Company Registration No. 01591069 (England and Wales)

BRISTOL & MENDIP ESTATES LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

PAGES FOR FILING WITH REGISTRAR

BRISTOL & MENDIP ESTATES LIMITED

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BRISTOL & MENDIP ESTATES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	3		940		1,106
Investment properties	4		3,765,000		4,020,986
			3,765,940		4,022,092
Current assets					
Debtors	5	195,671		115,820	
Cash at bank and in hand		34,468		58,964	
		230,139		174,784	
Creditors: amounts falling due within one year	6	(1,251,921)		(4,089,438)	
Net current liabilities			(1,021,782)		(3,914,654)
Total assets less current liabilities			2,744,158		107,438
Creditors: amounts falling due after more than one year	7		(3,632,066)		(799,685)
Net liabilities			(887,908)		(692,247)
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves			(888,008)		(692,347)
Total equity			(887,908)		(692,247)

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

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 28 September 2017 and are signed on its behalf by:

Mr M J Saunders
Director

Company Registration No. 01591069

1 Accounting policies

Company information

Bristol & Mendip Estates Limited is a private company limited by shares incorporated in England anc Wales. The registered office is Old Down Farm, EMBOROUGH, Somerset, BA3 4SA.

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 Bristol & Mendip Estates 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 8.

1.2 Going concern

The financial statements have been prepared on a going concern basis as the company continues to receive support from the directors, shareholders and their immediate family and its bankers. At the balance sheet date the company had net liabilities of £887,908 (2015 - £692,247) and net current liabilities of £1,021,782 (2015 - £3,914,654).

The company owed £831,966 (2015 - £799,685) to a family trust and £978,607 (2015 - £1,022,102) to the family pension scheme.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Revenue is recognised over the period in which the tenants are occupying the properties.

1.4 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	15.00% 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 Accounting policies **(Continued)**

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

No depreciation is provided in respect of investment properties and they are revalued annually. This treatment may be a departure from the Companies Act concerning the depreciation of fixed assets.

However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

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.

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.

1.7 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 Accounting policies **(Continued)**

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.

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 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.

1 Accounting policies **(Continued)**

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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 3 (2015 - 3).

3 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 January 2016 and 31 December 2016	52,041
Depreciation and impairment	
At 1 January 2016	50,935
Depreciation charged in the year	166
At 31 December 2016	51,101
Carrying amount	
At 31 December 2016	940
At 31 December 2015	1,106

4 Investment property

	2016
	£
Fair value	
At 1 January 2016	4,020,986
Revaluations	(255,986)
At 31 December 2016	3,765,000

The fair value of the investment property has been arrived at on the basis of a valuation carried out in June 2016 by Alder King , who are not connected with the company. 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	4,318,986	4,318,986
Accumulated depreciation	-	-
Carrying amount	4,318,986	4,318,986

5 Debtors

	2016	2015
Amounts falling due within one year:	£	£
Trade debtors	3,370	31,337
Other debtors	192,301	84,483
	195,671	115,820

6 Creditors: amounts falling due within one year

	2016	2015
	£	£
Bank loans and overdrafts	108,432	2,535,000
Trade creditors	11,744	5,433
Corporation tax	13,874	-
Other taxation and social security	8,269	11,322
Other creditors	1,109,602	1,537,683
	1,251,921	4,089,438

Included within creditors falling due within one year are bank loans of £108,432 (2015 - £2,535,000), on which security has been given by the company.

7 Creditors: amounts falling due after more than one year

	2016	2015
	£	£
Other creditors	3,632,066	799,685

Included with creditors falling due within one year are bank loans of £2,800,100 (2015 - £Nil), on which security has been given by the company.

8 Reconciliations on adoption of FRS 102

Reconciliation of equity

	1 January 2015	31 December 2015
	£	£
Equity as reported under previous UK GAAP and under FRS 102	(761,992)	(692,247)

Reconciliation of profit for the financial period

	2015
	£
Profit as reported under previous UK GAAP and under FRS 102	69,745

8 **Reconciliations on adoption of FRS 102** **(Continued)**

Notes to reconciliations on adoption of FRS 102

Revaluation on Investment property

In accordance with section 16 of FRS 102, the investment property has been recognised at fair value, with the difference between original cost and fair value being taken through the profit and loss reserve. As at 1 January 2015, this has resulted in a movement from the revaluation reserve to the profit and loss reserve of £298,000. In accordance with section 19 of FRS 102, a deferred tax liability has been considered on the difference between the fair value and the original cost of the asset.

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.