

COMPANY REGISTRATION NUMBER: 01245594

**County Properties Northern Limited**  
**Financial Statements**  
**31 December 2017**



# **County Properties Northern Limited**

## **Financial Statements**

**Year ended 31 December 2017**

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# **County Properties Northern Limited**

## **Officers and Professional Advisers**

### **The board of directors**

J. Guthrie  
P.J. Guthrie  
R. Guthrie  
R.G. Urquhart  
M. Robson  
D. Nairn

### **Company secretary**

B.P. Swiers

### **Registered office**

137 Scalby Road  
Scarborough  
North Yorkshire  
YO12 6TB

### **Auditor**

Scott-Moncrieff  
Chartered accountants & statutory auditor  
25 Bothwell Street  
Glasgow  
G2 6NL

### **Bankers**

Svenska Handelsbanken AB (publ)  
3 Thomas More Square  
London  
E1W 1WY

# **County Properties Northern Limited**

## **Directors' Report**

### **Year ended 31 December 2017**

The directors present their report and the financial statements of the company for the year ended 31 December 2017.

#### **Principal activities**

The principal activities of the company during the period have been the running of a property letting business and acting as the administration centre for a number of its fellow subsidiaries.

#### **Directors**

The directors who served the company during the year were as follows:

J. Guthrie  
P.J. Guthrie  
R. Guthrie  
R.G. Urquhart  
M. Robson  
D. Nairn

#### **Directors' responsibilities statement**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

# **County Properties Northern Limited**

## **Directors' Report** *(continued)*

**Year ended 31 December 2017**

### **Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 14 June 2018 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to be 'B.P. Swiers', with a long horizontal flourish extending to the right.

B.P. Swiers  
Company Secretary

# **County Properties Northern Limited**

## **Independent Auditor's Report to the Members of County Properties Northern Limited**

**Year ended 31 December 2017**

### **Opinion**

We have audited the financial statements of County Properties Northern Limited for the year ended 31 December 2017 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

# **County Properties Northern Limited**

## **Independent Auditor's Report to the Members of County Properties Northern Limited (continued)**

**Year ended 31 December 2017**

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

# **County Properties Northern Limited**

## **Independent Auditor's Report to the Members of County Properties Northern Limited (continued)**

**Year ended 31 December 2017**

### **Responsibilities of directors**

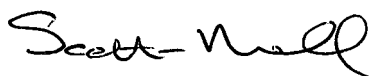
As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



Bernadette Higgins (Senior Statutory Auditor)

For and on behalf of  
Scott-Moncrieff  
Chartered accountants & statutory auditor  
25 Bothwell Street  
Glasgow  
G2 6NL

14 June 2018



# County Properties Northern Limited

## Statement of Comprehensive Income

Year ended 31 December 2017

		Year to 31 Dec 17 £	Period from 1 Oct 15 to 31 Dec 16 £
<b>Turnover</b>	<b>Note 4</b>	<b>3,612,787</b>	<b>4,138,783</b>
Cost of sales		<u>377,749</u>	<u>766,569</u>
<b>Gross profit</b>		<b>3,235,038</b>	<b>3,372,214</b>
Administrative expenses		<u>905,845</u>	<u>1,055,358</u>
Other operating income	<b>5</b>	<u>–</u>	<u>2,200,000</u>
<b>Operating profit</b>	<b>6</b>	<b>2,329,193</b>	<b>4,516,856</b>
Other interest receivable and similar income	<b>9</b>	<u>81</u>	<u>362</u>
Interest payable and similar expenses	<b>10</b>	<u>9,891</u>	<u>150,371</u>
<b>Profit before taxation</b>		<b>2,319,383</b>	<b>4,366,847</b>
Tax on profit	<b>11</b>	<u>321,041</u>	<u>371,432</u>
<b>Profit for the financial year and total comprehensive income</b>		<b><u>1,998,342</u></b>	<b><u>3,995,415</u></b>

All the activities of the company are from continuing operations.

The notes on pages 10 to 19 form part of these financial statements.

