Company Registration No. 04161081 (England and Wales)

ESTUARY GROUP LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

PAGES FOR FILING WITH REGISTRAR

ESTUARY GROUP LIMITED

CONTENTS

ESTUARY GROUP LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

		2018		2017	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		5,069		4,584
Investment properties	5		946,250		500,000
Investments	6		2,470,382		2,024,100
			3,421,701		2,528,684
Current assets					
Debtors	7	708,802		463,055	
Cash at bank and in hand		2,531,614		3,885,839	
		3,240,416		4,348,894	
Creditors: amounts falling due within one year	8	(122,159)		(371,584)	
Net current assets			3,118,257		3,977,310
Total assets less current liabilities			6,539,958		6,505,994
Provisions for liabilities			15,850		(8,312)
Net assets			6,555,808		6,497,682
Capital and reserves					
Called up share capital	9		104		100
Profit and loss reserves			6,555,704		6,497,582
Total equity			6,555,808		6,497,682

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 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 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.

ESTUARY GROUP LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2018

The financial statements were approved by the board of directors and authorised for issue on 19 November 2018 and are signed on its behalf by:

Mr T Davis
Director

Company Registration No. 04161081

ESTUARY GROUP LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Share capital	Revaluation reserve	Profit and loss reserves	Total
		£	£	£	£
Balance at 1 April 2016		100	-	2,817,302	2,817,402
Year ended 31 March 2017:					
Profit and total comprehensive income for the year		-	-	3,886,960	3,886,960
Dividends		-	-	(206,680)	(206,680)
Balance at 31 March 2017		100	-	6,497,582	6,497,682
Year ended 31 March 2018:					
Profit and total comprehensive income for the year		-	-	238,122	238,122
Issue of share capital	**9**	4	-	-	4
Dividends		-	-	(180,000)	(180,000)
Balance at 31 March 2018		104	-	6,555,704	6,555,808

1 Accounting policies

Company information

Estuary Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is Whitethorn, Chelford Road, Knutsford, Cheshire, WA16 8LY.

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.

1.2 Turnover

Turnover is recognised as rental income received net of VAT and other sales related taxes. Where turnover is deferred, it is done so in accordance with the rental quarters charged.

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:

Fixtures, fittings & equipment	15% straight line

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, 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 profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1.5 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.

1 Accounting policies **(Continued)**

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.

1.6 Cash at bank and in hand

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.

1.7 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.

1 Accounting policies **(Continued)**

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.

1.8 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.

1.9 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

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 Accounting policies **(Continued)**

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.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Investment Properties

A critical judgement has been made in relation to the fair value of the investment properties. The value has been based on the directors' assessment of the market conditions and their forecast as to what the selling price would be for the properties should they be sold on the open market.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 7 (2017 - 7).

4 Tangible fixed assets

	Fixtures, fittings & equipment
	£
Cost	
At 1 April 2017	66,812
Additions	1,514
At 31 March 2018	68,326
Depreciation and impairment	
At 1 April 2017	62,228
Depreciation charged in the year	1,029
At 31 March 2018	63,257
Carrying amount	
At 31 March 2018	5,069
At 31 March 2017	4,584

5 Investment property

	2018
	£
Fair value	
At 1 April 2017	500,000
Additions	446,250
At 31 March 2018	946,250

Investment property, which is freehold, was valued on an open market existing use basis at 31 March 2010 by the directors. In the opinion of the directors, there is no significant difference in value at 31 March 2018. No depreciation is provided in respect of investments properties.

6 Fixed asset investments

	2018	2017
	£	£
Investments	2,470,382	2,024,100

Fixed asset investments represent a 66.67% (2017: 50%) ordinary interest in Musketeer Properties Limited (formerly Chestergate Properties Limited) and a 66.67% (2017: 66.67%) interest in Estuary Health Limited. Both of these companies are incorporated in the United Kingdom.

7 Debtors

	2018	2017
Amounts falling due within one year:	**£**	**£**
Trade debtors	-	6,500
Corporation tax recoverable	-	1,555
Amounts owed by group undertakings and undertakings in which the company has a participating interest	455,000	455,000
Other debtors	253,802	-
	708,802	463,055

8 Creditors: amounts falling due within one year

	2018	2017
	£	**£**
Trade creditors	6,007	2,574
Other taxation and social security	921	954
Other creditors	115,231	368,056
	122,159	371,584

9 Called up share capital

	2018	2017
	£	**£**
Ordinary share capital		
Issued and fully paid		
100 Ordinary of £1 each	100	100
4 Ordinary C of £1 each	4	-
	104	100

During the year, the company issued 4 'C' shares at £1 each.

The holders of the ordinary shares are entitled to receive notice of, or attend or vote at any general meeting of the company. The holders of the 'C' shares are not entitled to receive notice of, or attend or vote at any general meeting of the company.

Dividends may be paid in respect of a class of share to the exclusion of any other class of share currently in issue. If a dividend is paid to all share classes in issue, the company may differentiate between classes as to the amount or percentage of dividend payable but, by default, all share classes shall be deemed to rank pari passu unless the rights to any share class specify otherwise.

10 Related party transactions

The following amounts were outstanding at the reporting end date:

	2018 Balance
Amounts owed by related parties	**£**
Entities over which the entity has control, joint control or significant influence	455,000
Other related parties	251,000

	2017 Balance
Amounts owed in previous period	**£**
Entities over which the entity has control, joint control or significant influence	455,000

At the balance sheet date, a balance of £455,000 (2017: £455,000) was due from Estuary Health Limited which is a related party by virtue of Estuary Group Limited's 66.67% shareholding. There was no movement on this loan during the year. This loan is interest free and repayable on demand.

At the balance sheet date, a balance of £250,000 (2017: £nil) was due from Howard's Happy Homes Limited which is a related party by virtue of Howard's Happy Homes Limited being controlled by shareholders who have joint control of Estuary Group Limited. During the year, the company advanced £250,000 to Howard's Happy Homes Limited with no repayments being made. This loan is interest free and repayable on demand.

At the balance sheet date, a balance of £1,000 (2017: £nil) was due from EGL Management Services LLP which is a related party by virtue of EGL Management Services LLP being controlled by members who have joint control of Estuary Group Limited. During the year, the company advanced £1,000 to EGL Management Services LLP with no repayments being made. This loan is interest free and repayable on demand.

11 Directors' transactions

During the year, the company operated a joint loan account with its directors. At the balance sheet date, the company owed the directors a total of £97,277 (2017: £351,929). This amount is included within other creditors.

During the year, the directors withdrew £350,000 from the company and incurred expenses of £318 on behalf of the company. The company also met personal expenses on behalf of the company totalling £7,470 and dividends totalling £102,500 were declared to be withdrawn at a future date.

The loan is interest free and repayable on demand.

12 Controlling party

The ultimate controlling party of the company are the directors by virtue of their majority shareholding.