

**Marsham Court Management Company Limited**  
**Financial Statements**  
**31 December 2021**

**SHAW WALLACE**  
Chartered accountants & statutory auditor  
43 Manchester Street  
London  
W1U 7LP



# **Marsham Court Management Company Limited**

## **Financial Statements**

**Year ended 31 December 2021**

---

| <b>Contents</b>                                                         | <b>Page</b> |
|-------------------------------------------------------------------------|-------------|
| Officers and professional advisers                                      | <b>1</b>    |
| Directors' report                                                       | <b>2</b>    |
| Independent auditor's report to the members                             | <b>4</b>    |
| Income statement                                                        | <b>8</b>    |
| Statement of financial position                                         | <b>9</b>    |
| Notes to the financial statements                                       | <b>10</b>   |
| <b>The following pages do not form part of the financial statements</b> |             |
| Detailed income statement                                               | <b>20</b>   |
| Notes to the detailed income statement                                  | <b>22</b>   |

---

# **Marsham Court Management Company Limited**

## **Officers and Professional Advisers**

---

### **The board of directors**

Mr Jonathan T McCloy  
Miss Esther R A M van de Geijn  
Ms Jane E Gordon-Cumming  
Ms Marie E Winckler  
Dr Jan L Alessandrini  
Ms Nicola Cowen  
Dr Christopher J Mew  
Mr Yousouf Kurimbokus  
Mr Michael Bellusci  
Ms Robin Maynard Seaver

### **Company secretary**

HML Company Secretarial Services Limited

### **Registered office**

94 Park Lane  
Croydon  
Surrey  
CR0 1JB

### **Auditor**

Shaw Wallace  
Chartered accountants & statutory auditor  
43 Manchester Street  
London  
W1U 7LP

# **Marsham Court Management Company Limited**

## **Directors' Report**

**Year ended 31 December 2021**

---

The directors present their report and the financial statements of the company for the year ended 31 December 2021.

### **Principal activities**

The company was formed for the purpose of acquiring and managing the freehold interest in Marsham Court, Marsham Street, London SW1. In 1985 the company acquired the freehold interest in Marsham Court from the City of Westminster Assurance Company Limited. The financial statements disclose the income and expenditure incurred in managing the freehold property, which constituted the company's main activity for the year.

### **Directors**

The directors who served the company during the year were as follows:

|                                |                                                      |
|--------------------------------|------------------------------------------------------|
| Mr Jonathan T McCloy           |                                                      |
| Miss Esther R A M van de Geijn |                                                      |
| Ms Jane E Gordon-Cumming       |                                                      |
| Ms Marie E Winckler            |                                                      |
| Dr Jan L Alessandrini          |                                                      |
| Ms Nicola Cowen                |                                                      |
| Dr Christopher J Mew           |                                                      |
| Mr Michael Bellusci            |                                                      |
| Mr Yousouf Kurimbokus          | (Appointed 26 March 2021) (Elected 10 November 2021) |
| Ms Robin Maynard Seaver        | (Appointed 24 June 2021) (Elected 10 November 2021)  |
| Sir Bernard W Silverman        | (Resigned 24 June 2021)                              |
| Mr Thomas A C Ormond           | (Resigned 5 March 2021)                              |

### **Qualifying indemnity provision**

The company has purchased insurance to cover the directors and officers of the company against liabilities arising against them in that capacity.

### **Directors' responsibilities statement**

The directors are responsible for preparing the directors' 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 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 judgments 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.

# Marsham Court Management Company Limited

## Directors' Report *(continued)*

Year ended 31 December 2021

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.

