

# REGISTRAR

Registered number: 02668432

## MARLBOROUGH KNIGHTSBRIDGE MANAGEMENT LIMITED

### FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 25 DECEMBER 2017

MONDAY



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24/09/2018 #269  
COMPANIES HOUSE

**MARLBOROUGH KNIGHTSBRIDGE MANAGEMENT LIMITED**  
**REGISTERED NUMBER: 02668432**

**BALANCE SHEET**  
**AS AT 25 DECEMBER 2017**

	Note	2017 £	As restated 2016 £
<b>Fixed assets</b>			
Investment property	5	1,417,895	1,424,527
		<u>1,417,895</u>	<u>1,424,527</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	8,500	7,257
Cash at bank and in hand	7	547,113	521,783
		<u>555,613</u>	<u>529,040</u>
Creditors: amounts falling due within one year	8	(34,778)	(7,514)
		<u>(34,778)</u>	<u>(7,514)</u>
<b>Net current assets</b>		<u>520,835</u>	<u>521,526</u>
<b>Total assets less current liabilities</b>		<u>1,938,730</u>	<u>1,946,053</u>
<b>Provisions for liabilities</b>			
Deferred tax	9	(248,353)	(263,597)
		<u>(248,353)</u>	<u>(263,597)</u>
<b>Net assets</b>		<u><u>1,690,377</u></u>	<u><u>1,682,456</u></u>
<b>Capital and reserves</b>			
Called up share capital		128	127
Share premium account	10	61,368	52,869
Other reserves	10	1,191,654	1,187,843
Profit and loss account	10	437,227	441,617
		<u>1,690,377</u>	<u>1,682,456</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

13 September 2018



**C A Fairlamb**  
Director

The notes on pages 3 to 9 form part of these financial statements.

**MARLBOROUGH KNIGHTSBRIDGE MANAGEMENT LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 25 DECEMBER 2017**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Other reserves</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	£	£	£	£	£
At 26 December 2016	127	52,869	1,187,843	441,617	1,682,456
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	-	(579)	(579)
<b>Total comprehensive income for the year</b>	-	-	-	(579)	(579)
Shares issued during the year	1	8,499	-	-	8,500
Transfer of deferred tax	-	-	15,244	(15,244)	-
Transfer for historic revaluation released on lease extension	-	-	(11,433)	11,433	-
<b>At 25 December 2017</b>	<b>128</b>	<b>61,368</b>	<b>1,191,654</b>	<b>437,227</b>	<b>1,690,377</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 25 DECEMBER 2016**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Other reserves</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	£	£	£	£	£
At 1 December 2015	127	52,869	1,187,324	448,467	1,688,787
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	-	(6,331)	(6,331)
<b>Total comprehensive income for the year</b>	-	-	-	(6,331)	(6,331)
Transfer of deferred tax	-	-	519	(519)	-
<b>At 25 December 2016</b>	<b>127</b>	<b>52,869</b>	<b>1,187,843</b>	<b>441,617</b>	<b>1,682,456</b>

The notes on pages 3 to 9 form part of these financial statements.

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## MARLBOROUGH KNIGHTSBRIDGE MANAGEMENT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 25 DECEMBER 2017

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#### 1. General information

Marlborough Knightsbridge Management Limited is a private company limited by share capital, incorporated in England and Wales, registration number 02668432. The address of the registered office is 4th Floor, 7/10 Chandos Street, London.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The previous accounts prepared under UK GAAP were for the year end 25 December 2016. The transition date to FRS 102 1A was the 26 December 2015. The transition provisions are detailed in note 13.

The following principal accounting policies have been applied:

##### 2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue comprises ground rent and other rent receivable in respect of the property owned by the company.

##### 2.3 Investment property

Investment property is carried at fair value determined annually by directors and derived from the current market values, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

##### 2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

##### 2.6 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an

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## MARLBOROUGH KNIGHTSBRIDGE MANAGEMENT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 25 DECEMBER 2017

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#### 2. Accounting policies (continued)

##### 2.6 Financial instruments (continued)

impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

##### 2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### 2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

##### 2.9 Sale of lease extension

The company recognises the income on the sale of lease extensions at completion. Net proceeds in excess of the resulting reduction in the carrying value of the property is included in Other Operating Income. A transfer is made from the Revaluation Reserve to the Profit and Loss Accounts in the reserve note for the difference between the carrying value of the leases and the historic cost.

#### 3. Employees

The average monthly number of employees, including directors, during the year was 4 (2016 - 4).

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**MARLBOROUGH KNIGHTSBRIDGE MANAGEMENT LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 25 DECEMBER 2017**

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**4. Taxation**

	2017 £	2016 £
<b>Corporation tax</b>		
Current tax on profits for the year	1,142	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	(15,245)	(519)
<b>Taxation on loss on ordinary activities</b>	<u>(14,103)</u>	<u>(519)</u>

**Factors affecting tax charge for the year**

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19% (2016 - 20%).

