

BROOKTON 2000 LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH SEPTEMBER 2019



Company Number 2467200

BROOKTON 2000 LIMITED

FINANCIAL STATEMENTS

For the Year Ended 30TH SEPTEMBER 2019

Registered Office: Ashton House, 12 The Precinct, Winchester Road, Chandlers Ford, Eastleigh, SO53 2GB

Directors

Richard Stevens
Chairman

Daniel Kaye
BSc(Hons), MRICS

James Lapage ACA
Finance Director

Jacqueline Weston
MSc, MA

Secretary
Secretarial Law Limited
Chandlers Ford

Auditors
Westlake Clark Audit LLP
Chandlers Ford

Bankers
Lloyds Bank Plc
Southampton

Property Consultants
Goadsby Commercial
Bournemouth

Solicitors
Abels
Southampton

BROOKTON 2000 LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30TH SEPTEMBER 2019

The directors have pleasure in presenting their report and financial statements for the year ended 30th September 2019. These are the financial statements that comply with Financial Reporting Standard 102 (FRS 102) Section 1A for small entities.

Activities

The principal activity of the company is property management and investment.

Business review

During the last financial year, the company acquired a modern well located 6,922 sq ft industrial investment at Whiteley, Fareham, which is close to junction 9 of the M27. The property forms part of a larger 12 unit scheme constructed in 2008.

The company has also secured outline consent to construct 3 industrial units each of 1,000 sq ft at our site, 42 Botley Road, Hedge End, with the intention to start on site towards the middle of 2020. This will be a speculative development to meet local demand as there are currently no other available units of this size in the locality.

We continue to look for further investments and have funds available.

Results

The profit and loss account for the year is shown on page 5. A summary is set out below:-

	2019 £	2018 £
Operating profit	1,628,418	1,511,219
Other income and expenses	(136,845)	(141,575)
Profit for year before taxation and revaluation of investment properties	<u>1,491,573</u>	<u>1,369,644</u>

Dividends

The directors recommend the payment of a final dividend of 27.00p per share (2018: 26.50p) which, with the interim dividends, distributes £669,829 (2018: £656,939) to shareholders.

Directors

The directors who served the company during the year and their interests in the share capital were as follows:-

	30th September 2019		1st October 2018	
	£1 Ord	£1 A Ord	£1 Ord	£1 A Ord
Beneficial interests:				
R M Stevens	10,343	46,870	10,343	46,870
D A Kaye	2,517	9,193	2,517	9,193
J T Weston	8,209	35,356	8,209	35,356
N J Lapage	8,194	23,702	8,194	23,702
Interests as trustees:				
R M Stevens	14,602	47,646	14,602	47,646
D A Kaye	9,388	30,630	9,388	30,630
J T Weston	-	-	-	-
N J Lapage	-	-	-	-

BROOKTON 2000 LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30TH SEPTEMBER 2019

Directors responsibilities

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 the 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 to 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.

Disclosure of information to the auditors

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

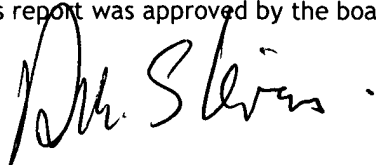
Auditors

In accordance with section 485 of the Companies Act 2006, a resolution proposing that Westlake Clark Audit LLP be re-appointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the board on

7-1-

2020 and signed on its behalf.



R M Stevens
Chairman

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BROOKTON 2000 LIMITED

Opinion

We have audited the financial statements of Brookton 2000 Limited (the 'company') for the year ended 30th September 2019 which comprise Profit and Loss, Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 Section 1A '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 30th September 2019, 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.

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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BROOKTON 2000 LIMITED

Matters on which we are required to report by exception

In the light of our 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, 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: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

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.



