

Company registration number: 02296250

Bedford Court Mansions Limited

Company limited by guarantee

Financial statements

28 September 2018

Bedford Court Mansions Limited

Company limited by guarantee

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Bedford Court Mansions Limited

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Directors and other information

Directors	J Hare	
	D Judd	
	P Spyker	
	R Myddelton	
	P Piecha	
	D Ghosh	
	J Earle	
	J Cranney	(Resigned 1 October 2018)
Secretary	R. Myddelton	
Company number	02296250	
Registered office	First Floor Shropshire House 179 Tottenham Court Road London W1T 7NZ	
Auditor	Couch Bright King & Co First Floor Shropshire House 179 Tottenham Court Road London W1T 7NZ	

Bankers

Coutts & Co
440 The Strand
London
WC2R 0QS

Bedford Court Mansions Limited

Company limited by guarantee

Directors report

Year ended 28 September 2018

The directors present their report and the financial statements of the company for the year ended 28 September 2018.

Directors

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

J Hare

D Judd

P Spyker

R Myddelton

P Piecha

D Ghosh

J Earle

J Cranney

(Resigned 1 October 2018)

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

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 12 March 2019 and signed on behalf of the board by:

P Spyker

Director

Bedford Court Mansions Limited

Company limited by guarantee

Independent auditor's report to the members of

Bedford Court Mansions Limited

Year ended 28 September 2018

Opinion

We have audited the financial statements of Bedford Court Mansions Limited (the 'company') for the year ended 28 September 2018 which comprise the Income and Expenditure account, Balance Sheet and notes to the financial statements, 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 28 September 2018 and of its profit for the year then ended; - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and - 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 where 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 the 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.

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. As part of an audit in

accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. we also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 auditors 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.

Dean Cates (Senior Statutory Auditor)

For and on behalf of

Couch Bright King & Co

Chartered Accountants & Statutory Auditors

First Floor Shropshire House

179 Tottenham Court Road

London

W1T 7NZ

12 March 2019

Bedford Court Mansions Limited

Company limited by guarantee

Income and expenditure account

Year ended 28 September 2018

	Note	2018 £	2017 £
Income		52,995	60,471
Administrative expenses		(23,738)	(49,995)
Other operating income		19	2,275
Operating Surplus		<u>29,276</u>	<u>12,751</u>
Increase/(Decrease) in fair value of investment property		808,540	(65,000)
Profit/(loss) before taxation	4	<u>837,816</u>	<u>(52,249)</u>
Tax on profit/(loss)		(141,999)	8,041
Profit/(loss) for the financial year		<u>695,817</u>	<u>(44,208)</u>

Bedford Court Mansions Limited

Company limited by guarantee

Balance sheet**28 September 2018**

	Note	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	5	634,521		637,397	
Investment properties	5	2,138,540		1,330,000	
		<hr/>		<hr/>	
			2,773,061		1,967,397
Current assets					
Debtors	6	387		450	
Cash at bank and in hand		15,382		18,562	
		<hr/>		<hr/>	
		15,769		19,012	
Creditors: amounts falling due within one year	7	(59,460)		(94,855)	
		<hr/>		<hr/>	
Net current liabilities			(43,691)		(75,843)
Total assets less current liabilities			<hr/> 2,729,370		<hr/> 1,891,554
Provisions for liabilities	8	(231,208)		(89,209)	
			<hr/>		<hr/>
Net assets			2,498,162		1,802,345
			<hr/>		<hr/>
Capital and reserves					
Revaluation reserve	11	1,608,268		935,934	
Capital reserve		800,000		800,000	
Profit and loss account		89,894		66,411	
		<hr/>		<hr/>	
Members funds			2,498,162		1,802,345
			<hr/>		<hr/>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with 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 12 March 2019 , and are signed on behalf of the board by:

P Spyker

Director

Company registration number: 02296250

Bedford Court Mansions Limited

Company limited by guarantee

Notes to the financial statements

Year ended 28 September 2018

1. General information

The Company is a private company limited by guarantee, registered in England & Wales. The address of the registered office is First Floor Shropshire House, 179 Tottenham Court Road, London, W1T 7NZ. The company is a residents' management company and holds tenant service charge monies on trust in accordance with section 42 of the Landlord and Tenant Act 1987.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The company had net current liabilities as at 28 September 2018. Expenditure borne by the company was met in part by the loan of service charge funds. The directors intend to repay this loan from the company's cash flow as soon as practicable and have prepared the financial statements on a going concern basis accordingly.

Income and Expenditure

Income represents ground rents, flat rents and other charges receivable. Income is recognised in the financial statements as it becomes receivable. Expenditure is recognised in the financial statements as it becomes due and includes VAT where applicable as the company cannot reclaim it. Service charge income and expenditure is not recognised in the company's financial statements. Such monies are collected and expended by the company in a trustee capacity on behalf of the tenants.

