

Registered number: 05327453

BINDEN ESTATES LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 OCTOBER 2019

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BINDEN ESTATES LIMITED

COMPANY INFORMATION

Directors	G O Mason M Smith A P Mason
Company secretary	B Harvey
Registered number	05327453
Registered office	The Corn Exchange Brunswick Street Liverpool Merseyside L2 0PJ
Accountants	Grant Thornton UK LLP Chartered Accountants Royal Liver Building Liverpool L3 1PS
Solicitors	Hill Dickinson LLP No 1 St Paul's Square Liverpool L3 9SJ

BINDEN ESTATES LIMITED

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Report to the directors on the preparation of the unaudited statutory financial statements of Binden Estates Limited for the year ended 31 October 2019

We have compiled the accompanying financial statements of Binden Estates Limited based on the information you have provided. These financial statements comprise the Statement of Financial Position of Binden Estates Limited as at 31 October 2019, the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Board of Directors of Binden Estates Limited, as a body, in accordance with the terms of our engagement letter dated 8 June 2020. Our work has been undertaken solely to prepare for your approval the financial statements of Binden Estates Limited and state those matters that we have agreed to state to the Board of Directors of Binden Estates Limited, as a body, in this report in accordance with our engagement letter dated 8 June 2020. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Binden Estates Limited and its Board of Directors, as a body, for our work or for this report.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at www.icaew.com.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Grant Thornton UK LLP

Grant Thornton UK LLP

Chartered Accountants

Liverpool

Date: 17/7/2020

BINDEN ESTATES LIMITED
REGISTERED NUMBER:05327453

STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2019

	Note	2019 £	2018 £
Fixed assets			
Investment property	4	6,100,000	6,800,000
Current assets			
Debtors: amounts falling due within one year	5	98,846	108,753
		<u>98,846</u>	<u>108,753</u>
Creditors: amounts falling due within one year	6	(3,801,223)	(4,126,730)
		<u>(3,702,377)</u>	<u>(4,017,977)</u>
Net current liabilities			
		<u>(3,702,377)</u>	<u>(4,017,977)</u>
Total assets less current liabilities		<u>2,397,623</u>	<u>2,782,023</u>
Net assets		<u>2,397,623</u>	<u>2,782,023</u>
Capital and reserves			
Called up share capital		10	10
Fair value reserve		751,976	1,451,976
Profit and loss account		1,645,637	1,330,037
		<u>2,397,623</u>	<u>2,782,023</u>

BINDEN ESTATES LIMITED
REGISTERED NUMBER:05327453

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 OCTOBER 2019

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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.

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

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 by:

Andrew Peter Mason

A P Mason
Director

Date: 17/7/2020

The notes on pages 5 to 10 form part of these financial statements.

BINDEN ESTATES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2019**

	Called up share capital	Fair value reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 November 2017	10	1,451,976	1,056,521	2,508,507
Comprehensive income for the year				
Profit for the year	-	-	273,516	273,516
Total comprehensive income for the year	-	-	273,516	273,516
At 1 November 2018	10	1,451,976	1,330,037	2,782,023
Comprehensive income for the year				
Loss for the year	-	-	(384,400)	(384,400)
Deficit on revaluation of freehold investment property	-	-	700,000	700,000
Transfer to/from profit and loss account	-	(700,000)	-	(700,000)
At 31 October 2019	10	751,976	1,645,637	2,397,623

The notes on pages 5 to 10 form part of these financial statements.

BINDEN ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2019

1. General information

The company is a private company limited by shares and is registered in England and Wales.
Registered number: 05327453.
Registered office: The Corn Exchange, Brunswick Street, Liverpool, Merseyside, L2 0PJ.

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 following principal accounting policies have been applied:

2.2 Going concern

Notwithstanding the loss for the financial year and the net current liabilities on the statement of financial position at 31 October 2019, the directors believe that the financial statements should be prepared on a going concern basis. The company has provided guarantees which amount to £4.4m in respect of a bank loan and a bank overdraft of its parent company, Perrers Properties Limited.

