

Company Registration No. 02561855 (England and Wales)

ACORN NURSERY PROPERTIES LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017



ACORN NURSERY PROPERTIES LIMITED

COMPANY INFORMATION

Director	Z Raven
Secretary	T Gardner
Company number	02561855
Registered office	Unit C Lincoln Lodge Castlethorpe Milton Keynes Buckinghamshire MK19 7HJ
Accountants	Mercer & Hole Silbury Court 420 Silbury Boulevard Central Milton Keynes Buckinghamshire MK9 2AF

ACORN NURSERY PROPERTIES LIMITED

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ACORN NURSERY PROPERTIES LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The director presents her annual report and financial statements for the year ended 31 December 2017.

Director

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

Z Raven

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

On behalf of the board



Z Raven

Director

Date: 05-05-18

ACORN NURSERY PROPERTIES LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF ACORN NURSERY PROPERTIES LIMITED FOR THE YEAR ENDED 31 DECEMBER 2017

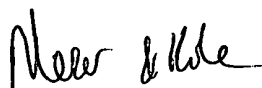
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Acorn Nursery Properties Limited for the year ended 31 December 2017 which comprise the Profit And Loss Account, the Balance Sheet and the related notes from the company's 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 Acorn Nursery Properties Limited, as a body, in accordance with the terms of our engagement letter dated 20 October 2016. Our work has been undertaken solely to prepare for your approval the financial statements of Acorn Nursery Properties Limited and state those matters that we have agreed to state to the Board of Directors of Acorn Nursery Properties 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 Acorn Nursery Properties Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Acorn Nursery Properties 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 Acorn Nursery Properties Limited. You consider that Acorn Nursery Properties 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 Acorn Nursery Properties 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.



Mercer & Hole

Chartered Accountants

4 June 2018

Silbury Court
420 Silbury Boulevard
Central Milton Keynes
Buckinghamshire
MK9 2AF

ACORN NURSERY PROPERTIES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
Turnover		69,000	1,917,352
Cost of sales		-	(1,203,733)
Gross profit		69,000	713,619
Administrative expenses		(117,863)	(763,486)
Other operating income		3,575	6,124
Exceptional items	2	366,418	58,892
Operating profit		321,130	15,149
Interest payable and similar expenses		(11,297)	(10,599)
Amounts written off investments	4	(127,912)	-
Profit before taxation		181,921	4,550
Tax on profit	5	(40,908)	(62,058)
Profit/(loss) for the financial year		141,013	(57,508)

ACORN NURSERY PROPERTIES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	6		7,715		1,226,914
Investment properties	7		995,000		-
			<u>1,002,715</u>		<u>1,226,914</u>
Current assets					
Stocks			-		3,030
Debtors	8	153,142		21,412	
Cash at bank and in hand		102		161	
		<u>153,244</u>		<u>24,603</u>	
Creditors: amounts falling due within one year	9	<u>(155,418)</u>		<u>(315,535)</u>	
Net current liabilities			<u>(2,174)</u>		<u>(290,932)</u>
Total assets less current liabilities			<u>1,000,541</u>		<u>935,982</u>
Creditors: amounts falling due after more than one year	10		<u>(354,535)</u>		<u>(379,355)</u>
Provisions for liabilities	11		<u>(49,720)</u>		<u>(88,854)</u>
Net assets			<u><u>596,286</u></u>		<u><u>467,773</u></u>
Capital and reserves					
Called up share capital			1,515		1,546
Share premium account			22,053		22,053
Revaluation reserve			343,265		491,244
Capital redemption reserve			100		69
Profit and loss reserves			<u>229,353</u>		<u>(47,139)</u>
Total equity			<u><u>596,286</u></u>		<u><u>467,773</u></u>

ACORN NURSERY PROPERTIES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2017

For the financial year ended 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges her responsibilities for complying with the requirements of the Act 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 and signed by the director and authorised for issue on *5th May 2018*



Z Raven
Director

Company Registration No. 02561855

ACORN NURSERY PROPERTIES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2017

	Share capital £	Share premium account £	Revaluation reserve £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 January 2016	1,577	22,053	491,244	38	22,869	537,781
Year ended 31 December 2016:						
Loss and total comprehensive income for the year	-	-	-	-	(57,508)	(57,508)
Own shares acquired	(31)	-	-	31	(12,500)	(12,500)
Balance at 31 December 2016	<u>1,546</u>	<u>22,053</u>	<u>491,244</u>	<u>69</u>	<u>(47,139)</u>	<u>467,773</u>
Year ended 31 December 2017:						
Profit for the year	-	-	-	-	141,013	141,013
Other comprehensive income:						
Adjustments to fair value of financial assets	-	-	(127,912)	-	-	(127,912)
Tax relating to adjustments to fair value of financial assets	-	-	(20,067)	-	-	(20,067)
Total comprehensive income for the year	-	-	(147,979)	-	141,013	(6,966)
Own shares acquired	(31)	-	-	31	(12,500)	(12,500)
Transfers	-	-	-	-	147,979	147,979
Balance at 31 December 2017	<u>1,515</u>	<u>22,053</u>	<u>343,265</u>	<u>100</u>	<u>229,353</u>	<u>596,286</u>

ACORN NURSERY PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Company information

Acorn Nursery Properties Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit C, Lincoln Lodge, Castlethorpe, Milton Keynes, Buckinghamshire, MK19 7HJ.

