

Company Registration No. 03230922 (England and Wales)

**PIER HOUSE (FREEHOLD) LIMITED**  
**REPORT AND UNAUDITED FINANCIAL**  
**STATEMENTS**  
**FOR THE YEAR ENDED**  
**25 MARCH 2019**



# **PIER HOUSE (FREEHOLD) LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	J G Harb B D White B Mayou N H Griffiths J Harb
<b>Secretary</b>	Broadway Secretaries Limited
<b>Company number</b>	03230922
<b>Registered office</b>	50 Broadway London SW1H 0BL
<b>Accountants</b>	RSM UK Tax and Accounting Limited Chartered Accountants Marlborough House Victoria Road South Chelmsford Essex CM1 1LN

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# PIER HOUSE (FREEHOLD) LIMITED

## DIRECTORS' REPORT

FOR THE YEAR ENDED 25 MARCH 2019

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The directors present their annual report and financial statements for the year ended 25 March 2019.

### Principal activities

The company owns the freehold interest of Pier House, Cheyne Walk in the Royal Borough of Kensington and Chelsea.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

J G Harb

B D White

D J Godfray

(Resigned 31 December 2018)

B Mayou

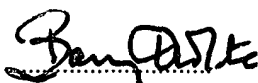
N H Griffiths

J Harb

(Appointed 21 February 2019)

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

On behalf of the board



B D White

Director

Date: 30 March 2019

# ACCOUNTANT'S REPORT TO THE BOARD OF DIRECTORS OF PIER HOUSE (FREEHOLD) LIMITED ON THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 25 MARCH 2019

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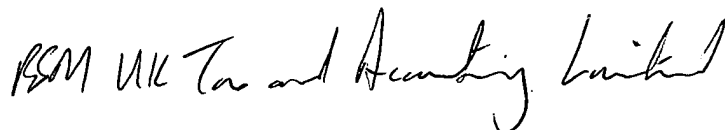
In order to assist you to fulfil your duties under the Companies Act 2006 ("the Act"), we prepared for your approval the financial statements of Pier House (Freehold) Limited which comprise the statement of comprehensive income, the statement of financial position and the related notes in accordance with the financial reporting framework set out therein from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Pier House (Freehold) Limited, as a body, in accordance with the terms of our engagement letter dated 2 July 2019. Our work has been undertaken solely to prepare for your approval the financial statements of Pier House (Freehold) Limited and state those matters that we have agreed to state to them in accordance with ICAEW Technical Release 07/16 AAF. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights against RSM UK Tax and Accounting Limited for any purpose or in any context. Any party other than the Board of Directors which obtains access to this report or a copy and chooses to rely on this report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Tax and Accounting Limited will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

It is your duty to ensure that Pier House (Freehold) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Pier House (Freehold) Limited under the Act. You consider that Pier House (Freehold) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Pier House (Freehold) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



RSM UK Tax and Accounting Limited  
Chartered Accountants  
Marlborough House  
Victoria Road South  
Chelmsford  
Essex  
CM1 1LN

11/10/2019

# PIER HOUSE (FREEHOLD) LIMITED

## INCOME STATEMENT

FOR THE YEAR ENDED 25 MARCH 2019

	Notes	2019 £	2018 £
Turnover		360	360
Administrative expenses		(28,097)	(44,339)
Other operating income		93,431	-
<b>Operating profit/(loss)</b>		<b>65,694</b>	<b>(43,979)</b>
Interest receivable and similar income		525	46
Fair value gains and losses on investment properties	5	-	188,000
<b>Profit before taxation</b>		<b>66,219</b>	<b>144,067</b>
Taxation	3	(2,203)	(31,960)
<b>Profit for the financial year</b>		<b>64,016</b>	<b>112,107</b>

**PIER HOUSE (FREEHOLD) LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 25 MARCH 2019**

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	4	87,187		98,069	
Investment properties	5	2,447,000		2,447,000	
		<u>2,534,187</u>		<u>2,545,069</u>	
<b>Current assets</b>					
Debtors	6	3,416		65	
Cash at bank and in hand		530,292		446,418	
		<u>533,708</u>		<u>446,483</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(31,154)</u>		<u>(30,396)</u>	
<b>Net current assets</b>		502,554		416,087	
<b>Total assets less current liabilities</b>		3,036,741		2,961,156	
<b>Provisions for liabilities</b>	8	<u>(415,990)</u>		<u>(415,990)</u>	
<b>Net assets</b>		<u>2,620,751</u>		<u>2,545,166</u>	
<b>Capital and reserves</b>					
Called up share capital	10	125		124	
Share premium account		111,267		99,699	
Fair value reserve		2,031,010		2,031,010	
Profit and loss reserves		478,349		414,333	
<b>Total equity</b>		<u>2,620,751</u>		<u>2,545,166</u>	

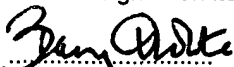
For the financial year ended 25 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 3<sup>rd</sup> October 2019 and are signed on its behalf by:



