

# Bankmead Limited

## FINANCIAL STATEMENTS

for the year ended

31 May 2015

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30/10/2015  
COMPANIES HOUSE

Company Registration No. 04563521

# Bankmead Limited

## COMPANY INFORMATION

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DIRECTORS	R Tchenguiz V A Tchenguiz
COMPANY NUMBER	04563521 (England & Wales)
REGISTERED OFFICE	5th Floor Leconfield House Curzon Street London W1J 5JA
AUDITOR	Baker Tilly UK Audit LLP 3rd Floor One London Square Cross Lanes Guildford Surrey GU1 1UN
SOLICITORS	Osborne Clarke One London Wall London EC2Y 5EB

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# Bankmead Limited

## DIRECTORS' REPORT

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The directors present their report and the financial statements of Bankmead Limited for the year ended 31 May 2015.

### PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the company, which has remained unchanged during the year, was property investment by holding lease interests in land and buildings.

On 2 September 2014 the company sold its finance lease investment for £4,299,261 less costs of £52,397 and repaid its group undertaking loan.

In the opinion of the directors the result for the year and the financial position of the company at 31 May 2015 were satisfactory.

### DIVIDENDS

The directors do not recommend the payment of a dividend.

### DIRECTORS

The following directors have held office since 1 June 2014:

R Tchenguiz  
V A Tchenguiz

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### AUDITOR

The auditor, Baker Tilly UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office.

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

On behalf of the board



R Tchenguiz  
Director

29 September 2015

# Bankmead Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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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 of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. 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.

# Bankmead Limited

## INDEPENDENT AUDITOR'S REPORT

### To The Members Of Bankmead Limited

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We have audited the financial statements on pages 4 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditor's 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.

#### **Respective responsibilities of directors and auditor**

As more fully explained 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2015 and of its result 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **Matters on which we are required to report by exception**

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 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 take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

*Banker Tilly UK Audit LLP*

Christopher Hurren FCA (Senior Statutory Auditor)  
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
3rd Floor  
One London Square  
Cross Lanes  
Guildford  
Surrey  
GU1 1UN

7/10/ 2015

**Bankmead Limited**  
**PROFIT AND LOSS ACCOUNT**  
**For the year ended 31 May 2015**

	Notes	2015 £	2014 £
TURNOVER	1	74,282	286,140
Other operating expenses	2	(6,000)	(6,000)
OPERATING PROFIT		68,282	280,140
Profit on disposal of finance lease		582,070	-
Interest payable and similar charges	3	(340,063)	(200,155)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	310,289	79,985
Taxation	6	175,563	5,230
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	11	485,852	85,215

All amounts derive from discontinued activities.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

# Bankmead Limited

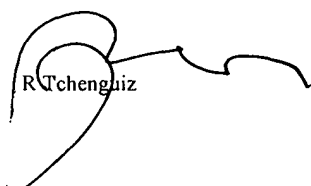
## BALANCE SHEET

As at 31 May 2015

Company registration No. 04563521

	Notes	2015 £	2014 £
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	7	1,024,026	328,134
Debtors: amounts falling due after more than one year	7	-	3,657,274
 CREDITORS: amounts falling due after more than one year	8	 (26,518)	 (3,298,189)
 TOTAL ASSETS LESS CURRENT LIABILITIES		 997,508	 687,219
PROVISIONS FOR LIABILITIES	9	-	(175,563)
 NET ASSETS		 997,508	 511,656
 <b>CAPITAL AND RESERVES</b>			
Called up share capital	10	1	1
Profit and loss account	11	997,507	511,655
 SHAREHOLDERS' FUNDS	12	 997,508	 511,656

The financial statements on pages 4 to 11 were approved by the board of directors and authorised for issue on 29 September 2015 and are signed on its behalf by:

  
R. Tchengviz

Director

# Bankmead Limited

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards.

The financial statements have been prepared under the historical cost convention.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

### DEFERRED TAXATION

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.

Deferred tax is measured at the 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. An asset is not recognised to the extent that the transfer of economic benefits in future is uncertain. Deferred tax is measured on a non-discounted basis.

### CASH FLOW STATEMENT

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a small company.

### FINANCE LEASES

Finance leases are initially stated at cost including acquisition costs. The carrying amount is increased by finance charges in the accounting period and reduced by payments received in the period. Finance charges are recognised in the profit and loss account so as to produce a constant return on the carrying amount.

### HEDGING FINANCIAL INSTRUMENTS

Receipts and payments arising from financial instruments entered into in order to fix interest payable on loans are treated as additions to or reductions from interest payable.

Receipts and payments arising from financial instruments entered into in order to fix the rental income used to determine the finance lease finance charges are treated as additions to or reductions from that rental income.

The fair value of the financial instruments is not recognised in these accounts.



