

Company Registration No. 3385920 (England and Wales)

BENCHLEVEL DEVELOPMENTS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016
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BENCHLEVEL DEVELOPMENTS LIMITED

COMPANY INFORMATION

Directors	G H Hedger W B Todd
Secretary	W Kirby
Company number	3385920
Registered office	30 City Road London EC1Y 2AB
Auditor	Arram Berlyn Gardner LLP 30 City Road London EC1Y 2AB

BENCHLEVEL DEVELOPMENTS LIMITED

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BENCHLEVEL DEVELOPMENTS LIMITED

STATEMENT OF FINANCIAL POSITION

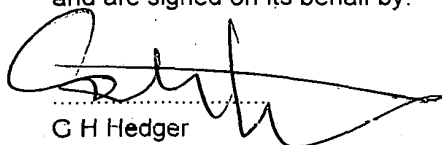
AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Investment properties	5	9,835,000		8,900,000	
Investments	6	201		201	
		<u>9,835,201</u>		<u>8,900,201</u>	
Current assets					
Debtors	7	8,875,068	7,590,919		
Cash at bank and in hand		373,794	42,779		
		<u>9,248,862</u>	<u>7,633,698</u>		
Creditors: amounts falling due within one year	8	<u>(14,615,281)</u>	<u>(12,846,515)</u>		
Net current liabilities		<u>(5,366,419)</u>		<u>(5,212,817)</u>	
Total assets less current liabilities		<u>4,468,782</u>		<u>3,687,384</u>	
Creditors: amounts falling due after more than one year	9	<u>(411,639)</u>			
Provisions for liabilities		<u>(512,225)</u>		<u>(462,860)</u>	
Net assets		<u><u>3,544,918</u></u>		<u><u>3,224,524</u></u>	
Capital and reserves					
Called up share capital	11	2	2		
Investment property revaluation reserve		3,026,441	2,749,653		
Profit and loss reserves		518,475	474,869		
Total equity		<u><u>3,544,918</u></u>		<u><u>3,224,524</u></u>	

The directors of the company have elected not to include a copy of the income statement 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 by the board of directors and authorised for issue on 28/9/2017 and are signed on its behalf by:


G H Hedger
Director

Company Registration No. 3385920

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Benchlevel Developments Limited is a private company limited by shares and is incorporated and domiciled in England. The registered office is 30 City Road, London, EC1Y 2AB.

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. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2016 are the first financial statements of Benchlevel Developments 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 January 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 16.

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 Going concern

The financial statements have been prepared on a going concern basis even though at the Balance Sheet date the Company's current liabilities exceeded its current assets by £5,366,419.

The Directors consider the going concern basis appropriate because, in their opinion, the Company will continue to obtain sufficient funding to enable it to pay its debts as they fall due. If the Company were unable to obtain this funding, it would be unable to continue trading and adjustments would have to be made to reduce the value of assets to realisable amount and to provide for any further liabilities which might arise.

1.3 Turnover

Turnover represents rent receivable from investment properties net of VAT. Rent receivable from tenants are measured at fair value. Rental income is recognised in the period to which it arises on an accrual basis and in accordance with the terms of the lease.

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the income statement.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

The fair value model is determined by the directors with the benefit of professional external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset.

1.5 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.

1.6 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.

1.7 Cash and cash equivalents

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.

1.8 Financial instruments

Financial instruments are recognised in the company's statement of financial position 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.

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, 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.

1.9 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.

1.10 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 income statement 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 income statement, 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.

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgement (apart from those involving estimates) has had the most significant effect on amounts recognised in the financial statements.

Investment properties

As described in note 5, investment properties are measured at fair value with any movement in valuation at the year-end being taken to profit or loss. The Director has made key assumptions with the benefit of professional external valuers in the determination of the value of an investment property, by considering the property market specific to its location and range of reasonable fair value estimates.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2015 - 2).

4 Taxation

	2016 £	2015 £
Deferred tax		
Origination and reversal of timing differences	49,365	181,357

The company has claimed group relief on losses surrendered by its fellow group companies which has resulted in a £nil corporation tax charge.

5 Investment property

	2016 £
Fair value	
At 1 January 2016	8,900,000
Additions	608,847
Revaluations	326,153
At 31 December 2016	9,835,000

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

5 Investment property

(Continued)

The fair value of investment properties at the reporting date was based on a valuation carried out by the directors with the benefit of an independent firm of chartered surveyors. The valuation was arrived at by reference to market evidence of transaction prices for similar properties in its location, together with a review of property rental yields. No depreciation is provided for on these investment properties.

On a historical cost basis the investment properties would have been included at an original cost of £6,296,334 (2015 - £5,687,587).

6 Fixed asset investments

	2016 £	2015 £
Investments	201	201

Investments in subsidiaries are measured at cost less any accumulated impairment losses.

7 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	14,912	11,152
Amounts due from group undertakings	3,219,858	2,450,162
Other debtors	5,640,298	5,129,605
	<u>8,875,068</u>	<u>7,590,919</u>

8 Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	2,758,887	-
Amounts due to group undertakings	11,729,668	12,724,475
Other taxation and social security	16,812	24,540
Other creditors	109,914	97,500
	<u>14,615,281</u>	<u>12,846,515</u>

The bank loans are secured by fixed and floating charges over the assets of the company.

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

9 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loans and overdrafts	411,639	-

The bank loans are secured by fixed and floating charges over the assets of the company.

10 Provisions for liabilities

	2016 £	2015 £
Deferred tax liabilities	512,225	462,860

11 Called up share capital

	2016 £	2015 £
Ordinary share capital Issued and fully paid 2 Ordinary shares of £1 each	2	2

12 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 Paul Berlyn.