Fabrice Legris BEng FCA, Senior Statutory Auditor
for and on behalf of Westlake Clark Audit LLP,
Statutory Auditor

Date: 7 January 2020

Unit 1, West Links
Tollgate Business Park
Chandlers Ford, Hampshire
SO53 3TG

BROOKTON 2000 LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30TH SEPTEMBER 2019**

	Notes	2019 £	2018 £
Operating Income	1	1,826,838	1,652,352
Administrative expenses		(198,420)	(186,735)
Profit on disposal of investment property		<u>-</u>	<u>45,602</u>
Operating profit	2	1,628,418	1,511,219
Investment income		5,116	2,750
Finance costs		(141,961)	(144,325)
Gains on revaluation of investment properties		<u>155,000</u>	<u>1,438,611</u>
Profit on ordinary activities before taxation		1,646,573	2,808,255
Taxation	4	(<u>289,112</u>)	(<u>440,162</u>)
Total profit for the year		<u>1,357,461</u>	<u>2,368,093</u>

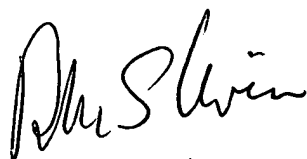
BALANCE SHEET

AS AT 30TH SEPTEMBER 2019

	Notes	2019 £	2018 £
Fixed assets			
Tangible Assets	6	<u>29,692,284</u>	<u>28,364,396</u>
		<u>29,692,284</u>	<u>28,364,396</u>
Current assets			
Debtors	7	93,356	124,436
Cash at bank		<u>1,055,316</u>	<u>1,365,423</u>
		1,148,672	1,489,859
Creditors: amounts falling due within one year	8	(<u>916,194</u>)	(<u>916,333</u>)
Net current assets		<u>232,478</u>	<u>573,526</u>
Total Assets less Current Liabilities		<u>29,924,762</u>	<u>28,937,922</u>
Creditors: amounts falling due after more than one year	8	(<u>3,653,020</u>)	(<u>3,388,811</u>)
Provision for liabilities	9	(<u>1,303,533</u>)	(<u>1,272,978</u>)
		<u>24,968,209</u>	<u>24,276,133</u>
Capital and reserves			
Called up share capital	10	888,958	888,958
Capital redemption reserve		79,152	79,152
Share premium account		4,632,496	4,632,496
Revaluation reserve		12,392,523	12,268,078
Profit and loss account		<u>6,975,080</u>	<u>6,407,449</u>
Shareholders' funds - Equity interests		<u>24,968,209</u>	<u>24,276,133</u>

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

The financial statements were approved by the board on 7 January 2020 and signed on its behalf.



R M Stevens
Chairman

BROOKTON 2000 LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30TH SEPTEMBER 2019

	Called up share capital £	Capital redemption reserve £	Share premium £	Revaluation reserve £	Profit and loss account £
At 30th September 2017 and 1st October 2017	888,958	79,152	4,632,496	11,114,520	5,829,852
Profit for the year	-	-	-	-	2,368,093
Transfer revaluation of investment properties	-	-	-	1,438,611	(1,438,611)
Disposal of investment property	-	-	-	(120,249)	120,249
Deferred tax on investment properties	-	-	-	(180,962)	180,962
Transfer of deferred tax on investment properties	-	-	-	16,158	(16,158)
Total comprehensive income	888,958	79,152	4,632,496	12,268,078	7,044,387
Dividends	-	-	-	-	(636,938)
At 30th September 2018 and 1st October 2018	888,958	79,152	4,632,496	12,268,078	6,407,449
Profit for the year	-	-	-	-	1,357,461
Transfer revaluation of investment properties	-	-	-	155,000	(155,000)
Deferred tax on investment properties	-	-	-	(30,555)	30,555
Total comprehensive income	888,958	79,152	4,632,496	12,392,523	7,640,465
Dividends	-	-	-	-	(665,385)
At 30th September 2019	888,958	79,152	4,632,498	12,392,523	6,975,080

BROOKTON 2000 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2019

Brookton 2000 Limited is a company limited by shares and incorporated in England and Wales, registration number 2467200. The registered office is Ashton House, 12 The Precinct, Winchester Road, Chandlers Ford, Eastleigh, SO53 2GB.

