

COMPANIES HOUSE

Registered number
3535310

Ragilbury Roots Limited
Report and Unaudited Financial Statements
31 March 2017



Ragilbury Roots Limited
Report and accounts
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Ragilbury Roots Limited
Company Information

Directors

GD Baber
Mrs RAC Baber
BEG Baber
LS Baber

Secretary

Mrs RAC Baber

Accountants

Ensors Accountants LLP
Saxon House
Moseley's Farm Business Centre
Bury St Edmunds
Suffolk
IP28 6JY

Registered office

Saxon House
Moseley's Farm Business Centre
Bury St Edmunds
Suffolk
IP28 6JY

Registered number

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Ragilbury Roots Limited
Registered number: 3535310
Directors' Report and Review of the Business

The directors present their report together with the unaudited financial statements for the year ended 31 March 2017.

Principal activities

The company's principal activity is that of consultancy services and property trading and development.

Results and dividends

The profit and loss account is set out on page 5 and shows the profit for the year.

An interim dividend of £100,000 was paid during the year. The directors do not recommend a final dividend.

Trading review and future developments

Two development projects were completed and sold during the year. After deduction of administrative expenses and interest and taking account of the profit on sale of an unlisted investment the company made a profit before tax of £562,874.

The directors will continue to monitor the company's position for the future and seek further profitable opportunities.

Directors

The following persons served as directors during the year:

GD Baber
Mrs RAC Baber
BEG Baber
LS Baber

Market value of freehold and leasehold properties

The market value for existing use of the company's interest in freehold properties at 31 March 2017 was considered by the directors to be £3,141,985, comprising reversionary interests of £1,856,985 and vacant possession interests of £1,285,000. The corresponding vacant possession value of all of the company's properties was considered by the directors to be £4,485,059.

Directors' responsibilities

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 of 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 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.

Ragilbury Roots Limited

Registered number: 3535310

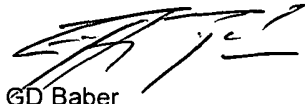
Directors' Report and Review of the Business

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.

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on *29 June 2017* and signed on its behalf.



GD Baber
Director

Ragilbury Roots Limited

Chartered Accountants' report to the board of directors on the preparation of the unaudited statutory financial statements of Ragilbury Roots Limited for the year ended 31 March 2017

In accordance with the engagement letter dated 4 June 2013, and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the financial statements of Ragilbury Roots Limited for the year ended 31 March 2017, set out on pages 5 to 17 from the accounting records and information and explanations you have given to us.

As a practising member firm of Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters we have agreed to state to them in this report in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Board of Directors as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 March 2017 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Ensors Accountants LLP

Saxon House
Moseley's Farm Business Centre
Bury St Edmunds
Suffolk
IP28 6JY

Ensors

29 June 2017

Ragilbury Roots Limited
Profit and Loss Account
for the year ended 31 March 2017

	2017 £	2016 £
Turnover	2,686,151	-
Cost of sales	(2,495,939)	-
Gross profit	<u>190,212</u>	<u>-</u>
Administrative expenses	(47,256)	(53,854)
Other operating income	44,013	15,026
Operating profit/(loss)	<u>186,969</u>	<u>(38,828)</u>
Income from investments	390,856	159,117
Interest receivable	285	317
Interest payable	(15,236)	(16,541)
Profit on ordinary activities before taxation	<u>562,874</u>	<u>104,065</u>
Tax on profit on ordinary activities	(140,379)	(15,627)
Profit for the financial year	<u><u>422,495</u></u>	<u><u>88,438</u></u>

Ragilbury Roots Limited
Statement of comprehensive income
for the year ended 31 March 2017

	Notes	2017 £	2016 £
Profit for the financial year		422,495	88,438
Other comprehensive income			
Gain on revaluation of land and buildings	13	343,600	60,739
Deferred taxation arising on the revaluation of land and buildings	10	(38,166)	-
Total comprehensive income for the year		<u>727,929</u>	<u>149,177</u>