# County Properties Northern Limited

## Statement of Financial Position

31 December 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	13	35,971	42,788
Investment Property	14	<u>32,784,562</u>	<u>32,750,000</u>
		<b>32,820,533</b>	<b>32,792,788</b>
<b>Current assets</b>			
Stocks	15	1,336,338	1,336,338
Debtors	16	254,994	320,970
Cash at bank and in hand		<u>273,751</u>	<u>1,304,860</u>
		<b>1,865,083</b>	<b>2,962,168</b>
<b>Creditors: amounts falling due within one year</b>	17	<u>19,888,639</u>	<u>20,828,976</u>
<b>Net current liabilities</b>		<b>18,023,556</b>	<b>17,866,808</b>
<b>Total assets less current liabilities</b>		<b>14,796,977</b>	<b>14,925,980</b>
<b>Provisions</b>	18	<u>739,596</u>	<u>866,941</u>
<b>Net assets</b>		<b><u>14,057,381</u></b>	<b><u>14,059,039</u></b>
<b>Capital and reserves</b>			
Called up share capital	21	12,000	12,000
Profit and loss account	22	<u>14,045,381</u>	<u>14,047,039</u>
<b>Members funds</b>		<b><u>14,057,381</u></b>	<b><u>14,059,039</u></b>

These financial statements were approved by the board of directors and authorised for issue on 14 June 2018, and are signed on behalf of the board by:



R. Guthrie  
Director

Company registration number: 01245594

The notes on pages 10 to 19 form part of these financial statements.

# County Properties Northern Limited

## Statement of Changes in Equity

Year ended 31 December 2017

		Called up share capital £	Profit and loss account £	Total £
<b>At 1 October 2015</b>		12,000	12,051,624	12,063,624
Profit for the year			3,995,415	3,995,415
<b>Total comprehensive income for the year</b>		–	3,995,415	3,995,415
Dividends paid and payable	<b>12</b>	–	(2,000,000)	(2,000,000)
<b>Total investments by and distributions to owners</b>		–	(2,000,000)	(2,000,000)
<b>At 31 December 2016</b>		12,000	14,047,039	<b>14,059,039</b>
Profit for the year			1,998,342	<b>1,998,342</b>
<b>Total comprehensive income for the year</b>		–	1,998,342	<b>1,998,342</b>
Dividends paid and payable	<b>12</b>	–	(2,000,000)	<b>(2,000,000)</b>
<b>Total investments by and distributions to owners</b>		–	(2,000,000)	<b>(2,000,000)</b>
<b>At 31 December 2017</b>		<u>12,000</u>	<u>14,045,381</u>	<u><b>14,057,381</b></u>

The notes on pages 10 to 19 form part of these financial statements.

# **County Properties Northern Limited**

## **Notes to the Financial Statements**

**Year ended 31 December 2017**

### **1. General information**

The company is a United Kingdom company limited by shares. It is both incorporated and domiciled in the United Kingdom. The registered office is 137 Scalby Road, Scarborough, North Yorkshire, YO12 6TB.

The continuing activities of the company are those of a property letting business and the administration centre for a number of fellow subsidiaries.

### **2. Statement of compliance**

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and with the Companies Act 2006.

### **3. Accounting policies**

#### **3.1 Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **3.2 Acquisition and disposal of properties**

Acquisitions of properties are accounted for on the date of unconditional contract and disposals of properties on the date of legal completion.

#### **3.3 Going concern**

The financial statements for the period ended 31 December 2017 have been prepared on a going concern basis on the strength of confirmation from the parent company that it will continue to provide financial support.

#### **3.4 Disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Broadland Properties Limited which can be obtained from Companies House. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (e) No disclosure has been given for the aggregate remuneration of key management personnel.

#### **3.5 Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# **County Properties Northern Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 31 December 2017**

### **3. Accounting policies *(continued)***

#### **Judgements and key sources of estimation uncertainty *(continued)***

##### **Significant judgements**

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

The company includes investment property at fair value, this is calculated by reference to market evidence of transaction values of similar property.

##### **Key sources of estimation uncertainty**

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

No critical accounting estimates or assumptions have been made by management in preparing these financial statements.

#### **3.6 Revenue recognition**

Turnover represents amounts receivable for rents, service charges and management fees, net of value added tax where applicable. Rent free periods have been accounted for in accordance with FRS 102.

#### **3.7 Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### **3.8 Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

# County Properties Northern Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

### 3. Accounting policies *(continued)*

#### Operating leases *(continued)*

Lease income is recognised in profit or loss on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

#### 3.9 Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

#### 3.10 Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	33% straight line
Fixtures and fittings	-	20% reducing balance
Motor vehicles	-	25% reducing balance

#### 3.11 Investment property

Investment property, which is property held to earn rentals and/ or for capital appreciation, is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is stated at its fair value at each reporting date. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

#### 3.12 Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

#### 3.13 Stocks

Stock and work in progress is valued at the lower of cost and net realisable value which is critically reviewed by the directors.