### Auditor

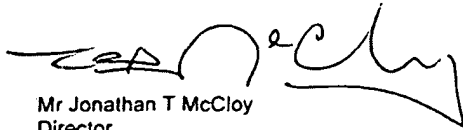
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Small company provisions

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

This report was approved by the board of directors on 24 May 2022 and signed on behalf of the board by:



Mr Jonathan T McCloy  
Director

Registered office:  
94 Park Lane  
Croydon  
Surrey  
CR0 1JB

# **Marsham Court Management Company Limited**

## **Independent Auditor's Report to the Members of Marsham Court Management Company Limited**

**Year ended 31 December 2021**

---

### **Opinion**

We have audited the financial statements of Marsham Court Management Company Limited (the 'company') for the year ended 31 December 2021 which comprise the income statement, statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

# **Marsham Court Management Company Limited**

## **Independent Auditor's Report to the Members of Marsham Court Management Company Limited (continued)**

**Year ended 31 December 2021**

---

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

# **Marsham Court Management Company Limited**

## **Independent Auditor's Report to the Members of Marsham Court Management Company Limited** *(continued)*

**Year ended 31 December 2021**

---

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override.



# **Marsham Court Management Company Limited**

## **Independent Auditor's Report to the Members of Marsham Court Management Company Limited *(continued)***

**Year ended 31 December 2021**

---

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Shaw Wallace**

Hitesh Gadhia (Senior Statutory Auditor)

For and on behalf of  
Shaw Wallace  
Chartered accountants & statutory auditor  
43 Manchester Street  
London  
W1U 7LP

24 May 2022

# Marsham Court Management Company Limited

## Income Statement

Year ended 31 December 2021

|                                              |      | 2021    | 2020     |
|----------------------------------------------|------|---------|----------|
|                                              | Note | £       | £        |
| Turnover                                     | 4    | 881,017 | 904,925  |
| Cost of sales                                |      | 755,063 | 927,048  |
| Gross profit/(loss)                          |      | 125,954 | (22,123) |
| Operating profit/(loss)                      |      | 125,954 | (22,123) |
| Other interest receivable and similar income |      | 56      | 935      |
| Profit/(loss) before taxation                | 6    | 126,010 | (21,188) |
| Tax on profit/(loss)                         |      | 1,638   | 4,937    |
| Profit/(loss) for the financial year         |      | 124,372 | (26,125) |

All the activities of the company are from continuing operations.

The notes on pages 10 to 18 form part of these financial statements.

# Marshall Court Management Company Limited

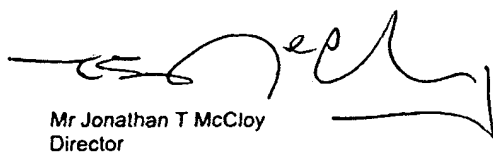
## Statement of Financial Position

31 December 2021

|                                                       | Note | 2021<br>£        | 2020<br>£      |
|-------------------------------------------------------|------|------------------|----------------|
| <b>Fixed assets</b>                                   |      |                  |                |
| Tangible assets                                       | 8    | 113,254          | 128,739        |
| Investments                                           | 9    | 1                | 1              |
|                                                       |      | <u>113,255</u>   | <u>128,740</u> |
| <b>Current assets</b>                                 |      |                  |                |
| Debtors                                               | 10   | 156,584          | 118,157        |
| Cash at bank and in hand                              |      | 950,166          | 744,043        |
|                                                       |      | <u>1,106,750</u> | <u>862,200</u> |
| <b>Creditors: amounts falling due within one year</b> | 11   | <u>257,849</u>   | <u>153,156</u> |
| <b>Net current assets</b>                             |      | <u>848,901</u>   | <u>709,044</u> |
| <b>Total assets less current liabilities</b>          |      | <u>962,156</u>   | <u>837,784</u> |
| <b>Net assets</b>                                     |      | <u>962,156</u>   | <u>837,784</u> |
| <b>Capital and reserves</b>                           |      |                  |                |
| Called up share capital                               |      | 149              | 149            |
| Sinking fund reserve                                  | 12   | 777,442          | 642,397        |
| Extraordinary reserve                                 | 12   | 184,565          | 195,238        |
| <b>Shareholders funds</b>                             |      | <u>962,156</u>   | <u>837,784</u> |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 24 May 2022, and are signed on behalf of the board by:

  
Mr Jonathan T McCloy  
Director

Company registration number: 01602191

The notes on pages 10 to 18 form part of these financial statements.