Ragilbury Roots Limited
Registered number:
Balance Sheet
as at 31 March 2017

3535310

	Notes	2017 £	2016 £
Fixed assets			
Tangible assets	4	3,141,985	1,881,087
Investments	5	500,000	592,460
		<u>3,641,985</u>	<u>2,473,547</u>
Current assets			
Stocks		93,376	1,908,830
Debtors	6	5,556	27,295
Cash at bank and in hand		445,838	362,421
		<u>544,770</u>	<u>2,298,546</u>
Creditors: amounts falling due within one year	7	(914,535)	(2,018,447)
Net current (liabilities)/assets		<u>(369,765)</u>	<u>280,099</u>
Total assets less current liabilities		<u>3,272,220</u>	<u>2,753,646</u>
Creditors: amounts falling due after more than one year	8	(388,500)	(535,000)
Provisions for liabilities	10	(80,310)	(43,165)
Net assets		<u>2,803,410</u>	<u>2,175,481</u>
Capital and reserves			
Called up share capital	11	540	540
Share premium	12	464,120	464,120
Revaluation reserve	13	342,376	179,666
Profit and loss account	14	1,996,374	1,531,155
Shareholders' funds		<u>2,803,410</u>	<u>2,175,481</u>

For the financial year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board and authorised for issue on *29 June 2017*


GD Baber
Director

Ragilbury Roots Limited
Statement of Changes in Equity
for the year ended 31 March 2017

	Share capital £	Share premium £	Re- valuation reserve £	Profit and loss account £	Total £
At 1 April 2015	540	464,120	161,071	1,442,717	2,068,448
Profit for the financial year				88,438	88,438
Gain on revaluation of land and buildings			60,739		60,739
Total comprehensive income for the financial year	-	-	60,739	88,438	149,177
At 31 March 2016	540	464,120	221,810	1,531,155	2,217,625
Effect of retrospective changes in accounting policies			(42,144)	-	(42,144)
At 31 March 2016 as restated	<u>540</u>	<u>464,120</u>	<u>179,666</u>	<u>1,531,155</u>	<u>2,175,481</u>
At 1 April 2016	540	464,120	179,666	1,531,155	2,175,481
Profit for the financial year				422,495	422,495
Gain on revaluation of land and buildings			343,600		343,600
Deferred taxation arising on the revaluation of land and buildings			(38,166)		(38,166)
Realisation of previous property revaluation deficits on disposal of investment properties			(142,724)	142,724	
Total comprehensive income for the financial year	-	-	162,710	565,219	727,929
Dividends				(100,000)	(100,000)
At 31 March 2017	<u>540</u>	<u>464,120</u>	<u>342,376</u>	<u>1,996,374</u>	<u>2,803,410</u>

Ragilbury Roots Limited
Notes to the Accounts
for the year ended 31 March 2017

1 Accounting policies

General information

Ragilbury Roots Limited is a limited company domiciled and incorporated in England.

The address of the company's registered office is:

Saxon House
Moseley's Farm Business Centre
Fornham All Saints
Bury St Edmunds
Suffolk
IP28 6JY

The company's principal activity is that of consultancy services and property trading and development.

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 £.

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102 Section 1A - small entities.

Information on the impact of first time adoption of FRS 102 Section 1A – small entities is given in note 17.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover represents sales of reversionary interests in freehold property held for trading purposes, development properties held as trading stock and consultancy services. Turnover from the sale of reversionary interests and development property is recognised when unconditional contracts are exchanged. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract.

Reversionary interests

The reversionary interests in freehold property are held for trading purposes but have to be accounted for as investment properties under FRS102. They are revalued annually and any surplus is transferred to the property revaluation reserve. Temporary deficits are deducted from this revaluation reserve, with any permanent deficits being charged direct to the profit and loss account. As noted below no depreciation is provided in respect of the reversionary interests in freehold property.

Ragilbury Roots Limited
Notes to the Accounts
for the year ended 31 March 2017

Depreciation of reversionary interests

In accordance with FRS102, no depreciation is provided in respect of the company's freehold and long leasehold investment properties. This is a departure from the requirements of the Companies Act 2006 that all properties should be depreciated. In the opinion of the directors, this departure is necessary for the financial statements to give a true and fair view in accordance with FRS102, as properties are included in the financial statements at their open market value for existing use. Depreciation is only one amongst several factors reflected in the annual valuation of properties and accordingly the amount of depreciation which might otherwise have been charged cannot be separately identified or quantified.