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 at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

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:

Land and buildings Freehold	2% straight line
Plant and machinery	2% - 10% straight line
Fixtures, fittings & equipment	20% straight line
Computer equipment	33% straight line
Motor vehicles	20% straight line

ACORN NURSERY PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

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.

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.

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 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 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.

ACORN NURSERY PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.8 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.

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.

1.9 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.

1.10 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.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

ACORN NURSERY PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

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.

1.12 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.

1.13 Retirement benefits

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

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

ACORN NURSERY PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

2 Exceptional costs/(Income)

	2017 £	2016 £
Gain on disposal of nurseries	(366,418)	(58,892)

Relates to the sale of Castlethorpe, Shenley and Brafield Nurseries on 1 January 2017 to Acorn Early Years Foundation Limited.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 1 (2016 - 66).

4 Amounts written off investments

	2017 £	2016 £
Fair value gains/(losses)		
Changes in the fair value of investment properties	(127,912)	-

5 Taxation

	2017 £	2016 £
Current tax		
UK corporation tax on profits for the current period	80,042	22,622
Adjustments in respect of prior periods	-	(1,666)
Total current tax	80,042	20,956
Deferred tax		
Origination and reversal of timing differences	(39,134)	41,102
Total tax charge	40,908	62,058

ACORN NURSERY PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

6 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2017	1,210,521	543,547	1,754,068
Additions	653	-	653
Disposals	(40,252)	(342,634)	(382,886)
Transfers	(1,170,922)	(178,841)	(1,349,763)
At 31 December 2017	-	22,072	22,072
Depreciation and impairment			
At 1 January 2017	149,342	377,812	527,154
Depreciation charged in the year	30,589	2,207	32,796
Eliminated in respect of disposals	(11,495)	(307,248)	(318,743)
Transfers	(168,436)	(58,414)	(226,850)
At 31 December 2017	-	14,357	14,357
Carrying amount			
At 31 December 2017	-	7,715	7,715
At 31 December 2016	1,061,179	165,735	1,226,914

7 Investment property

	2017 £
Fair value	
At 1 January 2017	-
Transfers	1,122,912
Revaluations	(127,912)
At 31 December 2017	995,000

Investment property comprises the buildings at Castlethorpe and Shenley Nurseries. The fair value of the investment property has been arrived at on the basis of a valuation carried out by Christie & Co, who are not connected with the company, on the basis of market value on 2 December 2016 and 13 October 2016 respectively. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

The investment properties have been pledged to secure borrowings of the company. The company is not allowed to pledge these assets as security for other borrowings or sell them to another entity.

ACORN NURSERY PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

8 Debtors		2017	2016
		£	£
Amounts falling due within one year:			
Trade debtors		-	18,383
Other debtors		153,142	3,029
		<u>153,142</u>	<u>21,412</u>
9 Creditors: amounts falling due within one year		2017	2016
		£	£
Bank loans and overdrafts		72,376	104,089
Trade creditors		-	38,459
Corporation tax		80,042	22,622
Other taxation and social security		-	14,542
Other creditors		3,000	135,823
		<u>155,418</u>	<u>315,535</u>
10 Creditors: amounts falling due after more than one year		2017	2016
		£	£
Bank loans and overdrafts		<u>354,535</u>	<u>379,355</u>
11 Provisions for liabilities		2017	2016
		£	£
Deferred tax liabilities	12	<u>49,720</u>	<u>88,854</u>
12 Deferred taxation			
Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:			
		Liabilities	Liabilities
		2017	2016
		£	£
Balances:			
Accelerated capital allowances		29,653	41,102
Revaluations		20,067	47,752
		<u>49,720</u>	<u>88,854</u>

ACORN NURSERY PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

12 Deferred taxation (Continued)

	2017 £
Movements in the year:	
Liability at 1 January 2017	88,854
Credit to profit or loss	(39,134)
Liability at 31 December 2017	<u>49,720</u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period and potential liability in respect of revaluations on properties.

13 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2017 £	2016 £
<u>3,064</u>	<u>42,802</u>

14 Related party transactions

There was a share buy-back in the year from K Plant of 31 (2016; 31) shares for £12,500 (2016; £12,500).

15 Parent company

The controlling party is Z Raven by virtue of her 68% shareholding.