1 Summary of significant accounting policies

Basis of preparation

These financial statements have been prepared using the historical cost convention, except that as disclosed in the accounting policies certain items are shown at fair value, and in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard in the UK and Republic of Ireland' and the Companies Act 2006.

Turnover

Turnover represents sales of land and property which are not held for rental purposes net of VAT.

Operating income

Operating income represents rents receivable and similar income net of direct costs and VAT. Rental income is recognised on an accruals basis.

Investment properties

Freehold and long leasehold investment properties are accounted for in accordance with the Financial Reporting Standard for Small Entities. They have been valued by the directors at fair market value. Revaluation surpluses are recognised in the Income Statement. Deferred tax is provided on these gains at the rate expected to apply when the property is sold, taking indexation into account.

Depreciation

No depreciation is provided on investment properties. Other tangible fixed assets are depreciated on bases calculated to write off each asset over its anticipated useful life using the straight-line method. The rates used are:-

Fixtures and fittings	20%/33 ¹ / ₃ %	per annum
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Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Taxation

Current tax represents the amount of tax payable or receivable in respect of the taxable profit/(loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 accounts that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the accounts.

Deferred tax is measured at the tax rate that is expected to apply in the periods in which the 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.

BROOKTON 2000 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2019

1 Summary of significant accounting policies (continued)

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transactions costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

2	Operating profit	2019	2018
		£	£
	Operating profit is stated after charging:		
	Auditors remuneration	4,375	4,750
	Depreciation	<u>200</u>	<u>200</u>

3 Employee numbers and directors emoluments

The average number of employees during the period was
(All employees are in the category - Management)

<u>4</u>	<u>4</u>
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Directors emoluments amounted to £156,695 (2018: £150,158). They received no fees during the year (2018: £Nil).

4	Tax on profit on ordinary activities	2019	2018
(a)	Analysis of charge in period	£	£
	Current tax:		
	UK corporation tax on profit for the year	285,000	260,171
	Adjustments in respect of previous years	<u>(26,443)</u>	<u>(971)</u>
		<u>258,557</u>	<u>259,200</u>
	Deferred tax		
	Revaluation of investment property	30,555	180,962
	Tax included in the profit and loss account	<u>289,112</u>	<u>440,162</u>
(b)	Factors affecting tax charge for the year		
	Profit on ordinary activities before taxation	<u>1,646,573</u>	<u>2,808,255</u>
	Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	312,849	533,568
	Adjustments to tax charge in respect of previous periods	<u>(26,443)</u>	<u>(971)</u>
	Other adjustments	2,228	-
	Impact of indexation on revaluation gains	-	<u>(92,374)</u>
	Expenses not deductible for tax purposes	631	931
	Accelerated capital allowances	<u>(153)</u>	<u>(992)</u>
	Total current tax	<u>289,112</u>	<u>440,162</u>