The auditor was Arram Berlyn Gardner LLP.

13 Financial commitments, guarantees and contingent liabilities

The company has given guarantees supported by a fixed and floating charge over its assets to secure the borrowings of its parent company, Benchlevel Properties Limited and its fellow subsidiary WBG Retail Limited. At the balance sheet date Benchlevel Properties Limited's and WBG Retail Limited's indebtedness in respect of these guarantees was £32,279,875.

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

14 Related party transactions

Transactions with related parties

The company has taken advantage of the exemption available under section 1AC.35 of FRS 102 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

	Purchase of goods	
	2016	2015
	£	£
Other related parties	532,262	-

The following amounts were outstanding at the reporting end date:

	2016
	Balance
	£
Amounts owed by related parties	
Other related parties	5,621,298
	2015
	Balance
	£
Amounts owed in previous period	
Other related parties	5,121,298

15 Parent company

The ultimate parent company is Benchlevel Properties Limited and its registered office is 30 City Road, London, EC1Y 2AB.

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

16 Reconciliations on adoption of FRS 102

Reconciliation of equity

	Notes	1 January 2015 £	31 December 2015 £
Equity as reported under previous UK GAAP		2,510,503	3,687,384
Adjustments arising from transition to FRS 102:			
Recognition of deferred tax on investment property revaluation	(ii)	(281,503)	(462,860)
Equity reported under FRS 102		<u>2,229,000</u>	<u>3,224,524</u>

Reconciliation of profit for the financial period

	Notes	2015 £
Profit as reported under previous UK GAAP		212,845
Adjustments arising from transition to FRS 102:		
Investment property revaluation	(i)	964,036
Recognition of deferred tax on investment property revaluation	(ii)	(181,357)
Profit reported under FRS 102		<u>995,524</u>

Reconciliation of equity

		At 1 January 2015			At 31 December 2015		
	Notes	Previous UK GAAP £	Effect of transition £	FRS 102 £	Previous UK GAAP £	Effect of transition £	FRS 102 £
Fixed assets							
Investment properties		7,900,000	-	7,900,000	8,900,000	-	8,900,000
Investments		201	-	201	201	-	201
		<u>7,900,201</u>	-	<u>7,900,201</u>	<u>8,900,201</u>	-	<u>8,900,201</u>
Current assets							
Debtors		7,635,594	-	7,635,594	7,590,919	-	7,590,919
Bank and cash		62,122	-	62,122	42,779	-	42,779
		<u>7,697,716</u>	-	<u>7,697,716</u>	<u>7,633,698</u>	-	<u>7,633,698</u>

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

16 Reconciliations on adoption of FRS 102

(Continued)

Notes	At 1 January 2015			At 31 December 2015		
	Previous UK GAAP	Effect of transition	FRS 102	Previous UK GAAP	Effect of transition	FRS 102
	£	£	£	£	£	£
Creditors due within one year						
Taxation	(5,351)	-	(5,351)	(24,540)	-	(24,540)
Other creditors	(13,082,063)	-	(13,082,063)	(12,821,975)	-	(12,821,975)
	(13,087,414)	-	(13,087,414)	(12,846,515)	-	(12,846,515)
Net current liabilities	(5,389,698)	-	(5,389,698)	(5,212,817)	-	(5,212,817)
Total assets less current liabilities	2,510,503	-	2,510,503	3,687,384	-	3,687,384
Provisions for liabilities						
Deferred tax (ii)	-	(281,503)	(281,503)	-	(462,860)	(462,860)
Net assets	2,510,503	(281,503)	2,229,000	3,687,384	(462,860)	3,224,524
Capital and reserves						
Share capital	2	-	2	2	-	2
Revaluation reserve	2,248,477	(281,503)	1,966,974	3,212,513	(462,860)	2,749,653
Profit and loss	262,024	-	262,024	474,869	-	474,869
Total equity	2,510,503	(281,503)	2,229,000	3,687,384	(462,860)	3,224,524

BENCHLEVEL DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

16 Reconciliations on adoption of FRS 102

(Continued)

Reconciliation of profit for the financial period

	Notes	Year ended 31 December 2015		
		Previous UK GAAP £	Effect of transition £	FRS 102 £
Turnover		238,153	-	238,153
Cost of sales		(12,551)	-	(12,551)
Gross profit		225,602	-	225,602
Administrative expenses		(12,781)	-	(12,781)
Interest receivable and similar income		24	-	24
Amounts written off investments		-	964,036	964,036
Profit before taxation		212,845	964,036	1,176,881
Taxation		-	(181,357)	(181,357)
Profit for the financial period		212,845	782,679	995,524

Notes to reconciliations on adoption of FRS 102

(i) Revaluation on investment property recognised in profit or loss

Under previous UK GAAP, the revaluation of investment properties was recognised in revaluation reserve. However, under FRS 102, properties whose fair value can be measured with reliability without undue cost or effort should be measured at fair value at each reporting date with changes in fair value recognised in profit and loss. This shows the effect on the balance sheet on transition.

(ii) Deferred tax on investment property

Under previous UK GAAP the company was not required to provide for taxation on revaluations, unless the company had entered into a binding sale agreement and recognised the gain or loss expected to arise. Under FRS 102 deferred taxation is provided on the temporary difference arising from the revaluation. On transition a deferred tax liability of £281,503 arose. In the year ending 31 December 2015 there is a deferred tax charge arising of £181,357 and a deferred tax charge in the year ending 31 December 2016 of £49,365.