

**BMC PROPERTIES AND MANAGEMENT LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2017**

**PAGES FOR FILING WITH REGISTRAR**

**REGISTRAR'S COPY  
OF ACCOUNTS**



**Cavendish  
Chartered Certified Accountants  
68 Grafton Way  
London  
W1T 5DS**

**Ref: 6103**

# BMC PROPERTIES AND MANAGEMENT LIMITED

## COMPANY INFORMATION

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<b>Director</b>	B M Al-Chalabi
<b>Secretary</b>	Mrs Margaret Al-Chalabi
<b>Company number</b>	02547981
<b>Registered office</b>	Ainsley Court 11 Queens Gate London SW7 5EL
<b>Auditor</b>	Cavendish Chartered Certified Accountants Statutory Auditor 68 Grafton Way London W1T 5DS
<b>Business address</b>	Ainsley Court 11 Queens Gate London SW7 5EL
<b>Bankers</b>	Lloyds TSB 25 Gresham Street London EC2V 7HN

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# **BMC PROPERTIES AND MANAGEMENT LIMITED**

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# BMC PROPERTIES AND MANAGEMENT LIMITED

## BALANCE SHEET

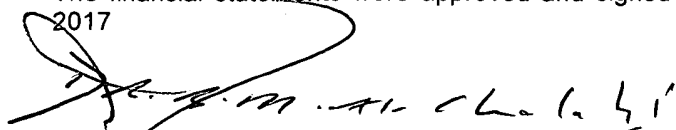
AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	3	29,303,162		28,893,344	
Investments	4	102		102	
		<u>29,303,264</u>		<u>28,893,446</u>	
<b>Current assets</b>					
Debtors	7	1,153,933		980,841	
Investments	8	2,376,087		2,147,986	
Cash at bank and in hand		2,490,784		3,082,123	
		<u>6,020,804</u>		<u>6,210,950</u>	
<b>Creditors: amounts falling due within one year</b>	9	(309,623)		(250,947)	
<b>Net current assets</b>		<u>5,711,181</u>		<u>5,960,003</u>	
<b>Total assets less current liabilities</b>		<u>35,014,445</u>		<u>34,853,449</u>	
<b>Creditors: amounts falling due after more than one year</b>	10	(22,250,000)		(22,250,000)	
<b>Provisions for liabilities</b>	11	(1,345,494)		(1,345,494)	
<b>Net assets</b>		<u>11,418,951</u>		<u>11,257,955</u>	
<b>Capital and reserves</b>					
Called up share capital	13	1,100		1,100	
Profit and loss reserves		11,417,851		11,256,855	
<b>Total equity</b>		<u>11,418,951</u>		<u>11,257,955</u>	

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

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 7 December 2017



B M Al-Shalabi  
Director

Company Registration No. 02547981

# BMC PROPERTIES AND MANAGEMENT LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Share capital £	Revaluation reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2015</b>		1,100	7,081,546	5,342,465	12,425,111
Effect of transition to FRS 102		-	(7,081,546)	5,736,052	(1,345,494)
<b>As restated</b>		1,100	-	11,078,517	11,079,617
<b>Year ended 31 March 2016:</b>					
Profit and total comprehensive income for the year		-	-	378,520	378,520
Dividends		-	-	(200,182)	(200,182)
<b>Balance at 31 March 2016</b>		1,100	-	11,256,855	11,257,955
<b>Year ended 31 March 2017:</b>					
Profit and total comprehensive income for the year		-	-	361,019	361,019
Dividends		-	-	(200,023)	(200,023)
<b>Balance at 31 March 2017</b>		1,100	-	11,417,851	11,418,951

Included in profit and loss reserves are unrealised and non-distributable amounts totalling £7,081,546 relating to freehold property revaluations.

# BMC PROPERTIES AND MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

#### Company information

BMC Properties and Management Limited is a private company limited by shares incorporated in England and Wales. The registered office is Ainsley Court, 11 Queens Gate, London, SW7 5EL.

#### 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 certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2017 are the first financial statements of BMC Properties and Management Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 17.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

#### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for property rentals and other income.

Revenue from property rentals and other income is recognised when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 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:

Land and buildings Freehold	No depreciation
Fixtures, fittings & equipment	33% reducing balance
Motor vehicles	25% straight line

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.

# BMC PROPERTIES AND MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

#### 1.4 Fixed asset investments

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

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### 1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 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.

# BMC PROPERTIES AND MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 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 direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **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.



# BMC PROPERTIES AND MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 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

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 33 (2016 - 32).

