

AGECROFT INVESTMENT CO. LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 25 MARCH 2018
PAGES FOR FILING WITH REGISTRAR



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AGECROFT INVESTMENT CO. LIMITED

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AGECROFT INVESTMENT CO. LIMITED

BALANCE SHEET

AS AT 25 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	3		19,055		7,684,183
Investment properties	4		7,678,252		-
Investments	5		2,499,614		2,713,198
			<u>10,196,921</u>		<u>10,397,381</u>
Current assets					
Debtors	6	368,227		288,569	
Cash at bank and in hand		497,884		260,237	
			<u>866,111</u>		<u>548,806</u>
Creditors: amounts falling due within one year	7	(2,850,693)		(2,037,252)	
Net current liabilities			<u>(1,984,582)</u>		<u>(1,488,446)</u>
Total assets less current liabilities			8,212,339		8,908,935
Creditors: amounts falling due after more than one year	8		-		(1,282,066)
Net assets			<u>8,212,339</u>		<u>7,626,869</u>
Capital and reserves					
Called up share capital	9		4,000		4,000
Other reserves			31,618		31,618
Profit and loss reserves			8,176,721		7,591,251
Total equity			<u>8,212,339</u>		<u>7,626,869</u>

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

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 25 MAR and are signed on its behalf by:



F G Westbrook
Director

Company Registration No. 00529957

AGECROFT INVESTMENT CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 25 MARCH 2018

1 Accounting policies

Company information

Agecroft Investment Co. Limited is a private company limited by shares incorporated in England and Wales within the United Kingdom. The registered office is 17 London Road, Alderley Edge, Cheshire, SK9 7JT.

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 on the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

AGECROFT INVESTMENT CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 MARCH 2018

1 Accounting policies

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:

Freehold property	nil
Fixtures & fittings	25% reducing balance
Computer equipment	33% reducing balance

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 are included at original cost and not fair value, as required by FRS 102. The directors consider that the additional cost of providing the necessary valuations would outweigh the benefits achieved.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

1.7 Cash and cash equivalents

Cash at bank and in hand 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.

AGECROFT INVESTMENT CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 MARCH 2018

1 Accounting policies

1.8 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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.

AGECROFT INVESTMENT CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 MARCH 2018

1 Accounting policies

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 payments 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.

1.9 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.

1.10 Taxation

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

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.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

AGECROFT INVESTMENT CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 MARCH 2018

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 1 (2017 - 1).

3 Tangible fixed assets

	Freehold property £	Fixtures & fittings £	Computer equipment £	Total £
Cost				
At 26 March 2017	7,708,866	149,582	1,301	7,859,749
Additions	-	24,204	-	24,204
Transfer to investment property	(7,708,866)	-	-	(7,708,866)
At 25 March 2018	-	173,786	1,301	175,087
Depreciation and impairment				
At 26 March 2017	25,000	149,265	1,301	175,566
Depreciation charged in the year	-	5,466	-	5,466
Transfer to investment property	(25,000)	-	-	(25,000)
At 25 March 2018	-	154,731	1,301	156,032
Carrying amount				
At 25 March 2018	-	19,055	-	19,055
At 25 March 2017	7,683,866	317	-	7,684,183

4 Investment property

	2018 £
Fair value	
At 26 March 2017	-
Transfers	7,683,866
Disposals	(5,614)
At 25 March 2018	7,678,252

Investment property, reclassified from freehold property, comprises £7,678,252 are disclosed at cost and not fair value as the investment properties were not subjected to an independent valuation by an appropriately qualified valuer.

AGECROFT INVESTMENT CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 MARCH 2018

5 Fixed asset investments

	2018 £	2017 £
Investments	<u>2,499,614</u>	<u>2,713,198</u>

Movements in fixed asset investments

	Shares in group undertaking and participating interest £
Cost or valuation	
At 25 March 2018	2,713,198
Other adjustments	<u>(213,584)</u>
At 25 March 2018	<u>2,499,614</u>
Carrying amount	
At 25 March 2018	<u>2,499,614</u>
At 25 March 2017	<u>2,713,198</u>

6 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	291,118	255,832
Other debtors	<u>77,109</u>	<u>32,737</u>
	<u>368,227</u>	<u>288,569</u>

AGECROFT INVESTMENT CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 MARCH 2018

7 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	465,194	117,934
Corporation tax	130,195	72,315
Other taxation and social security	46,987	68,497
Other creditors	2,208,317	1,778,506
	<u>2,850,693</u>	<u>2,037,252</u>

The bank loans are secured by fixed charges over the asset to which they relate to.

8 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Bank loans and overdrafts	-	1,282,066

The bank loans are secured by fixed charges over the asset to which they relate to.

Creditors which fall due after five years are as follows:

	2018 £	2017 £
Payable by instalments	-	810,332

9 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
4,000 Ordinary shares of £1 each	4,000	4,000
	<u>4,000</u>	<u>4,000</u>

10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The Independent Auditors' Report was qualified on the basis that the company's investment properties have been included in the balance sheet at their original cost and not fair value, as required by FRS 102.

The senior statutory auditor was John Whittick BSc FCA
The auditor was Haines Watts