

**IPPLEPEN PROPERTY LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 JULY 2017**

IPPLEPEN PROPERTY LIMITED  
REGISTERED NUMBER:02778386

STATEMENT OF FINANCIAL POSITION  
AS AT 31 JULY 2017

|   | Note | 2017<br>£               | 2016<br>£               |
|---|------|-------------------------|-------------------------|
| <b>Fixed assets</b>                                     |      |                         |                         |
| Tangible assets   | 4    | 226,143                 | 265,863                 |
| Investment property                                     | 5    | 3,154,697               | 3,154,697               |
|   |      | <u>3,380,840</u>        | <u>3,420,560</u>        |
| <b>Current assets</b>                                   |      |                         |                         |
| Debtors   | 6    | 208,553                 | 234,662                 |
| Cash at bank and in hand                                | 7    | 634,126                 | 546,249                 |
|   |      | <u>842,679</u>          | <u>780,911</u>          |
| Creditors: amounts falling due within one year          | 8    | (976,820)               | (1,020,345)             |
| <b>Net current liabilities</b>                          |      | <u>(134,141)</u>        | <u>(239,434)</u>        |
| <b>Total assets less current liabilities</b>            |      | <u>3,246,699</u>        | <u>3,181,126</u>        |
| Creditors: amounts falling due after more than one year | 9    | (497,493)               | (600,645)               |
| <b>Provisions for liabilities</b>                       |      |                         |                         |
| Deferred tax  |      | (124,158)               | (165,973)               |
| <b>Net assets</b>                                       |      | <u><u>2,625,048</u></u> | <u><u>2,414,508</u></u> |
| <b>Capital and reserves</b>                             |      |                         |                         |
| Called up share capital                                 |      | 30,000                  | 30,000                  |
| Capital redemption reserve                              | 12   | 10,000                  | 10,000                  |
| Other non-distributable reserves                        | 12   | 1,969,655               | 1,969,655               |
| Profit and loss account                                 | 12   | 615,393                 | 404,853                 |
|   |      | <u><u>2,625,048</u></u> | <u><u>2,414,508</u></u> |

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of 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 financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

**IPPLEPEN PROPERTY LIMITED**  
**REGISTERED NUMBER:02778386**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 JULY 2017**

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The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**M R A Ford**  
Director

Date: 27 April 2018  
The notes on pages 3 to 11 form part of these financial statements.

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**IPPLEPEN PROPERTY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

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**1. General information**

Ipplepen Property Limited is a private company limited by shares incorporated in England and Wales, registered number 02778386. The registered office is Value House Stores Ltd, Clovelly Road Industrial Estate, Bideford, Devon, EX39 3HN.

**2. Accounting policies**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 REVENUE**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.3 TANGIBLE FIXED ASSETS**

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**IPPLEPEN PROPERTY LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

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**2. Accounting policies (continued)****2.3 TANGIBLE FIXED ASSETS (CONTINUED)**

Depreciation is provided on the following basis:

|              |   |     |
|--------------|---|-----|
| Solar panels | - | 10% |
|--------------|---|-----|

**2.4 INVESTMENT PROPERTY**

Investment property is carried at fair value determined annually and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of income and retained earnings.

**2.5 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.

**2.6 FINANCIAL INSTRUMENTS**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

**2.7 CREDITORS**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.8 FINANCE COSTS**

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**IPPLEPEN PROPERTY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

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**2. Accounting policies (continued)**

**2.9 INTEREST INCOME**

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

**2.10 BORROWING COSTS**

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

**2.11 CURRENT AND DEFERRED TAXATION**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**2.12 EXCEPTIONAL ITEMS**

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

**3. Employees**

The average monthly number of employees, including directors, during the year was 2 (2016: 2).

## IPPLEPEN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

## 4. Tangible fixed assets

|                                     | Solar Panels          |
|-------------------------------------|-----------------------|
|                                     | £                     |
| <b>Cost or valuation</b>            |                       |
| At 1 August 2016                    | 397,249               |
| At 31 July 2017                     | <u>397,249</u>        |
| <b>Depreciation</b>                 |                       |
| At 1 August 2016                    | 131,386               |
| Charge for the year on owned assets | 39,720                |
| At 31 July 2017                     | <u>171,106</u>        |
| <b>Net book value</b>               |                       |
| At 31 July 2017                     | <u><u>226,143</u></u> |
| At 31 July 2016                     | <u><u>265,863</u></u> |

## IPPLEPEN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

## 5. Investment property

Freehold  
investment  
property  
£

## Valuation

At 1 August 2016

3,154,697

At 31 July 2017

3,154,697

In 2014 the investment property was valued by external valuer Jones Lang Laselle at £3,154,697 on an open market value for existing use basis. In 2017 a valuation was undertaken by the Directors of the company on the same basis.

