

Company Registration No. 07632940 (England and Wales)

A1 DAIRIES LIMITED
DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018



A1 DAIRIES LIMITED

COMPANY INFORMATION

Directors	M J Gerson S E Gerson A C R Gerson P D Gerson
Secretary	C H Chew
Company number	07632940
Registered office	1 Downland Close Whetstone London N20 9LZ
Accountants	Wilson Wright LLP Chartered Accountants Thavies Inn House 3-4 Holborn Circus London EC1N 2HA

A1 DAIRIES LIMITED

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A1 DAIRIES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2018

The directors present their annual report and financial statements for the year ended 30 September 2018.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M J Gerson
S E Gerson
A C R Gerson
P D Gerson

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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 accounting 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.

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 exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



A C R Gerson

Director

Date: 28 March 2019

A1 DAIRIES LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF A1 DAIRIES LIMITED FOR THE YEAR ENDED 30 SEPTEMBER 2018

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of A1 Dairies Limited for the year ended 30 September 2018 set out on pages 3 to 10 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of A1 Dairies Limited, as a body, in accordance with the terms of our current engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of A1 Dairies Limited and state those matters that we have agreed to state to the Board of Directors of A1 Dairies Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than A1 Dairies Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that A1 Dairies Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of A1 Dairies Limited. You consider that A1 Dairies Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of A1 Dairies Limited. 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 statutory financial statements.

Wilson Wright LLP
Chartered Accountants
Thavies Inn House
3-4 Holborn Circus
London
EC1N 2HA

28 MARCH 2019

A1 DAIRIES LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Notes	2018 £	2017 £
Revenue		775,935	615,184
Property expenses		(21,676)	(7,665)
Gross profit		754,259	607,519
Administrative expenses		(26,672)	(28,305)
Operating profit		727,587	579,214
Investment income		345	311
Finance costs	3	(96,379)	(76,716)
Other gains and losses	4	1,900,000	3,100,000
Profit before taxation		2,531,553	3,602,809
Tax on profit	5	(303,798)	(100,277)
Profit for the financial year		2,227,755	3,502,532
Retained earnings brought forward		6,497,150	3,394,618
Dividends		(1,000,000)	(400,000)
Retained earnings carried forward	13	7,724,905	6,497,150

A1 DAIRIES LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Property, plant and equipment	6		2,146		2,556
Investment properties	7		15,000,000		13,100,000
			<u>15,002,146</u>		<u>13,102,556</u>
Current assets					
Trade and other receivables	8		487		27,556
Cash and cash equivalents			2,123,593		1,235,143
			<u>2,124,080</u>		<u>1,262,699</u>
Current liabilities	9		(423,977)		(370,761)
Net current assets			<u>1,700,103</u>		<u>891,938</u>
Total assets less current liabilities			<u>16,702,249</u>		<u>13,994,494</u>
Non-current liabilities	10		(8,797,244)		(7,497,244)
Provisions for liabilities	11		(180,000)		-
Net assets			<u><u>7,725,005</u></u>		<u><u>6,497,250</u></u>
Equity					
Called up share capital	12		100		100
Retained earnings	13		7,724,905		6,497,150
Total equity			<u><u>7,725,005</u></u>		<u><u>6,497,250</u></u>

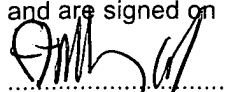
For the financial year ended 30 September 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 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 March 2019 and are signed on its behalf by:



A C R Gerson
Director

Company Registration No. 07632940

A1 DAIRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies

Company information

A1 Dairies Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 Downland Close, Whetstone, London, N20 9LZ.

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 investment properties at fair value. The principal accounting policies adopted are set out below.

1.2 Revenue

Revenue represents rent receivable and excludes value added tax.

1.3 Property, plant and equipment

Property, plant and equipment 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	10% straight line
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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 the statement of income.

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.

1.5 Impairment of non-current 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.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include deposits held at call with banks.

A1 DAIRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies

(Continued)

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 statement of financial position 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 trade and other receivables 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 trade and other payables, 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 payables 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 payables 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 transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 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 income statement 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.

A1 DAIRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

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.

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 income statement, 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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 4 (2017 - 4).

3 Finance costs

	2018 £	2017 £
Finance costs includes the following:		
Interest payable to parent company	96,379	76,716

4 Other gains and losses

	2018 £	2017 £
Fair value gains/(losses)		
Changes in the fair value of investment properties	1,900,000	3,100,000

5 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	123,800	100,300
Adjustments in respect of prior periods	(2)	(23)
Total current tax	123,798	100,277
Deferred tax		
Origination of timing differences	180,000	-
Total tax charge	303,798	100,277

A1 DAIRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

6 Property, plant and equipment

Plant and machinery etc £

Cost

At 1 October 2017 and 30 September 2018 4,102

Depreciation and impairment

At 1 October 2017 1,546

Depreciation charged in the year 410

At 30 September 2018 1,956

Carrying amount

At 30 September 2018 2,146

At 30 September 2017 2,556

7 Investment properties

2018 £

Fair value

At 1 October 2017 13,100,000

Revaluations 1,900,000

At 30 September 2018 15,000,000

The investment properties were valued by the directors at 30 September 2018 on an open market basis by reference to market evidence of transaction prices of similar properties.

8 Trade and other receivables

2018 £

2017 £

Amounts falling due within one year:

Trade receivables 456 13,764

Other receivables 31 13,792

487 27,556

A1 DAIRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

9 Current liabilities

	2018 £	2017 £
Trade payables	2,239	2,100
Amount due to parent company	129,441	86,035
Corporation tax	123,800	100,300
Other payables	168,497	182,326
	<u>423,977</u>	<u>370,761</u>

10 Non-current liabilities

	2018 £	2017 £
Amount due to parent company	8,100,000	6,800,000
Other payables	697,244	697,244
	<u>8,797,244</u>	<u>7,497,244</u>

11 Provisions for liabilities

	2018 £	2017 £
Deferred tax liabilities	180,000	-

12 Called up share capital

	2018 £	2017 £
Ordinary share capital Issued and fully paid 10,000 Ordinary shares of 1p each	100	100
	<u>100</u>	<u>100</u>

A1 DAIRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

13 Retained earnings

	Distributable retained earnings £	Non- distributable retained earnings £	Total retained earnings £
Balance at 30 September 2017	997,150	5,500,000	6,497,150
Profit for the financial year	2,227,755	-	2,227,755
	<u>3,224,905</u>	<u>5,500,000</u>	<u>8,724,905</u>
Transferred to non-distributable retained earnings	(1,720,000)	1,720,000	-
Dividends	(1,000,000)	-	(1,000,000)
Balance at 30 September 2018	<u><u>504,905</u></u>	<u><u>7,220,000</u></u>	<u><u>7,724,905</u></u>

14 Parent company

Michael Gerson (Investments) Limited, registered in England and Wales, was regarded as the company's parent company at the Statement of Financial Position date.

The registered office address of Michael Gerson (Investments) Limited is 1 Downland Close, Whetstone, London, N20 9LZ.