Other tangible fixed assets

Other tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery - 25% per annum straight line

Investments

Investments in unquoted equity instruments are measured at fair value. Changes in fair value are recognised in profit or loss. Fair value is estimated by using a valuation technique. Other investments are measured at acquisition cost with annual reviews for impairment.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises the purchase price plus additional expenditure to bring it to its current condition. Net realisable value is the amount expected to be realised on sale of each item of stock in its current condition, less associated selling costs. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

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.

Ragilbury Roots Limited
Notes to the Accounts
for the year ended 31 March 2017

Taxation

A current tax liability is recognised in respect of the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Unrelieved tax losses and other deferred tax assets are recognised only 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

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, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument, and are offset only when the company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Trade debtors

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses. Where the arrangement with a trade debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Ragilbury Roots Limited
Notes to the Accounts
for the year ended 31 March 2017

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into rather than the financial instruments' legal form. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, 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. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Ragilbury Roots Limited
Notes to the Accounts
for the year ended 31 March 2017

2 Critical accounting estimates and judgements

In preparing these financial statements, the directors have made the following judgements:

Determine whether there are indicators of impairment of the company's tangible assets, viability and expected future financial performance.

3 Employees

	2017 Number	2016 Number
Average number of persons, including directors, employed by the company	<u>4</u>	<u>4</u>

4 Tangible fixed assets

	Freehold properties £	Plant and machinery etc £	Total £
Cost or valuation			
At 1 April 2016	1,875,981	20,885	1,896,866
Additions	1,347,679	-	1,347,679
Surplus/(deficit) on revaluation	343,600	-	343,600
Disposals	(425,275)	(20,885)	(446,160)
At 31 March 2017	<u>3,141,985</u>	<u>-</u>	<u>3,141,985</u>
Depreciation			
At 1 April 2016	-	15,779	15,779
Charge for the year	-	939	939
On disposals	-	(16,718)	(16,718)
At 31 March 2017	<u>-</u>	<u>-</u>	<u>-</u>
Net book value			
At 31 March 2017	<u>3,141,985</u>	<u>-</u>	<u>3,141,985</u>
At 31 March 2016	<u>1,875,981</u>	<u>5,106</u>	<u>1,881,087</u>

The company's interest in freehold properties was valued by the directors at 31 March 2017 at £3,141,985 (2016 - £1,875,981) on the basis of open market value for existing use. The revaluation surplus of £343,600 has been added to the property revaluation reserve. Had freehold properties not been revalued they would have been included at their historical cost of £2,719,299 (2016 - £1,654,170).

Ragilbury Roots Limited
Notes to the Accounts
for the year ended 31 March 2017

5 Investments

Other investments

	Other investments £
Cost	
As previously stated	192,460
Effect of retrospective change in accounting policy	400,000
At 1 April 2016 as restated	<u>592,460</u>
Additions	307,530
Disposals	<u>(399,990)</u>
At 31 March 2017	<u><u>500,000</u></u>

In accordance with an Agreement dated 7 November 2014 the company became a limited partner in IQ Capital Fund ("the Fund") with a capital contribution of £50. The Fund is expected to subsist for 10 years after which it will be dissolved. At the same time the company entered into a contract to loan the Fund £499,950 in various tranches with the last falling due on or before 31 December 2019. The loan is interest free with repayments depending upon the performance of the Fund both as regards timing and amounts. Accordingly, the loan has been recognised as a fixed asset investment stated at acquisition value rather than being discounted and stated at fair value as a financing transaction. The loan is reviewed annually for impairment.

The company's previous accounting policy was to recognise each tranche as it became due. However, under FRS 102, financial instruments are recognised when the related contract is entered into (inception date). Accordingly, full provision has been made for the effect of a retrospective change in the accounting policy regarding the recognition of future loan instalments - see note 8.