BROOKTON 2000 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2019

5	Dividends		2019	2018
	Paid during the year:		£	£
	Ordinary shares			
	2018/19 1st interim - 15.80p (15.80p) on 196,558 shares as paid		31,056	31,056
	2018/19 2nd interim - 15.80p (15.80p) on 196,558 shares as paid		31,056	31,056
	2017/18 Final - 26.50p (24.25p) on 196,558 shares as paid		52,088	47,666
	2018/19 3rd interim - <u>16.75p</u> (15.80p) on 196,558 shares as paid		<u>32,924</u>	<u>31,056</u>
	- <u>74.85p</u> (71.65p)		<u>147,124</u>	<u>140,834</u>
	'A' Ordinary shares			
	2018/19 1st interim - 15.80p (15.80p) on 692,400 shares as paid		109,399	109,399
	2018/19 2nd interim - 15.80p (15.80p) on 692,400 shares as paid		109,399	109,399
	2017/18 Final - 26.50p (24.25p) on 692,400 shares as paid		183,486	167,907
	2018/19 3rd interim - <u>16.75p</u> (15.80p) on 692,400 shares as paid		<u>115,977</u>	<u>109,399</u>
	- <u>74.85p</u> (71.65p)		<u>518,261</u>	<u>496,104</u>
	Total dividends paid during the year		<u>665,385</u>	<u>636,938</u>
	Proposed at the year end (not recognised as a liability):			
	Ordinary shares			
	2018/19 Final - 27.00p (26.50p) on 196,558 shares		53,071	52,088
	'A' Ordinary shares			
	2018/19 Final - 27.00p (26.50p) on 692,400 shares		<u>186,948</u>	<u>183,486</u>
			<u>240,019</u>	<u>235,574</u>
6	Tangible assets	Investment Properties	Fixtures and Fittings	Total
		Freehold	Long Leasehold	
		£	£	£
	Cost or valuation			
	At 1st October 2018	26,253,999	2,110,000	28,367,471
	Additions	26,485	1,145,599	1,173,088
	Revaluation	120,000	35,000	155,000
	Disposals	-	-	(832)
	At 30th September 2019	<u>26,400,484</u>	<u>3,290,599</u>	<u>29,694,727</u>
	Depreciation			
	At 1st October 2018	-	-	3,075
	Charge for year	-	-	200
	Disposals	-	-	(832)
	At 30th September 2019	-	-	<u>2,443</u>
	Net book value			
	At 30th September 2019	<u>26,400,484</u>	<u>3,290,599</u>	<u>29,692,284</u>
	At 30th September 2018	<u>26,253,999</u>	<u>2,110,000</u>	<u>28,364,396</u>

BROOKTON 2000 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2019

6 Tangible assets (continued)

Investment properties have been valued in accordance with FRS 102 at 30th September 2019 by the directors at fair value.

If investment properties had not been revalued they would have been included at the following amounts:

	Freehold	Long Leasehold
	£	£
Cost as at 30th September 2019	<u>14,023,724</u>	<u>2,316,786</u>
Cost as at 30th September 2018	<u>13,997,239</u>	<u>1,171,187</u>

7 Debtors

Amounts falling due within one year:

	2019	2018
	£	£
Trade debtors	3,696	3,522
Other debtors	37,678	72,430
Prepayments and accrued income	<u>51,982</u>	<u>48,484</u>
	<u>93,356</u>	<u>124,436</u>

8 Creditors

Amounts falling due within one year:

	2019	2018
	£	£
Bank loan	231,005	205,833
Less issue costs	(9,430)	(7,290)
Other taxes and social security costs	56,890	57,246
Other creditors	17,654	45,694
Corporation tax	285,000	286,614
Accruals and deferred income	<u>335,075</u>	<u>328,236</u>
	<u>916,194</u>	<u>916,333</u>

Bank overdraft and bank loan facilities are secured on certain properties of the company.

Amounts falling due after more than one year:

	2019	2018
Bank loan	3,695,658	3,430,712
Less issue costs	(42,638)	(41,901)
	<u>3,653,020</u>	<u>3,388,811</u>

Included in creditors are the following:

Amounts due after more than five years payable in instalments	<u>1,470,073</u>	<u>1,672,802</u>
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BROOKTON 2000 LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30TH SEPTEMBER 2019****9 Deferred taxation**

Deferred taxation is provided on the total potential liability as follows:

	2019	2018
	£	£
Opening balance	1,272,978	1,108,174
Transfer of deferred tax on disposal of investment property	-	(16,158)
Charge/(credit) to profit and loss account	<u>30,555</u>	<u>180,962</u>
Closing balance	<u>1,303,533</u>	<u>1,272,978</u>

10 Share capital

	2019	2018
	£	£
Allotted, called up and fully paid		
£1 Ordinary shares	196,558	196,558
£1 'A' Ordinary shares	<u>692,400</u>	<u>692,400</u>
	<u>888,958</u>	<u>888,958</u>

The Ordinary shares and the 'A' Ordinary shares rank pari passu in all respects except that the 'A' Ordinary shares shall not entitle the holders to any voting rights.

11 Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £Nil (2018: £Nil).