

Reedley Properties Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2019

Reedley Properties Ltd

Contents

Balance Sheet	<u>1</u> to <u>2</u>
Notes to the Financial Statements	<u>3</u> to <u>10</u>

Reedley Properties Ltd

(Registration number: 06900462)

Balance Sheet as at 31 May 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>4</u>	1,417	-
Investment property	<u>5</u>	2,731,732	1,594,000
Investments	<u>6</u>	200	-
		<u>2,733,349</u>	<u>1,594,000</u>
Current assets			
Stocks	<u>7</u>	300,000	11,723
Debtors	<u>8</u>	1,330	15,531
Cash at bank and in hand		<u>8,868</u>	<u>523</u>
		310,198	27,777
Creditors: Amounts falling due within one year	<u>9</u>	<u>(1,243,622)</u>	<u>(252,150)</u>
Net current liabilities		<u>(933,424)</u>	<u>(224,373)</u>
Total assets less current liabilities		1,799,925	1,369,627
Creditors: Amounts falling due after more than one year	<u>9</u>	<u>(1,040,822)</u>	<u>(1,069,495)</u>
Provisions for liabilities		<u>(58,888)</u>	<u>-</u>
Net assets		<u>700,215</u>	<u>300,132</u>
Capital and reserves			
Called up share capital		300	100
Revaluation reserve		619,356	368,308
Profit and loss account		<u>80,559</u>	<u>(68,276)</u>
Total equity		<u>700,215</u>	<u>300,132</u>

The notes on pages 3 to 10 form an integral part of these financial statements.

Reedley Properties Ltd

(Registration number: 06900462)

Balance Sheet as at 31 May 2019

For the financial year ending 31 May 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 28 February 2020 and signed on its behalf by:

.....

Mr A Kinder
Director

The notes on pages 3 to 10 form an integral part of these financial statements.

Reedley Properties Ltd

Notes to the Financial Statements for the Year Ended 31 May 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Unit 3
31-33 Kenyon Road
Lomeshaye
Nelson
Lancashire
BB9 5SZ
England

These financial statements were authorised for issue by the Board on 28 February 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared in sterling (£) using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Group accounts not prepared

The company does not need to prepare consolidated accounts as it qualifies as a small group under s383 of the Companies Act 2006.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Reedley Properties Ltd

Notes to the Financial Statements for the Year Ended 31 May 2019

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	25% Reducing balance method

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Reedley Properties Ltd

Notes to the Financial Statements for the Year Ended 31 May 2019

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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 transaction 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.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 2 (2018 - 2).

Reedley Properties Ltd

Notes to the Financial Statements for the Year Ended 31 May 2019

4 Tangible assets

	Other tangible assets £	Total £
Cost or valuation		
Additions	1,890	1,890
At 31 May 2019	1,890	1,890
Depreciation		
Charge for the year	473	473
At 31 May 2019	473	473
Carrying amount		
At 31 May 2019	1,417	1,417

Reedley Properties Ltd

Notes to the Financial Statements for the Year Ended 31 May 2019

5 Investment properties

	2019
	£
At 1 June	1,594,000
Additions	827,796
Fair value adjustments	309,936
	<hr/>
At 31 May	<u>2,731,732</u>

Valued by Eddisons Taylors on 21 November 2016.

6 Investments

	2019	2018
	£	£
Investments in subsidiaries	<u>200</u>	<u>-</u>
Subsidiaries		£
Cost or valuation		
Additions		<u>200</u>
Provision		
Carrying amount		
At 31 May 2019		<u>200</u>

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2019	2018
Subsidiary undertakings				
Whalley Developments Ltd	Unit 3, 31-33 Kenyon Road, Lomeshaye, Nelson, Lancashire, BB9 5SZ 08295895	Ordinary	100%	0%

The principal activity of Whalley Developments Ltd is property development

The profit for the financial period of Whalley Developments Ltd was £843 and the aggregate amount of capital and reserves at the end of the period was £136,281.

Reedley Properties Ltd

Notes to the Financial Statements for the Year Ended 31 May 2019

7 Stocks

	2019 £	2018 £
Work in progress	-	11,723
Other inventories	300,000	-
	<u>300,000</u>	<u>11,723</u>

8 Debtors

	Note	2019 £	2018 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest		-	13,781
Prepayments		1,330	1,330
Other debtors		-	420
		<u>1,330</u>	<u>15,531</u>

9 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Loans and borrowings	<u>10</u>	590,681	28,259
Amounts owed to group undertakings and undertakings in which the company has a participating interest		163,963	-
Taxation and social security		34,138	-
Other creditors		<u>454,840</u>	<u>223,891</u>
		<u>1,243,622</u>	<u>252,150</u>

Due after one year

Loans and borrowings	<u>10</u>	<u>1,040,822</u>	<u>1,069,495</u>
----------------------	-----------	------------------	------------------

Creditors include bank loans and overdrafts and net obligations under finance lease and hire purchase contracts which are secured of £590,681 (2018 - £28,259).

Reedley Properties Ltd

Notes to the Financial Statements for the Year Ended 31 May 2019

Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
Due after one year			
Loans and borrowings	10	<u>1,040,822</u>	<u>1,069,495</u>
		2019 £	2018 £
Due after more than five years			
After more than five years by instalments		789,494	808,458
		<u>789,494</u>	<u>808,458</u>

Creditors include bank loans and overdrafts and net obligations under finance lease and hire purchase contracts which are secured of £1,040,822 (2018 - £1,069,495).

Reedley Properties Ltd

Notes to the Financial Statements for the Year Ended 31 May 2019

10 Loans and borrowings

	2019 £	2018 £
Non-current loans and borrowings		
Bank borrowings	<u>1,040,822</u>	<u>1,069,495</u>
	2019 £	2018 £
Current loans and borrowings		
Bank borrowings	<u>590,681</u>	<u>28,259</u>

Page 10

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.