6 Debtors

	2017 £	2016 £
VAT recoverable	5,556	25,074
Other debtors	-	2,221
	<u><u>5,556</u></u>	<u><u>27,295</u></u>

7 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	10,000	495,505
Related parties	657,695	1,139,736
Corporation tax	141,400	16,076
Other creditors	105,440	367,130
	<u><u>914,535</u></u>	<u><u>2,018,447</u></u>

Ragilbury Roots Limited
Notes to the Accounts
for the year ended 31 March 2017

8 Creditors: amounts falling due after one year	2017 £	2016 £
Bank loans	213,500	260,000
Other creditors	175,000	275,000
	<u>388,500</u>	<u>535,000</u>

The corresponding figures for other creditors due within and after one year have been increased for the effect of the retrospective change in the accounting policy regarding fixed asset investments by £125,000 and £275,000 respectively - see note 5.

9 Loans	2017 £	2016 £
Creditors include:		
Secured bank loans	<u>223,500</u>	<u>755,505</u>

Bank loans are secured on certain of the company's properties.

10 Provisions for liabilities	2017 £	2016 £
Deferred taxation:		
Arising on revaluations - see notes 13 and 17	80,310	42,144
Accelerated capital allowances	-	1,021
	<u>80,310</u>	<u>43,165</u>

11 Share capital	Nominal value	2017 Number	2017 £	2016 £
Allotted, called up and fully paid:				
Ordinary shares	<u>£1 each</u>	<u>540</u>	<u>540</u>	<u>540</u>

12 Share premium

This comprises the excess over the nominal value of the amount paid for the company's shares.

Ragilbury Roots Limited
Notes to the Accounts
for the year ended 31 March 2017

13 Revaluation reserve	2017 £	2016 £
At 1 April 2016		
- as previously reported	179,666	161,071
- effect of retrospective change in accounting policy (Note 17)	-	(42,144)
As restated	<u>179,666</u>	<u>118,927</u>
Gain on revaluation of land and buildings	343,600	60,739
Deferred taxation arising on the revaluation of land and buildings	(38,166)	-
Realisation of previous property revaluation deficits on disposal of investment properties	(142,724)	-
At 31 March 2017	<u><u>342,376</u></u>	<u><u>179,666</u></u>

14 Profit and loss account

The profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

15 Contingent liabilities

During the year the company purchased a parcel of land for which it has subsequently obtained planning permission. Under the terms of the purchase contract the company had an obligation at the year end to pay the original owner 30% of the uplift in value in the event of sale of the land.

Ragilbury Roots Limited
Notes to the Accounts
for the year ended 31 March 2017

16 Related party transactions	2017	2016
	£	£
<i>Balances - owed to related parties</i>		
Quality Holidays Assured Limited (formerly HPB Holdings Limited)		
A company of which GD Baber is a director and has an interest in relation to its shares.		
Amount due to related party	637,992	637,992
B&B Advertising Limited		
A company of which GD Baber is a director.		
Amount due to related party	-	357,244
GD Baber		
A director of and shareholder in the company.		
Amount due to related party	19,703	144,500
	<u>657,695</u>	<u>1,139,736</u>

All of the above amounts due are unsecured, interest free and repayable on demand.

Transactions

GD Baber

A director of and shareholder in the company.

Sale of interest in B&B Advertising Limited to the company	<u>306,000</u>	<u>47,000</u>
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All other transactions between the company and related parties were concluded under normal market conditions.

17 Reconciliation on adoption of FRS 102

The policies applied under the company's previous accounting framework (UK GAAP) are not materially different from those applied upon adoption of FRS 102 with the exception of the provision for deferred tax on the net surplus arising on the revaluation of freehold properties. The impact on net equity was as follows:

Balance sheet at 31 March 2016	£
Equity under former UK GAAP	2,217,625
Provision for deferred tax on net revaluation surplus	(42,144)
Equity under FRS 102	<u>2,175,481</u>
Balance sheet at 1 April 2015	£
Equity under former UK GAAP	2,068,448
Provision for deferred tax on net revaluation surplus	(30,604)
Equity under FRS 102	<u>2,037,844</u>

There was no impact on the profit and loss account for either year.