Company Registration No. 03493030 (England and Wales)

# NMT LIMITED

# UNAUDITED FINANCIAL STATEMENTS

# FOR THE YEAR ENDED 31 OCTOBER 2017

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## NMT LIMITED

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# NMT LIMITED

## BALANCE SHEET

### *AS AT 31 OCTOBER 2017*

| | Notes | 2017 £ | 2017 £ | 2016 £ | 2016 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 3 | | 165,003 | | 193,033 |
| Investment properties | 4 | | 4,715,000 | | 4,715,000 |
| Investments | 5 | | 406,708 | | 406,708 |
| | | | 5,286,711 | | 5,314,741 |
| **Current assets** | | | | | |
| Debtors | 6 | 255,746 | | 261,588 | |
| Cash at bank and in hand | | 20,796 | | 46,401 | |
| | | 276,542 | | 307,989 | |
| ***Creditors:*** ***amounts falling due within one year*** | 7 | (281,771) | | (680,013) | |
| **Net current liabilities** | | | (5,229) | | (372,024) |
| **Total assets less current liabilities** | | | 5,281,482 | | 4,942,717 |
| **Creditors: amounts falling due after more than one year** | 8 | | (2,759,076) | | (2,406,988) |
| **Provisions for liabilities** | | | (215,029) | | (215,029) |
| **Net assets** | | | 2,307,377 | | 2,320,700 |
| ***Capital and reserves*** | | | | | |
| Called up share capital | 9 | | 1 | | 1 |
| Fair value reserve | 10 | | 860,116 | | 860,116 |
| Profit and loss reserves | | | 1,447,260 | | 1,460,583 |
| **Total equity** | | | 2,307,377 | | 2,320,700 |

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 October 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 Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has 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.

# NMT LIMITED

## BALANCE SHEET (CONTINUED)

### *AS AT 31 OCTOBER 2017*

The financial statements were approved and signed by the director and authorised for issue on 25/7/2018

N Fletcher
Mrs N Fletcher
**Director**

**Company Registration No. 03493030**

## 1 Accounting policies

**Company information**

NMT Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 6, Devonshire House, Devonshire Avenue, Leeds, West Yorkshire, LS8 1AY.

### 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.

These financial statements for the year ended 31 October 2017 are the first financial statements of NMT Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 November 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 12.

### 1.2 Turnover

Turnover is recognised at the fair value of the rental income and other charges receivable net of VAT and trade discounts.

### 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 | 25% and 10% reducing balance |

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 Accounting policies** **(Continued)**

**1.5 Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**1.6 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.

**1.7 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.

**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.

**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.

**1.9 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 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.

**1.10 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.

**1.11 Leases**

## 1 Accounting policies (Continued)

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.

## 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 3 (2016 - 3).

## 3 Tangible fixed assets

| | Plant and machinery etc |
|---|---|
| | £ |
| **Cost** | |
| At 1 November 2016 and 31 October 2017 | 305,343 |
| **Depreciation and impairment** | |
| At 1 November 2016 | 112,310 |
| Depreciation charged in the year | 28,030 |
| At 31 October 2017 | 140,340 |
| **Carrying amount** | |
| At 31 October 2017 | 165,003 |
| At 31 October 2016 | 193,033 |

## 4 Investment property

| | 2017 |
|---|---|
| | £ |
| **Fair value** | |
| At 1 November 2016 and 31 October 2017 | 4,715,000 |

Investment property comprises freehold land and buildings. The fair value of the investment properties have been arrived at on the basis of a valuation carried out in October 2015 by the director.The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

## 5 Fixed asset investments

| | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| Investments | 406,708 | 406,708 |

## 6 Debtors

| | 2017 | 2016 |
|---|---|---|
| **Amounts falling due within one year:** | £ | £ |
| Corporation tax recoverable | 5,892 | 5,892 |
| Amounts owed by group undertakings | 24,003 | 27,674 |
| Other debtors | 225,851 | 228,022 |
| | 255,746 | 261,588 |

## 7 Creditors: amounts falling due within one year

| | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| Bank loans and overdrafts | 52,544 | 52,544 |
| Corporation tax | 13,865 | 33,013 |
| Other creditors | 215,362 | 594,456 |
| | 281,771 | 680,013 |

## 8 Creditors: amounts falling due after more than one year

| | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| Bank loans and overdrafts | 2,731,299 | 2,406,988 |
| Other creditors | 27,777 | - |
| | 2,759,076 | 2,406,988 |

The bank loans and overdrafts are secured by a fixed and floating charge over the assets of the company.

| Creditors which fall due after five years are as follows: | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| Payable by instalments | 2,412,022 | 2,087,711 |

## 9 Called up share capital

| | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| **Ordinary share capital** | | |
| **Issued and fully paid** | | |
| 1 Ordinary shares of £1 each | 1 | 1 |
| | 1 | 1 |

## 10 Fair value reserve

### 10 Fair value reserve (Continued)

| | 2017 | 2016 |
|---|---|---|
| | £ | £ |
| At beginning of year | 860,116 | 583,124 |
| Revaluation surplus arising in the year | - | 276,992 |
| At end of year | 860,116 | 860,116 |

### 11 Directors' transactions

The following amounts were outstanding at the reporting end date:

| Description | % Rate | Opening balance | Closing balance |
|---|---|---|---|
| | | £ | £ |
| Mrs N Fletcher - | - | 29,556 | 29,556 |
| | | 29,556 | 29,556 |

### 12 Reconciliations on adoption of FRS 102

**Reconciliation of equity**

| | 1 November 2015 | 31 October 2016 |
|---|---|---|
| | £ | £ |
| Equity as reported under previous UK GAAP and under FRS 102 | 2,094,717 | 2,043,708 |
| Adjustments to prior year | - | 276,992 |
| As restated | 2,094,717 | 2,320,700 |

**Reconciliation of loss for the financial period**

| | 2016 |
|---|---|
| | £ |
| Loss as reported under previous UK GAAP and under FRS 102 | (51,009) |

**12 Reconciliations on adoption of FRS 102** **(Continued)**

**Notes to reconciliations on adoption of FRS 102**

These are the first financial statements that comply with FRS102.

Prior to the adoption of FRS 102, unrealised gains were included within a separate revaluation reserve, under the alternative accounting rules of the Companies Act 2006 and deferred tax was not recognised.

Under FRS 102 such gains are recognised under the fair value provisions of the Act, and provision for deferred tax is required. Accordingly the balance on the revaluation reserve was reclassified as fair value reserve and a provision of £215,029 for deferred tax was created

The investment property have been revalued to fair value as required by FRS 102