security over the company's investment property.

### 7 Provisions for liabilities

	2016 £	2015 £
Deferred tax liabilities	95,044	111,263
	<u>95,044</u>	<u>111,263</u>

### 8 Called up share capital

	2016 £	2015 £
<b>Ordinary share capital</b>		
<b>Authorised</b>		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
<b>Issued and fully paid</b>		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

### 9 Revaluation reserve

	2016 £	2015 £
At beginning and end of year	445,052	445,052
	<u>445,052</u>	<u>445,052</u>

## CAPER HOUSE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

#### 10 Related party transactions

The company is related to the undernoted entities by virtue of common family control. Unless otherwise stated, movement in the related party balances arise from funding transfers. No interest is charged on these loans unless otherwise stated, the amounts outstanding have no fixed terms for repayment and were as follows at the year end:

The balance owed to the John Lynch Family Trust No 1 was £184,650 (2015 - £184,650), and by the John Lynch Family Trust No 2 was £8,000 (2015 - £6,000).

The balance due to John Lynch (Builders) Limited was £151,273 (2015 - £205,504). The interest charged on this loan in the year amounted to £10,768 (2015 - £28,835).

The balance owed to the company by John Lynch (Developments) Limited was £13,100 (2015 - £13,100).

The balance owed by John Lynch Farmers was £5,672 (2015 - £10,928).

#### 11 Reconciliations on adoption of FRS 102

Reconciliations and descriptions of the effect of the transition to FRS 102 on; (i) equity at the date of transition to FRS 102; (ii) equity at the end of the comparative period; and (iii) profit or loss for the comparative period reported under previous UK GAAP are given below.

##### Reconciliation of equity

	1 January 2015	31 December 2015
Notes	£	£
Equity as reported under previous UK GAAP	736,308	769,382
Adjustments arising from transition to FRS 102:		
Deferred tax on fair value adjustment	(111,263)	(111,263)
Equity reported under FRS 102	625,045	658,119

##### Reconciliation of profit for the financial period

	2015 £
Profit as reported under previous UK GAAP and under FRS 102	33,074

##### Notes to reconciliations on adoption of FRS 102

1. FRS102 requires that deferred tax should be provided on the revaluation of property values to fair value.

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.