#### 3.14 Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

# County Properties Northern Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

### 3. Accounting policies *(continued)*

#### 3.15 Debtors

Short term debtors are measured at transaction price, less any impairment.

#### 3.16 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. Bank overdrafts, when applicable, are shown within current liabilities.

#### 3.17 Creditors

Short term creditors are measured at the transaction price.

### 4. Turnover

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

### 5. Other operating income

	Year to 31 Dec 17 £	Period from 1 Oct 15 to 31 Dec 16 £
Investment property fair value adjustment	—	2,200,000

### 6. Operating profit

Operating profit or loss is stated after charging:

	Year to 31 Dec 17 £	Period from 1 Oct 15 to 31 Dec 16 £
Depreciation of tangible assets	12,521	18,835
Loss on disposal of tangible assets	242	—
Operating lease rentals	29,000	36,250
Fees payable for the audit of the financial statements	8,120	7,680

# County Properties Northern Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

### 7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2017	2016
	No.	No.
Administrative staff	1	1
Number of directors	6	6
	<u>7</u>	<u>7</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	Year to 31 Dec 17	Period from 1 Oct 15 to 31 Dec 16
	£	£
Wages and salaries	494,508	599,110
Social security costs	66,779	80,313
Other pension costs	24,117	49,957
	<u>585,404</u>	<u>729,380</u>

### 8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	Year to 31 Dec 17	Period from 1 Oct 15 to 31 Dec 16
	£	£
Remuneration	483,813	551,372
Company contributions to defined contribution pension plans	23,380	47,812
	<u>507,193</u>	<u>599,184</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2017	2016
	No.	No.
Defined contribution plans	<u>2</u>	<u>2</u>

Remuneration of the highest paid director in respect of qualifying services:

	Year to 31 Dec 17	Period from 1 Oct 15 to 31 Dec 16
	£	£
Aggregate remuneration	309,353	385,251
Company contributions to defined contribution pension plans	10,000	32,500
	<u>319,353</u>	<u>417,751</u>



# County Properties Northern Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

### 9. Other interest receivable and similar income

	Year to 31 Dec 17 £	Period from 1 Oct 15 to 31 Dec 16 £
Other interest	<u>81</u>	<u>362</u>

### 10. Interest payable and similar expenses

	Year to 31 Dec 17 £	Period from 1 Oct 15 to 31 Dec 16 £
Interest on banks loans and overdrafts	<u>9,891</u>	<u>150,371</u>

### 11. Tax on profit

#### Major components of tax expense

	Year to 31 Dec 17 £	Period from 1 Oct 15 to 31 Dec 16 £
<b>Current tax:</b>		
UK current tax expense	448,386	436,697
<b>Deferred tax:</b>		
Origination and reversal of timing differences	(127,345)	(65,265)
<b>Tax on profit</b>	<u>321,041</u>	<u>371,432</u>

#### Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK of 19.25% (2016: 20%).

	Year to 31 Dec 17 £	Period from 1 Oct 15 to 31 Dec 16 £
Profit on ordinary activities before taxation	2,319,383	4,366,847
Profit on ordinary activities by rate of tax	446,481	873,369
Permanent timing differences	(110,579)	(296,335)
Difference in tax rates	(14,861)	(205,602)
<b>Tax on profit</b>	<u>321,041</u>	<u>371,432</u>

# County Properties Northern Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

### 12. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2017 £	2016 £
Dividends on equity shares	<u>2,000,000</u>	<u>2,000,000</u>

### 13. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2017	8,413	7,787	71,569	<b>87,769</b>
Additions	5,946	—	—	<b>5,946</b>
Disposals	—	(500)	—	<b>(500)</b>
<b>At 31 December 2017</b>	<u>14,359</u>	<u>7,287</u>	<u>71,569</u>	<u><b>93,215</b></u>
<b>Depreciation</b>				
At 1 January 2017	5,494	2,112	37,375	<b>44,981</b>
Charge for the year	3,672	300	8,549	<b>12,521</b>
Disposals	—	(258)	—	<b>(258)</b>
<b>At 31 December 2017</b>	<u>9,166</u>	<u>2,154</u>	<u>45,924</u>	<u><b>57,244</b></u>
<b>Carrying amount</b>				
<b>At 31 December 2017</b>	<u>5,193</u>	<u>5,133</u>	<u>25,645</u>	<u><b>35,971</b></u>
At 31 December 2016	<u>2,919</u>	<u>5,675</u>	<u>34,194</u>	<u><b>42,788</b></u>