If the investment property had been accounted for under the historic cost accounting rules, the property would have been measured as follows:

|  | 2017<br>£        | 2016<br>£        |
|--|------------------|------------------|
| Historic cost                            | 1,392,839        | 1,392,839        |
| Accumulated depreciation and impairments | (207,797)        | (207,797)        |
|  | <u>1,185,042</u> | <u>1,185,042</u> |



## IPPLEPEN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

## 6. Debtors

|                                    | 2017<br>£      | 2016<br>£      |
|------------------------------------|----------------|----------------|
| Trade debtors                      | 3,936          | -              |
| Other debtors                      | 93,274         | 40,086         |
| Prepayments and accrued income     | 41,388         | 54,576         |
| Amounts owed by group undertakings | 140,000        | 140,000        |
| Tax recoverable                    | (70,045)       | -              |
|                                    | <u>208,553</u> | <u>234,662</u> |

## 7. Cash and cash equivalents

|                          | 2017<br>£      | 2016<br>£      |
|--------------------------|----------------|----------------|
| Cash at bank and in hand | 634,126        | 546,249        |
|                          | <u>634,126</u> | <u>546,249</u> |

## 8. Creditors: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                    | 2017<br>£      | 2016<br>£        |
|------------------------------------|----------------|------------------|
| Amounts owed to group undertakings | -              | 30               |
| Bank loans                         | 71,428         | 71,428           |
| Other loans                        | 30,185         | 30,185           |
| Other taxation and social security | 21,441         | 20,463           |
| Other creditors                    | 844,365        | 840,957          |
| Accruals and deferred income       | 9,401          | 57,282           |
|                                    | <u>976,820</u> | <u>1,020,345</u> |

## IPPLEPEN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

## 9. Creditors: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

|                 | 2017<br>£      | 2016<br>£      |
|-----------------|----------------|----------------|
| Bank loans      | 232,142        | 303,570        |
| Other creditors | 265,351        | 297,075        |
|                 | <u>497,493</u> | <u>600,645</u> |

**Secured loans**

Bank loans are secured against the freehold investment property owned by the company.

**Loans**

The amount repayable by instalments which falls due after 5 years is £128,431 (2016:160,154).

## 10. Loans

Analysis of the maturity of loans is given below:

|  | 2017<br>£      | 2016<br>£      |
|--|----------------|----------------|
| <b>Amounts falling due within one year</b> |                |                |
| Bank loans                                 | 71,428         | 71,428         |
| Other loans                                | 30,185         | 30,185         |
|  | <u>101,613</u> | <u>101,613</u> |
| <b>Amounts falling due 1-2 years</b>       |                |                |
| Bank loans                                 | 232,142        | 303,570        |
|  | <u>232,142</u> | <u>303,570</u> |
|  | <u>333,755</u> | <u>405,183</u> |

## IPPLEPEN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

## 11. Deferred taxation

|                           | 2017<br>£               |
|---------------------------|-------------------------|
| At beginning of year      | (165,973)               |
| Charged to profit or loss | 41,815                  |
| <b>At end of year</b>     | <b><u>(124,158)</u></b> |

The provision for deferred taxation is made up as follows:

|                                | 2017<br>£               | 2016<br>£               |
|--------------------------------|-------------------------|-------------------------|
| Accelerated capital allowances | (10,688)                | (15,911)                |
| Tax losses carried forward     | -                       | 1,058                   |
| Capital (gains) / losses       | (113,470)               | (151,120)               |
|                                | <b><u>(124,158)</u></b> | <b><u>(165,973)</u></b> |

## 12. Reserves

**Capital redemption reserve**

This reserve records the nominal value of shares repurchased by the company.

**Other reserves**

Other non-distributable reserves is used to record increases in the fair value of the investment property and decreases to the extent that such decrease relates to an increase on the same asset.

## 13. Related party transactions

Value House Stores Limited

(Common Directors)

Value House Stores Limited provided services during the year of £3,469. At the balance sheet date the amount due to Value House Stores Limited was £844,365 (2016: £840,896).

Knight Sterling Limited

(Common Directors)

As at the year end £274,668 (2016: £274,668) was receivable from Knight Sterling Limited of which £274,668 (2016: £274,668) has been provided for as an expected irrecoverable amount.

Company Directors

The Directors have provided loans to the company. The loan is repayable over eleven years and interest is being charged at 5%. At the balance sheet date the amount due to the Directors was £167,105 (2016: £327,259).

## IPPLEPEN PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
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## 14. Controlling Party

The immediate parent company is Ipplepen Property Holdings Limited. The registered office is Value House Stores, Clovelly Road Industrial Estate, Bideford, Devon, EX39 3HN.

## 15. First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 August 2015. The impact of the transition to FRS 102 is as follows:

## Reconciliation of equity at 1 August 2015

|   | Note | £                       |
|---|------|-------------------------|
| Equity at 1 August 2015 under previous UK GAAP                  |      | 2,629,133               |
| Transitional adjustment 1                                       |      | (182,383)               |
| <b>Equity shareholders funds at 1 August 2015 under FRS 102</b> |      | <u><u>2,446,750</u></u> |

## Reconciliation of equity at 31 July 2016

|  | Note | £                       |
|--|------|-------------------------|
| Equity at 31 July 2016 under previous UK GAAP                  |      | 2,565,628               |
| Transitional adjustment 1                                      |      | (151,120)               |
| <b>Equity shareholders funds at 31 July 2016 under FRS 102</b> |      | <u><u>2,414,508</u></u> |

## Reconciliation of profit and loss account for the year ended 31 July 2016

|   | £                      |
|---|------------------------|
| Profit for the year under previous UK GAAP                | (63,505)               |
| Transitional adjustment 1                                 | 31,263                 |
| <b>Loss for the year ended 31 July 2016 under FRS 102</b> | <u><u>(32,242)</u></u> |

The following were changes in accounting policies arising from the transition to FRS 102:

- Freehold land and property was transferred to investment property at fair value based on a valuation in that year. There was no impact on the equity shareholders funds with this transactions.

There has been a transitional adjustment to deferred tax in relation to the investment property.