# Bankmead Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2015

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### 1 TURNOVER

Turnover represents finance charges allocated to the period so as to give a constant periodic rate of return over the duration of the lease.

### 2 OTHER OPERATING EXPENSES

	2015	2014
	£	£

Administrative expenses	6,000	6,000
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### 3 INTEREST PAYABLE AND SIMILAR CHARGES

	2015	2014
	£	£

Loan interest payable to group undertakings	30,343	193,693
Loan and interest rate swap break costs	309,720	-
Amortisation of finance costs	-	6,462

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	340,063	200,155
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### 4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2015	2014
	£	£

Profit is stated after charging:

Auditor's remuneration	3,000	3,000
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### 5 EMPLOYEES

There were no employees during the year apart from the directors, who received no emoluments.

# Bankmead Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 May 2015

6	TAXATION	2015	2014
		£	£
	UK Corporation tax		
	Current tax charge	-	-
	Deferred tax		
	Effects of changes in tax rates and laws	-	(23,581)
	Deferred tax (credit)/charge current year	(175,563)	18,351
	Total deferred tax	(175,563)	(5,230)
	Tax on profit on ordinary activities	(175,563)	(5,230)
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	310,289	79,985
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2014 - 21.00%)	62,057	16,797
	Effects of:		
	Non deductible expense	-	15,947
	Group relief	53,902	(15,277)
	Adjustment in respect of finance leases	(1,499)	(18,351)
	Chargeable disposals	(116,414)	-
	UK transfer pricing	1,954	884
		(62,057)	(16,797)
	Current tax charge	-	-
7	DEBTORS	2015	2014
		£	£
	Finance lease	-	3,657,274
	Amounts owed by group undertakings	1,024,026	328,134
		1,024,026	3,985,408
	Amounts falling due after more than one year and included in the debtors above are:		
		2015	2014
		£	£
	Finance lease	-	3,657,274

The original cost of the finance lease was £3,538,550.

# Bankmead Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 May 2015

8 CREDITORS: Amounts falling due within one year	2015	2014
	£	£
Loan from group undertaking	-	3,226,646
Trade creditors	1,485	1,485
Amounts owed to group undertakings	25,033	25,033
Accruals and deferred income	-	45,025
	<u>26,518</u>	<u>3,298,189</u>

The group undertaking loan was with Greenflat Limited the funding for which was provided by a third party lender and was provided to the company on the same interest and repayment terms. The loan was repaid in full on 2 September 2014. The loan bore interest at a fixed rate of 5.99% per annum and was secured by a fixed and floating charge over the company's finance lease investment property.

The group loan was subject to cross-guarantees and cross-collateralisation of the underlying properties used as security with other group loans. The total value of the group loans subject to the cross-collateralisation arrangement, including the company's loan, as at 31 May 2014 was £100,670,685 and the fair value of the financial instruments also subject to the cross-collateralisation was £(44,001,472).

## 9 PROVISIONS FOR LIABILITIES

	Deferred tax liability
	£
Balance at 1 June 2014	175,563
Profit and loss account	(175,563)
Balance at 31 May 2015	<u>-</u>

The deferred tax liability is made up as follows:

	2015	2014
	£	£
Other timing differences	-	175,563

Other timing differences arise on the difference in recognition of net income from the finance lease over the lease term at a constant rate of return and that recognised for tax purposes. These timing differences were not expected to reverse until 2028 except upon a disposal.

# Bankmead Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 May 2015

10 SHARE CAPITAL	2015	2014
	£	£
Allotted, issued and fully paid		
Equity		
1 Ordinary share of £1	1	1

## 11 RESERVES

	Profit and loss account
	£
Balance at 1 June 2014	511,655
Profit for the year	485,852
Balance at 31 May 2015	997,507

12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2015	2014
	£	£
Profit for the financial year	485,852	85,215
Opening shareholders' funds	511,656	426,441
Closing shareholders' funds	997,508	511,656

## 13 CONTROL

The company's immediate holding company is Dayvalley Limited.

The directors regard the ultimate holding company to be Sunnymist Limited, a company incorporated in the British Virgin Islands.

The ultimate controlling party is the Tchenguiz Family Trust.

# Bankmead Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 May 2015

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### 14 RELATED PARTY TRANSACTIONS

The company is related to fellow subsidiaries of Sunnymist Limited with whom in many cases it has directors in common.

One such company is Rotch Property Group Limited ("Rotch"). Rotch provides management services to the company. At the balance sheet date, and included within amounts owed by group undertakings, £321,282 (2014: £328,133) was due from that company. Management fees payable for the year amounted to £3,000 (2014: £3,000).

No interest accrues on this related party balance.

The company has taken advantage of the exemptions provided by Financial Reporting Standard Number 8 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.