**5. Investment property**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 26 December 2016	1,424,527
Additions at cost	6,251
Disposals	(12,883)
<b>At 25 December 2017</b>	<u>1,417,895</u>

The 2017 valuations were made by the directors at the balance sheet date, on a fair value basis.

On a historical cost basis it would have been included at original cost of £58,884 (2016: £54,083).

**6. Debtors**

	2017 £	2016 £
Other debtors	8,500	7,257
	<u>8,500</u>	<u>7,257</u>

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**MARLBOROUGH KNIGHTSBRIDGE MANAGEMENT LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 25 DECEMBER 2017**

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**7. Cash and cash equivalents**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	547,113	521,783
	<u>547,113</u>	<u>521,783</u>

**8. Creditors: Amounts falling due within one year**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Corporation tax	1,142	-
Other creditors	29,863	-
Accruals and deferred income	3,773	7,514
	<u>34,778</u>	<u>7,514</u>

**9. Deferred taxation**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
At beginning of year	263,597	264,116
Charged to profit or loss	(15,244)	(519)
<b>At end of year</b>	<u>248,353</u>	<u>263,597</u>

The provision for deferred taxation is made up as follows:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Fair value movement on the investment property	248,352	263,597
	<u>248,352</u>	<u>263,597</u>

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**MARLBOROUGH KNIGHTSBRIDGE MANAGEMENT LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 25 DECEMBER 2017**

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**10. Reserves**

**Other reserves**

The other reserves includes a loan of £80,996 (2016: £80,996) repayable at the discretion of the company, made by the tenants to finance the purchase of the common areas of the building. The remainder of the balance represents the fair value movement on the investment property under FRS 102, net of the associated deferred tax.

**11. Related party transactions**

Included in other creditors at the balance sheet date is £29,865 (2016: £7,256 due from) due to the property service fund, which is related by virtue of the company's shareholders interest in the service charge fund.



**MARLBOROUGH KNIGHTSBRIDGE MANAGEMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 25 DECEMBER 2017**

**12. First time adoption of FRS 102**

The Company transitioned to FRS 102 from previously extant UK GAAP as at 26 December 2015. The impact of the transition to FRS 102 is as follows:

	As previously stated 26 December 2015 £	Effect of transition (as restated) 26 December 2015 £	FRS 102 26 December 2015 £	As previously stated 25 December 2016 £	Effect of transition (as restated) 25 December 2016 £	FRS 102 25 December 2016 £
Fixed assets	1,424,527	-	1,424,527	1,424,527	-	1,424,527
Current assets	532,937	-	532,937	529,040	-	529,040
Creditors: amounts falling due within one year	(4,561)	-	(4,561)	(7,514)	-	(7,514)
<b>Net current assets</b>	<b>528,376</b>	<b>-</b>	<b>528,376</b>	<b>521,526</b>	<b>-</b>	<b>521,526</b>
<b>Total assets less current liabilities</b>	<b>1,952,903</b>	<b>-</b>	<b>1,952,903</b>	<b>1,946,053</b>	<b>-</b>	<b>1,946,053</b>
Provisions for liabilities	-	(264,115)	(264,115)	-	(263,597)	(263,597)
<b>Net assets</b>	<b>1,952,903</b>	<b>(264,115)</b>	<b>1,688,788</b>	<b>1,946,053</b>	<b>(263,597)</b>	<b>1,682,456</b>
Capital and reserves	1,952,903	(264,115)	1,688,788	1,946,053	(263,597)	1,682,456

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**MARLBOROUGH KNIGHTSBRIDGE MANAGEMENT LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 25 DECEMBER 2017**

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**12. First time adoption of FRS 102 (continued)**

		As previously stated 25 December 2016 £	Effect of transition 25 December 2016 £	FRS 102 (as restated) 25 December 2016 £
Turnover		8,103	-	8,103
		8,103	-	8,103
Administrative expenses		(15,468)	-	(15,468)
<b>Operating profit</b>		(7,365)	-	(7,365)
Interest receivable and similar income		579	-	579
Interest payable and similar charges		(64)	-	(64)
Taxation	1	-	519	519
<b>Loss on ordinary activities after taxation and for the financial year</b>		(6,850)	519	(6,331)

Explanation of changes to previously reported profit and equity:

- 1 Inclusion of deferred tax on fair value movement on the value of the investment property.

**13. Auditors' information**

The auditors' report on the financial statements for the year ended 25 December 2017 was unqualified.

The audit report was signed on *13/9/2018* by David Pumfrey (Senior Statutory Auditor) on behalf of Simmons Gainsford LLP.