Taxation

The taxation expense represents the aggregate amount of current tax and deferred tax recognised in the reporting period. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and is subsequently stated at cost less any accumulated depreciation and any accumulated impairment losses. 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 surplus or deficit.

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:

Fittings fixtures and equipment - 15 % straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Investment property

Investment property, being property held to earn rentals or for capital appreciation or both, is measured using the fair value model and stated at its fair value as at the reporting end date. The surplus or deficit on revaluation is recognised in the income and expenditure account. As accumulated fair value gains in respect of investment properties are not realised they are transferred to a revaluation reserve which is separately presented in the balance sheet.

Impairment

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.

Financial instruments

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost.

Service Charge Funds

Service charge contributions paid by tenants towards the property costs but unspent as at the reporting date constitute service charge assets which are held in trust by the company for tenants' benefit in accordance with Section 42 of the Landlord and Tenants Act 1987. As the company has no beneficial interest in these funds they are not recognised as an asset in the company's financial statements.

4. Profit/loss before taxation

Profit/loss before taxation is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation of tangible assets	2,876	2,874
Fair value adjustments to investment properties	(808,540)	65,000
Fees payable for the audit of the financial statements	6,900	6,504
	<hr/>	<hr/>

5. Tangible assets

	Freehold and leasehold properties £	Plant and machinery £	Total £
Cost			
At 29 September 2017 and 28 September 2018	625,410	19,177	644,587
	<hr/>	<hr/>	<hr/>
Depreciation			
At 29 September 2017	-	7,190	7,190
Charge for the year	-	2,876	2,876
	<hr/>	<hr/>	<hr/>
At 28 September 2018	-	10,066	10,066
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 28 September 2018	625,410	9,111	634,521
	<hr/>	<hr/>	<hr/>
At 28 September 2017	625,410	11,987	637,397
	<hr/>	<hr/>	<hr/>

Investment property

Fair Value	£
At 29 September 2017	1,330,000
Fair value adjustments	808,540
	<hr/>
At 28 September 2018	2,138,540
	<hr/>

Investment property comprises certain flats in Bedford Court Mansions, not subject to long leases, which are let by the company in order to generate rental income. The fair value of the investment has been arrived at on the basis of a valuation carried out by the directors. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties and generally available capital value indices.

6. Debtors

	2018	2017
	£	£
Other debtors	387	450
	<hr/>	<hr/>

7. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	26,082	57,674
Other creditors	33,378	37,181
	<u>59,460</u>	<u>94,855</u>

8. Deferred tax

The deferred tax included in the Balance Sheet is as follows:

	2018	2017
	£	£
Deferred tax	231,208	89,209

The deferred tax account consists of the tax effect of timing differences in respect of:

	2018	2017
	£	£
Accelerated capital allowances	1,549	2,038
Revaluation of investment properties	248,488	112,281
Unused tax losses	(18,829)	(25,110)
	<u>231,208</u>	<u>89,209</u>

Movement in the year: 2018

£

Liability at 29 September 2017 89,209

Timing differences in income and expenditure 5,792

Debit due to increase in fair value of investment property 136,207

_____ |

Liability at 28 September 2018 231,208

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Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The deferred tax liability set out above is not expected to reverse within 12 months and relates to cumulative revaluation gains of investment property. This liability will reverse as a result of: sale of the relevant property, future decreases in the fair value of the property or through the offset of future losses of the company against which relevant gains can be relieved.

9. Service charge funds

Reconciliation of movement in service charge funds in the period:-

£

Funds as at 29 September 2017 7,001

Part I surplus /(deficit) for the period 51,792

Part II surplus /(deficit) for the period 273,862

Funds as at 28 September 2018 332,655

The service charge assets and liabilities held on trust by the company on behalf of the leaseholders comprised:-

Debtors 77,720

Cash 400,596

Creditors 145,661

Service charge net assets 332,655

10. Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

11. Revaluation reserve

2018 2017

£ £

At the beginning of the year 935,934 989,215

Transfer from/(to) retained earnings 672,334 (53,281)

At the year end 1,608,268 935,934

12. Contingent Liabilities

As at the reporting date the company had the following contingent liability in respect of potential penalties payable to HMRC of £9,600 for late Annual Tax on Enveloped Dwellings returns for 2016/17, 2017/18 and 2018/19.

13. Transactions with Directors

The directors are reimbursed by the company for expenditure incurred by them on the company's behalf. During the year ended 28th September 2018 D Judd was reimbursed £2,892 and D Ghosh £13.

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.