# **Marsham Court Management Company Limited**

## **Notes to the Financial Statements**

**Year ended 31 December 2021**

---

### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 94 Park Lane, Croydon, Surrey, CR0 1JB.

### **2. Statement of compliance**

The principal activity of the company is the management of Marsham Court, a building containing mainly residential flats. As such the company expends monies received from residential service charges. Under Section 42 of the Landlord and Tenant Act 1987 unexpended service charge monies are required to be held on trust by the company. These financial statements include the service charges receivable, the expenditure incurred and the assets and liabilities of the trust. The assets and liabilities of the trust are set out in note 14 to the financial statements.

Marsham Court Management Company Limited is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of the registered office is 94, Park Lane, Croydon, Surrey, CR0 1JB.

Under section 454 of the Companies Act 2006 the directors can amend these financial statements on a voluntary basis if they subsequently prove to be defective.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Section 1A "Small Entities" of Financial Reporting Standard 102 'the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102") and the Companies Act 2006. The Financial statements have been prepared under the historical cost convention.

#### **Consolidation**

The entity has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the entity and its subsidiary undertakings comprise a small group.

#### **Judgements and key sources of estimation uncertainty**

In preparing the financial statements management are required to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from these estimates. Whilst management have made judgements, estimates and assumptions in preparing the financial statements, they consider that these have not had a significant effect on amounts recognised.

# **Marsham Court Management Company Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 31 December 2021**

---

### **3. Accounting policies *(continued)***

#### **Revenue recognition**

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received or receivable, net of discounts and rebates. The following criteria must also be met before revenue is recognised:

#### **Service charge income**

Revenue is recognised on an accrual basis in the year to which it relates. Monies received by the balance sheet date relating to future dates are included within current or long-term liabilities, as appropriate, as "payments on account".

#### **Interest income**

Revenue is recognised as interest accrues using the effective interest method.

# **Marsham Court Management Company Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 31 December 2021**

---

### **3. Accounting policies *(continued)***

#### **Income tax**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Profit and Loss Account. Current or deferred taxation assets and liabilities are not discounted

#### **Current tax**

Current tax is the amount of corporation tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

A surplus arising in relation to leaseholders' service charges is exempt from taxation. No such exemption applies to investment and other income and profits generated by the company; tax is provided on these sources of income. Investment income arising on monies held from leaseholders is subject to income tax at the rates applicable to trusts. Investment income arising from monies held by the company in its own rights and other income and profits generated by the company are subject to corporation tax.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### **Deferred tax**

Deferred tax arises from timing differences that are differences between taxable profits and profit on ordinary activities before taxation as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

# **Marsham Court Management Company Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 31 December 2021**

---

### **3. Accounting policies *(continued)***

#### **Tangible assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use and dismantling and restoration costs.

Depreciation is calculated, using the straight-line method, to allocate the cost of assets less their residual value over their estimated useful lives.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Subsequent costs are included in the assets' carrying amount or recognised as a separate, as appropriate, only when it is probable that economic benefits associated with the item will flow to the company and the cost can be measured reliably. Repairs and maintenance costs are expensed as incurred.

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the Profit and Loss Account and included in 'other operating income or charges'.

No depreciation is provided on Freehold Property (which comprises the Freehold of Marsham Court together with ownership of the Head Porter's Flat) as in the opinion of the directors any element of depreciation would be immaterial.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property improvements - 10 years

#### **Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

#### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

# Marsham Court Management Company Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

### 3. Accounting policies *(continued)*

#### Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

#### Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Profit and Loss Account in "cost of sales".

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

#### Format of accounts

The format for income and expenditure account set out in the Companies Act 2006 has been amended where in the Board's opinion the formats are not applicable to the company's special circumstances as a residential management company. Accordingly, in compliance with the Companies Act 2006 the Board presents the financial statements in an amended format.

