

Company Registration No. 03092537 (England and Wales)

SEVENTH ACORN LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016
PAGES FOR FILING WITH REGISTRAR

LB GROUP
Swift House
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SEVENTH ACORN LIMITED

COMPANY INFORMATION

Director	Mrs D Foster
Secretary	Mr C Foster
Company number	03092537
Registered office	5 Abbeyfields, East Hanningfield, Chelmsford Essex CM3 8XB
Accountants	LB Group Limited (Chelmsford) Swift House Ground Floor 18 Hoffmanns Way Chelmsford Essex UK CM1 1GU

SEVENTH ACORN LIMITED

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SEVENTH ACORN LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Investment properties	3		760,000		720,000
Current assets					
Debtors	4	638		-	
Cash at bank and in hand		1,420		1,420	
		<u>2,058</u>		<u>1,420</u>	
Creditors: amounts falling due within one year	5	<u>(305,576)</u>		<u>(307,775)</u>	
Net current liabilities			(303,518)		(306,355)
Total assets less current liabilities			456,482		413,645
Provisions for liabilities			(43,608)		(39,914)
Net assets			<u>412,874</u>		<u>373,731</u>
Capital and reserves					
Called up share capital	6		72		72
Profit and loss reserves	7		412,802		373,659
Total equity			<u>412,874</u>		<u>373,731</u>

The director 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 December 2016 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 and delivered 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 12 April 2017

Mrs D Foster

Director

Company Registration No. 03092537

SEVENTH ACORN LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Share capital	Revaluation reserve	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 January 2015	72	-	227,982	228,054
Year ended 31 December 2015:				
Profit and total comprehensive income for the year	-	-	145,677	145,677
Balance at 31 December 2015	72	-	373,659	373,731
Year ended 31 December 2016:				
Profit and total comprehensive income for the year	-	-	39,143	39,143
Balance at 31 December 2016	72	-	412,802	412,874

SEVENTH ACORN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Seventh Acorn Limited is a private company limited by shares incorporated in England and Wales. The registered office is 5 Abbeyfields, East Hanningfield, Chelmsford, Essex, CM3 8XB.

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 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% reducing balance
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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 profit or loss.

Investment properties are included in the balance sheet at their open market value at the balance sheet date.

1.3 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 the profit and loss account.

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

1.4 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.

SEVENTH ACORN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.5 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 receipts 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.

1.6 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.

1.7 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.

SEVENTH ACORN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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. 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.

1.8 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Tangible fixed assets

Plant and machinery etc
£

Cost

At 1 January 2016 and 31 December 2016 5,357

Depreciation and impairment

At 1 January 2016 and 31 December 2016 5,357

Carrying amount

At 31 December 2016 -

At 31 December 2015 -

3 Investment property

2016

£

Fair value

At 1 January 2016 720,000

Revaluations 40,000

At 31 December 2016 760,000

SEVENTH ACORN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

3 Investment property (Continued)

Investment property comprises of three properties. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31st December 2016 by the directors. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

4 Debtors

	2016	2015
	£	£
Amounts falling due within one year:		
Other debtors	638	-
	<u>638</u>	<u>-</u>

5 Creditors: amounts falling due within one year

	2016	2015
	£	£
Amounts due to group undertakings	303,372	305,251
Corporation tax	709	954
Other creditors	1,495	1,570
	<u>305,576</u>	<u>307,775</u>

6 Called up share capital

	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
70 Ordinary shares of £1 each	70	70
1 Ordinary B shares of £1 each	1	1
1 Ordinary C shares of £1 each	1	1
	<u>72</u>	<u>72</u>

7 Profit and loss reserves

The retained earnings are dividend as follows:

Distributable reserves - £6,759
Undistributable reserves - £406,058

8 Related party transactions

At the balance sheet date the company owed £303,372 (2015: £305,251) to Drivefields Limited, a company which Ms D Foster is a director and shareholder.

SEVENTH ACORN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

9 Reconciliations on adoption of FRS 102

Reconciliation of equity

	Notes	1 January 2015 £	31 December 2015 £
Equity as reported under previous UK GAAP		241,912	413,645
Adjustments arising from transition to FRS 102:			
Deferred Tax on investment properties	1	(13,858)	(39,914)
Equity reported under FRS 102		<u>228,054</u>	<u>373,731</u>

Reconciliation of profit for the financial period

	2015 £
Profit as reported under previous UK GAAP and under FRS 102	3,816
Adjustments to prior year (note)	<u>141,861</u>
As restated	<u>145,677</u>

Notes to reconciliations on adoption of FRS 102

1. Deferred tax on properties

Deferred tax has now been provided for on the future capital gain of the properties.

2. Revaluation of properties

The revaluation of properties has now moved to the profit and loss.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.