Company Registration No. 00832915 (England and Wales)

BRUF CONTRACT HOLDINGS LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

PAGES FOR FILING WITH REGISTRAR

BRUF CONTRACT HOLDINGS LTD

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BRUF CONTRACT HOLDINGS LTD

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Intangible assets	**3**		299,516		279,353
Tangible assets	**4**		-		30
Investment properties	**5**		3,789,500		3,789,500
			4,089,016		4,068,883
Current assets					
Debtors	**6**	6,020		5,143	
Cash at bank and in hand		275,133		127,808	
		281,153		132,951	
Creditors: amounts falling due within one year	**7**	(1,402,663)		(1,321,621)	
Net current liabilities			(1,121,510)		(1,188,670)
Total assets less current liabilities			2,967,506		2,880,213
Capital and reserves					
Called up share capital			100,000		100,000
Profit and loss reserves			2,867,506		2,780,213
Total equity			2,967,506		2,880,213

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 2020 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.

The financial statements were approved by the board of directors and authorised for issue on 2 October 2020 and are signed on its behalf by:

Mr S Goodwin
Director

Company Registration No. 00832915

1 Accounting policies

Company information
Bruf Contract Holdings Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Wadebridge House, 16 Wadebridge Square, Poundbury, Dorchester, Dorset, DT1 3AQ.

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 a mounts 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.

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:

Plant and equipment	25% 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. Changes in fair value are 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 and intangible 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 and cash equivalents

Cash and cash equivalents 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 transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

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 Accounting policies **(Continued)**

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 Retirement benefits

The company operated group pension schemes for group companies. The funds of the schemes were administered by Trustees and are separate from the company. The main scheme was a fully funded multi-employer defined benefit scheme for which an independent actuary completed a formal valuation and review of past and future contribution levels at least every three years.

The company complies with FRS 102 in respect of its accounting for pension costs. Contributions to employees' money purchase pension schemes are fully expensed as incurred. However, the operating and financing costs of the scheme are recognised separately in the profit and loss account. Service costs are systematically spread over the service lives of employees and financing costs are recognised in the periods to which they arise. The costs of individual events such as past service benefit enhancements, settlements and curtailments are recognised immediately in measuring profit or loss in the current reporting period. Variations from expected costs arising from the experience of the pension scheme or changes in actuarial assumptions, are recognised immediately in the statement of comprehensive income.

During the prior year the Company made contributions to the scheme, which included a premium to facilitate the buyout of the scheme liabilities by Aviva. Although negotiations with Aviva were at an advanced stage at the balance sheet date the buyout was not irreversible on that date and therefore these payments were recognised within the statement of comprehensive income.

The fund showed a surplus at both 31 March 2019 and 31 March 2020 and therefore no provision was recorded. The surplus was not shown as an asset in the Company's balance sheet as it was not recoverable by the Company.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020	2019
	Number	Number
Total	2	2

3 Intangible fixed assets

	Deferred tax asset £
Cost	
At 1 April 2019	279,353
Change in tax rates	32,865
Amounts used	(12,702)
At 31 March 2020	299,516
Amortisation and impairment	
At 1 April 2019	19,701
Reversal of past impairment loss	(19,701)
At 31 March 2020	-
Carrying amount	
At 31 March 2020	299,516
At 31 March 2019	279,353

The company has property losses carried forward of £1,576,403. A deferred tax asset has been calculated based on an expected future UK corporation tax rate to 19% (2019 - 17%).

A deferred tax liability is not recognised in respect of the valuation of investment properties as the company has capital losses of £1,832,632 carried forward.

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2019 and 31 March 2020	19,316
Depreciation and impairment	
At 1 April 2019	19,286
Depreciation charged in the year	30
At 31 March 2020	19,316
Carrying amount	
At 31 March 2020	-
At 31 March 2019	30

5 Investment property

	2020
	£
Fair value	
At 1 April 2019 and 31 March 2020	3,789,500

Investment property comprises freehold land and buildings. The fair value of the investment property has been arrived at on the basis of a valuation carried out the directors.

6 Debtors

	2020	**2019**
Amounts falling due within one year:	**£**	**£**
Trade debtors	1,418	1,421
Other debtors	4,602	3,722
	6,020	5,143

7 Creditors: amounts falling due within one year

	2020	**2019**
	£	**£**
Trade creditors	1,279	-
Taxation and social security	6,178	3,485
Other creditors	1,395,206	1,318,136
	1,402,663	1,321,621

8 Retirement benefit schemes

Defined benefit schemes

The Company previously operated the Bruf Contract Holdings Limited Pension and Life Assurance Fund (1972), a UK registered trust based pension scheme that provided defined benefits. An independent Trustee was responsible for running the Fund in accordance with the Fund's Trust Deed and Rules. During the year, the Trustee contracted with Aviva PLC to buy out the Fund's liabilities. This transaction has been completed and a full and final settlement has been reached. Therefore the directors do not expect the Company to realise any further assets nor incur any further liabilities in respect of the Fund.

9 Parent company

The company is a subsidiary of BCHL Investments Limited, whose registered address is Wadebridge House, 16 Wadebridge Square, Poundbury, Dorchester, Dorset, DT1 3AQ.