B D White  
Director

# PIER HOUSE (FREEHOLD) LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 25 MARCH 2019

	Notes	Share capital £	Share premium account £	Fair value reserve £	Profit and loss reserves £	Total £
<b>Balance at 26 March 2017</b>		122	99,699	1,874,970	458,266	2,433,057
<b>Year ended 25 March 2018:</b>						
Profit and total comprehensive income for the year		-	-	-	112,107	112,107
Issue of share capital	10	2	-	-	-	2
Transfers		-	-	156,040	(156,040)	-
<b>Balance at 25 March 2018</b>		124	99,699	2,031,010	414,333	2,545,166
<b>Year ended 25 March 2019:</b>						
Profit and total comprehensive income for the year		-	-	-	64,016	64,016
Issue of share capital	10	1	11,568	-	-	11,569
<b>Balance at 25 March 2019</b>		125	111,267	2,031,010	478,349	2,620,751

# PIER HOUSE (FREEHOLD) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 25 MARCH 2019

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### 1 Accounting policies

#### Company information

Pier House (Freehold) Limited is a private company limited by shares, domiciled and incorporated in England and Wales. The registered office is 50 Broadway, London, SW1H 0BL.

#### 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 investment properties held at fair value. The principal accounting policies adopted are set out below.

#### Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Turnover

Turnover represents ground rents receivable.

#### Other income

Other income represents amounts receivable in respect of lease extensions granted during the year.

#### Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Reception, fixtures, fittings and equipment      10 years 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.

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

#### Investment properties

Investment properties are initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available with out undue cost or effort. Changes in fair value are recognised in profit or loss. Finance costs are capitalised and included in the valuation.



# PIER HOUSE (FREEHOLD) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 25 MARCH 2019

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### 1 Accounting policies (Continued)

#### **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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

#### **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 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.

Financial assets are classified into specific categories. the classification depends on the nature and purpose of the financial asset and is determined at the time of recognition.

#### **Basic financial assets**

Basic financial assets, which include other debtors, 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

#### **Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

# PIER HOUSE (FREEHOLD) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 25 MARCH 2019

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### 1 Accounting policies (Continued)

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### ***Classification of financial liabilities and equity***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### ***Basic financial liabilities***

Basic financial liabilities, including trade and other creditors 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

#### ***Equity instruments***

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### ***Taxation***

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

# PIER HOUSE (FREEHOLD) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 25 MARCH 2019

#### 1 Accounting policies (Continued)

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

For investment properties measured at fair value, deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

#### 2 Employees

There were no employees in the current or comparative period.

#### 3 Taxation

	2019 £	2018 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	2,203	-
	<u>          </u>	<u>          </u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	31,960
	<u>          </u>	<u>          </u>
<b>Total tax charge</b>	<u>2,203</u>	<u>31,960</u>

The company has estimated total losses available to offset against future profits of £Nil (2018:£65,505). A deferred tax asset of £Nil (2018: £11,136) has not been recognised due to uncertainty over when the losses will be utilised.

# PIER HOUSE (FREEHOLD) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 MARCH 2019

### 4 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 26 March 2018 and 25 March 2019	108,823
<b>Depreciation and impairment</b>	
At 26 March 2018	10,754
Depreciation charged in the year	10,882
At 25 March 2019	21,636
<b>Carrying amount</b>	
At 25 March 2019	87,187
At 25 March 2018	98,069

### 5 Investment property

	2019 £
<b>Fair value</b>	
At 26 March 2018 and 25 March 2019	2,447,000

The valuation of the investment property was made as at 25 March 2019 by the directors on a fair value basis. This assessment is based upon an assumption that a lessee would approach the company to extend their lease seeking to acquire a 90 year extension under the Leasehold Reform, Housing & Urban Development Act 1993. The figure represents the collective sum of the 13 (2018: 14) flats owned by the company.

### 6 Debtors

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Other debtors	3,416	65

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

	2019 £	2018 £
Corporation tax	2,203	-
Other creditors	28,951	30,396
	31,154	30,396

# PIER HOUSE (FREEHOLD) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 MARCH 2019

### 8 Provisions for liabilities

		2019 £	2018 £
Deferred tax liabilities	9	415,990	415,990

### 9 Deferred taxation

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

	Liabilities 2019 £	Liabilities 2018 £
<b>Balances:</b>		
Investment property	415,990	415,990

There were no deferred tax movements in the year.

### 10 Called up share capital

	2019 £	2018 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
125 Ordinary shares of £1 each	125	124
	125	124

During the year 1 (2018: 2) Ordinary shares with a nominal value of £1 each were issued for a total consideration of £1 (2018: £2).

### 11 Related party transactions

The company instructed its lessee, Pier House (Cheyne Walk) Management Limited, to grant an extended lease to 1 (2018: 0) shareholder of the company. During the year the company charged ground rent totalling £360 (2018: £360) and was recharged various expenses totaling £Nil (2018: £1,043) by Pier House (Cheyne Walk) Management Limited. At 25 March 2019, the company was owed £420 (2018: £60) by Pier House (Cheyne Walk) Management Limited. No interest is charged on this balance.