### 4. Turnover

Analysis of revenue by category:

|                                  | 2021<br>£      | 2020<br>£      |
|----------------------------------|----------------|----------------|
| Annual service charge            | 626,003        | 602,121        |
| Sinking fund service charge      | 235,007        | 250,006        |
| Total service charges receivable | 861,010        | 852,127        |
| Special Levy income              | 3,638          | 20,441         |
| Commercial recovery              | 7,759          | 7,357          |
| Lease premium                    | –              | 25,000         |
| Other income                     | 8,610          | –              |
|                                  | <u>881,017</u> | <u>904,925</u> |

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

### 5. Employee numbers

The average number of persons employed by the company during the year amounted to 9 (2020: 9).



# Marsham Court Management Company Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

### 5. Employee numbers *(continued)*

|                 | 2021<br>£ | 2020<br>£ |
|-----------------|-----------|-----------|
| Full-time staff | 9         | 9         |
| Part-time staff | —         | 1         |
|                 | <u>9</u>  | <u>10</u> |

### 6. Profit before taxation

Profit before taxation is stated after charging:

|                                 | 2021<br>£     | 2020<br>£     |
|---------------------------------|---------------|---------------|
| Depreciation of tangible assets | <u>15,485</u> | <u>15,485</u> |

### 7. Tax on non-exempt activities

Current tax on non-exempt activities comprised:

|                                                                          | 2021<br>£    | 2020<br>£    |
|--------------------------------------------------------------------------|--------------|--------------|
| UK Corporation Taxation                                                  |              |              |
| UK Corporation tax based on the results for the year at 19% (2019 - 19%) | 1,638        | 4,750        |
| UK Income Taxation                                                       |              |              |
| Current tax on income for the year                                       | —            | 187          |
| Total current tax                                                        | <u>1,638</u> | <u>4,937</u> |

### 8. Tangible assets

|                                        | Freehold<br>property<br>£ | Freehold<br>Improvement<br>Property<br>s<br>£ | Total<br>£     |
|----------------------------------------|---------------------------|-----------------------------------------------|----------------|
| <b>Cost</b>                            |                           |                                               |                |
| At 1 January 2021 and 31 December 2021 | <u>51,082</u>             | <u>154,853</u>                                | <u>205,935</u> |
| <b>Depreciation</b>                    |                           |                                               |                |
| At 1 January 2021                      | —                         | 77,196                                        | 77,196         |
| Charge for the year                    | —                         | 15,485                                        | 15,485         |
| At 31 December 2021                    | <u>—</u>                  | <u>92,681</u>                                 | <u>92,681</u>  |
| <b>Carrying amount</b>                 |                           |                                               |                |
| At 31 December 2021                    | <u>51,082</u>             | <u>62,172</u>                                 | <u>113,254</u> |
| At 31 December 2020                    | <u>51,082</u>             | <u>77,657</u>                                 | <u>128,739</u> |

# Marsham Court Management Company Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

### 8. Tangible assets *(continued)*

Freehold Property comprises the following:

|                                   | 2021<br>£     | 2020<br>£     |
|-----------------------------------|---------------|---------------|
| Cost of Marsham Court's freehold  | 1             | 1             |
| Development of Head Porter's Flat | 51,081        | 51,081        |
|                                   | <u>51,082</u> | <u>51,082</u> |

The Freehold interest in Marsham Court, London, SW1 vested in the company on 7 October 1985. The Head Porter's flat was developed in 1996.

Freehold Property Improvements comprise expenditures incurred in improving the quality of the property which in the opinion of the directors and their advisers is not recoverable from the leaseholders.

The reinstatement costs of the building for fire insurance purposes as at 31 December 2021 was £79,129,554 (2020: £75,004,316).