The impact on the company and its parent company, Perrers Properties Limited arising from the uncertainty of the recent COVID-19 outbreak has been considered by the directors:

- Management have considered updated financial forecasts. Based upon the information available, the director's consider that the company and its parent company, Perrers Properties Limited has ample liquidity to continue in business and to operate within the group's current facilities for at least the next 12 months as a going concern.
- The directors have reviewed the assets of the business and do not believe there to be any impairments arising as a result of the pandemic.
- The directors have considered the uncertainty that COVID-19 will have on property valuations over the coming 12 months. They have considered the impact this may have on loan covenants and the headroom in place. This uncertainty could lead to a breach in loan covenants, however, the directors consider that the group has sufficient liquidity to repay loan facilities if they were called for repayment or has access to additional loan facilities from related parties to enable repayment.
- To date, there has been no material impact on the group arising from the COVID-19 outbreak and the directors continue to monitor the situation very closely.

G O Mason has confirmed that he will provide additional financial support to the group should the group require additional facilities.

The directors have an expectation that the company has adequate resources to continue in existence for the foreseeable future.

Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

BINDEN ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

2. Accounting policies (continued)**2.3 Revenue**

Revenue is the total amount of rent and other income receivable by the company, excluding VAT, and is attributable to the continuing activity of property investment. Turnover is recognised in the period to which it relates, taking into account provisions for lease incentives. Lease incentives are spread on a straight-line basis over the period of the lease.

2.4 Operating leases: the Company as lessor

Rental income from operating leases is credited to the Statement of comprehensive income on a straight line basis over the term of the relevant lease.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

2.5 Borrowing costs

All borrowing costs are recognised in the statement of comprehensive income in the year in which they are incurred.

2.6 Taxation

Tax is recognised in profit or loss 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 reporting date in the countries where the Company operates and generates income.

2.7 Investment property

Investment property is carried at fair value determined annually by 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. No depreciation is provided. Changes in fair value are recognised in profit or loss.

2.8 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.

2.9 Creditors

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

BINDEN ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

2. Accounting policies (continued)

2.10 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, loans from related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position 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.

3. Employees

Remuneration paid to the directors amounted to £54,230 (2018: £65,905).

The average monthly number of employees, including directors, during the year was 3 (2018 - 2).

BINDEN ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

4. Investment property

	Freehold investment property £
Cost or valuation	
At 1 November 2018	6,800,000
Revaluations	(700,000)
	<hr/>
At 31 October 2019	6,100,000
	<hr/>
Net book value	
At 31 October 2019	6,100,000
	<hr/>
<i>At 31 October 2018</i>	<i>6,800,000</i>
	<hr/>

The freehold investment property was revalued at 31 October 2019 by G O Mason, a director and qualified chartered surveyor, on the basis of existing use, fair value.

If the freehold investment property had not been revalued, its historical cost would be £5,348,024 (2018: £5,348,024).

BINDEN ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

5. Debtors

	2019 £	2018 £
Trade debtors	54,188	49,370
Other debtors	5,356	548
Prepayments and accrued income	39,302	58,835
	<u>98,846</u>	<u>108,753</u>

6. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	107,357	166,374
Amounts owed to related undertakings	3,502,739	3,719,960
Corporation tax	75,973	131,791
Other taxation and social security	21,403	19,575
Accruals and deferred income	93,751	89,030
	<u>3,801,223</u>	<u>4,126,730</u>

7. Contingent liabilities

There is a composite guarantee in place between the bank and the company and its parent, Perrers Properties Limited. The maximum potential liability at 31 October 2019 is £4,072,172 (2018: £4,418,281). No liability is expected to arise under this guarantee.

8. Commitments under operating leases

At 31 October 2019 the Company had future minimum lease receipts (rental income) under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	426,402	476,885
Later than 1 year and not later than 5 years	1,165,337	993,556
Later than 5 years	869,323	1,554,689
	<u>2,461,062</u>	<u>3,025,130</u>

BINDEN ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

9. Related party transactions

Perrers Properties Limited

As a wholly owned subsidiary of Perrers Properties Limited, advantage has been taken of the exemption of FRS 102 (section 33) in respect of the disclosures of transactions and balances with other wholly owned companies within the group.

Mason and Partners LLP

G O Mason, a director of the company is also a member and shareholder of Mason Partners LLP. This LLP charged £33,035 (2018: £32,660) for services in connection with the company's property investments and management services under normal commercial terms. The balance outstanding at 31 October 2019 was £98,744 (2018: £158,954) which is included in trade creditors, and £7,116 (2018: £7,613) which is included in accruals.

10. Ultimate parent undertaking and controlling party

The ultimate parent company is Perrers Properties Limited, a company incorporated in England and Wales. Its registered office and place of business is The Corn Exchange, Brunswick Street, Liverpool, Merseyside, L2 0PJ.