### 3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 April 2016	28,889,144	381,328	29,270,472
Additions	413,934	-	413,934
At 31 March 2017	29,303,078	381,328	29,684,406
<b>Depreciation and impairment</b>			
At 1 April 2016	-	377,128	377,128
Depreciation charged in the year	-	4,116	4,116
At 31 March 2017	-	381,244	381,244
<b>Carrying amount</b>			
At 31 March 2017	29,303,078	84	29,303,162
At 31 March 2016	28,889,144	4,200	28,893,344

Land and buildings with a carrying amount of £29,303,078 were revalued as at 31 March 2017 by the directors on the basis of market value.

# BMC PROPERTIES AND MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 3 Tangible fixed assets

(Continued)

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2017 £	2016 £
Cost	22,602,860	22,188,926
Accumulated depreciation	(381,244)	(377,128)
Carrying value	<u>22,221,616</u>	<u>21,811,798</u>

### 4 Fixed asset investments

	2017 £	2016 £
Investments	<u>102</u>	<u>102</u>

### 5 Subsidiaries

Details of the company's subsidiaries at 31 March 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
The London Magazine and Associated Publications Ltd	England and Wales	Magazine publications	Ordinary	100.00
Imperial Management Ltd	England and Wales	Operating hotel, bar & club	Ordinary	100.00

### 6 Financial instruments

	2017 £	2016 £
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	<u>2,376,087</u>	<u>2,147,986</u>

### 7 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Trade debtors	31,447	39,034
Amounts owed by group undertakings	775,327	648,766
Other debtors	347,159	293,041
	<u>1,153,933</u>	<u>980,841</u>

# BMC PROPERTIES AND MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 8 Current asset investments

	2017 £	2016 £
Other investments	2,376,087	2,147,986

### 9 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	36,681	9,350
Trade creditors	67,264	41,218
Corporation tax	56,115	66,493
Other taxation and social security	21,070	11,912
Other creditors	128,493	121,974
	309,623	250,947

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

	2017 £	2016 £
Bank loans and overdrafts	22,250,000	22,250,000

### 11 Provisions for liabilities

	2017 £	2016 £
Deferred tax liabilities	1,345,494	1,345,494

### 12 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2017 £	Liabilities 2016 £
Balances:		
Revaluations	1,345,494	1,345,494

There were no deferred tax movements in the year.

# BMC PROPERTIES AND MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 13 Called up share capital

	2017 £	2016 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1,100 Ordinary shares of £1 each	1,100	1,100
	<u>1,100</u>	<u>1,100</u>

### 14 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was A K Malhotra FCCA ACA.

The auditor was Cavendish.

### 15 Related party transactions

#### Transactions with related parties

The following amounts were outstanding at the reporting end date:

	<b>2017</b>
	<b>Balance</b>
	<b>£</b>
<b>Amounts owed by related parties</b>	
Entities over which the entity has control, joint control or significant influence	775,327
	<u>775,327</u>
	<b>2016</b>
	<b>Balance</b>
	<b>£</b>
<b>Amounts owed in previous period</b>	
Entities over which the entity has control, joint control or significant influence	648,766
	<u>648,766</u>

### 16 Directors' transactions

Dividends totalling £200,000 (2016 - £200,000) were paid in the year in respect of shares held by the company's directors.

### 17 Reconciliations on adoption of FRS 102

Reconciliations and descriptions of the effect of the transition to FRS 102 on; (i) equity at the date of transition to FRS 102; (ii) equity at the end of the comparative period; and (iii) profit or loss for the comparative period reported under previous UK GAAP are given below.

# BMC PROPERTIES AND MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 17 Reconciliations on adoption of FRS 102

(Continued)

#### Reconciliation of equity

	Notes	1 April 2015 £	31 March 2016 £
Equity as reported under previous UK GAAP		12,425,111	12,603,449
Adjustments arising from transition to FRS 102:			
Freehold property	1	-	-
Deferred taxation	2	(1,345,494)	(1,345,494)
Equity reported under FRS 102		<u>11,079,617</u>	<u>11,257,955</u>

#### Reconciliation of profit for the financial period

		2016 £
Profit as reported under previous UK GAAP and under FRS 102		378,520
Freehold property	1	-
Deferred taxation	2	-

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

##### 1 Freehold property

On transition to Financial Reporting Standard 102, revaluation adjustments to freehold properties have been recognised in the profit and loss account.

##### 2 Deferred tax

Under the previous UK GAAP potential tax liabilities and assets arising as a result of revaluations of freehold properties were not recognised on the balance sheet. On transition to Financial Reporting Standard 102 deferred tax assets and liabilities relating to revalued freehold properties are recognised on the balance sheet.