### 9. Investments

|                                        | Shares in<br>group<br>undertakings<br>£ |
|----------------------------------------|-----------------------------------------|
| <b>Cost</b>                            |                                         |
| At 1 January 2021 and 31 December 2021 | <u>1</u>                                |
| <b>Impairment</b>                      |                                         |
| At 1 January 2021 and 31 December 2021 | <u>-</u>                                |
| <b>Carrying amount</b>                 |                                         |
| At 31 December 2021                    | <u>1</u>                                |
| At 31 December 2020                    | <u>1</u>                                |

The company owns 100% of the issued share capital of Marsham Court Services Limited, company number 03649746, registered in England and Wales. The company is dormant and not traded since the inception. The registered address of this company is 94 Park Lane, Croydon, Surrey, CR0 1JB.

# Marsham Court Management Company Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

### 10. Debtors

|                                | 2021           | 2020           |
|--------------------------------|----------------|----------------|
|                                | £              | £              |
| Trade debtors                  | 17,477         | 5,984          |
| Prepayments and accrued income | 135,683        | 108,719        |
| Other debtors                  | 3,424          | 3,454          |
|                                | <u>156,584</u> | <u>118,157</u> |

The debtors above include the following amounts falling due after more than one year:

|               | 2021         | 2020         |
|---------------|--------------|--------------|
|               | £            | £            |
| Other debtors | <u>2,566</u> | <u>2,566</u> |

### 11. Creditors: amounts falling due within one year

|                                 | 2021           | 2020           |
|---------------------------------|----------------|----------------|
|                                 | £              | £              |
| Trade creditors                 | 213,329        | 104,251        |
| Accruals and deferred income    | 33,849         | 34,543         |
| Corporation tax                 | 6,575          | 4,937          |
| Social security and other taxes | —              | 6,749          |
| Other creditors                 | 4,096          | 2,676          |
|                                 | <u>257,849</u> | <u>153,156</u> |

### 12. Reserves

The sinking fund reserve has been established for the purpose of providing for any non-annually recurring future major expenditure.

The extraordinary fund reserve represents the after tax gains derived from disposals of interests in the Company's freehold property. The Company has or will spend the funds arising from these disposals on improving the property for the benefit of the residents. The funds spent on improvements are recorded as fixed assets. The annual depreciation on these improvements is charged to the extraordinary fund reserve.

|                                          | Sinking fund<br>reserve | Extraordinary fund<br>reserve | Income and<br>expenditure<br>account |
|------------------------------------------|-------------------------|-------------------------------|--------------------------------------|
| Balance brought forward                  | 642,397                 | 195,238                       | —                                    |
| Surplus / (Deficit) for the year         | —                       | —                             | 124,372                              |
| Transfer (from)/ to other reserve        |                         |                               |                                      |
| - Service charge and special levy        | 238,645                 | —                             | (238,645)                            |
| - Other income                           | 36                      | 8,620                         | (8,656)                              |
| - Depreciation                           | —                       | (15,485)                      | 15,485                               |
| - Taxation                               | —                       | (1,638)                       | 1,638                                |
| - Other expenditure                      | (126,442)               | (2,170)                       | 128,612                              |
| - Transfer of surplus and other movement | 22,806                  | —                             | (22,806)                             |
| Balance carried forward                  | <u>777,442</u>          | <u>184,565</u>                | <u>—</u>                             |

# Marsham Court Management Company Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

**13. Assets and liabilities of the trust under section 42 landlord and tenant act 1987**

|                                                | 2021<br>£        | 2020<br>£      |
|------------------------------------------------|------------------|----------------|
| Debtors                                        | 154,018          | 115,592        |
| Cash at bank and in hand                       | 872,312          | 672,640        |
|                                                | <u>1,026,330</u> | <u>788,232</u> |
| Creditors: amounts falling due within one year | (248,888)        | (145,835)      |
|                                                | <u>777,442</u>   | <u>642,397</u> |
| Represented by:                                |                  |                |
| Sinking fund reserve                           | <u>777,442</u>   | <u>642,397</u> |