### 14. Investments

	Investment property £
<b>Cost or valuation</b>	
At 1 January 2017	<b>32,750,000</b>
Additions	<b>34,562</b>
<b>At 31 December 2017</b>	<u><b>32,784,562</b></u>
<b>Impairment</b>	
At 1 Jan 2017 and 31 Dec 2017	<u><b>—</b></u>
<b>Carrying amount</b>	
<b>At 31 December 2017</b>	<u><b>32,784,562</b></u>
At 31 December 2016	<u><b>32,750,000</b></u>

The fair value of the company's investment property at 31 December 2017 has been arrived at on the basis of a valuation by Mr R.G. Urquhart (MRICS), Mr R. Guthrie (MRICS) and Mr D. Nairn (MRICS), directors of the company, by reference to market evidence.

# County Properties Northern Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

### 15. Stocks

	2017 £	2016 £
Finished goods and goods for resale	<u>1,336,338</u>	<u>1,336,338</u>

### 16. Debtors

	2017 £	2016 £
Trade debtors	53,742	69,239
Prepayments and accrued income	182,108	209,011
Other debtors	<u>19,144</u>	<u>42,720</u>
	<u>254,994</u>	<u>320,970</u>

The debtors above include the following amounts falling due after more than one year:

	2017 £	2016 £
Prepayments and accrued income	<u>100,168</u>	<u>144,269</u>

### 17. Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	–	2,500,000
Trade creditors	77,247	166,673
Amounts owed to group undertakings	18,959,461	17,345,497
Accruals and deferred income	336,062	318,778
Corporation tax	448,386	436,697
Social security and other taxes	5,331	–
Other creditors	<u>62,152</u>	<u>61,331</u>
	<u>19,888,639</u>	<u>20,828,976</u>

### 18. Provisions

	Deferred tax (note 19) £
At 1 January 2017	866,941
Unused amounts reversed	<u>(127,345)</u>
At 31 December 2017	<u>739,596</u>

# County Properties Northern Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

### 19. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2017	2016
	£	£
Included in provisions (note 18)	<u>739,596</u>	<u>866,941</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2017	2016
	£	£
Accelerated capital allowances	(3,837)	(3,131)
Fair value adjustment of investment property	<u>743,433</u>	<u>870,072</u>
	<u>739,596</u>	<u>866,941</u>

### 20. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £24,117 (2016: £49,957).

### 21. Called up share capital

#### Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>

Shares carry equal voting rights and each share also ranks equally with regard to dividend payments or any other distribution including a distribution arising from the winding up of the company.

### 22. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

### 23. Operating leases

#### As lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017	2016
	£	£
Not later than 1 year	29,000	29,000
Later than 1 year and not later than 5 years	116,000	116,000
Later than 5 years	<u>52,279</u>	<u>81,279</u>
	<u>197,279</u>	<u>226,279</u>

# County Properties Northern Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

### 23. Operating leases *(continued)*

#### As lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2017 £	2016 £
Not later than 1 year	2,791,052	2,742,526
Later than 1 year and not later than 5 years	9,497,753	9,766,730
Later than 5 years	11,724,668	13,800,193
	<u>24,013,473</u>	<u>26,309,449</u>

### 24. Contingencies

This company has given cross guarantees in respect of group borrowings from its bankers. The company has also entered into a group offset arrangement with its bankers. Security given includes a debenture over the whole assets of the company, together with specific legal charges over certain investment properties.

### 25. Related party transactions

Advantage is taken of the exemption for wholly owned subsidiaries given in FRS 102 from the requirement to separately disclose transactions with group companies.

### 26. Controlling party

The immediate parent company is County Properties Group Limited who own 100% of the issued share capital of the company.

The directors regard Broadland Properties Limited as the ultimate controlling party. Broadland Properties Limited is the ultimate parent of the Group and the only parent for which group accounts are prepared, which can be obtained from Companies House. Broadland Properties Limited is registered in England.