
BINDEN ESTATES LIMITED

UNAUDITED
FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 OCTOBER 2017

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28/07/2018
COMPANIES HOUSE

BINDEN ESTATES LIMITED

COMPANY INFORMATION

Directors	G O Mason M Smith
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 2017

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 2017, 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 5 July 2018. 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 5 July 2018. 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: 27 Jun 2018

BINDEN ESTATES LIMITED
REGISTERED NUMBER:05327453

STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	6,800,000	5,900,000
Current assets			
Debtors: amounts falling due within one year	5	105,834	141,015
		<u>105,834</u>	<u>141,015</u>
Creditors: amounts falling due within one year	6	(383,660)	(340,091)
Net current liabilities		<u>(277,826)</u>	<u>(199,076)</u>
Total assets less current liabilities		<u>6,522,174</u>	<u>5,700,924</u>
Creditors: amounts falling due after more than one year	7	(4,013,667)	(4,344,788)
Net assets		<u><u>2,508,507</u></u>	<u><u>1,356,136</u></u>
Capital and reserves			
Called up share capital		10	10
Fair value reserve		1,451,976	558,078
Profit and loss account		1,056,521	798,048
		<u><u>2,508,507</u></u>	<u><u>1,356,136</u></u>

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 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.

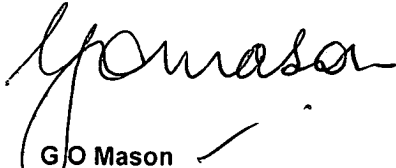
The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

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

BINDEN ESTATES LIMITED
REGISTERED NUMBER:05327453

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 OCTOBER 2017

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


G O Mason
Director

Date: 12/7/18

The notes on pages 5 to 11 form part of these financial statements.

BINDEN ESTATES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2017**

	Called up share capital £	Fair value reserve £	Profit and loss account £	Total equity £
At 1 November 2015	10	578,209	511,779	1,089,998
Comprehensive income for the year				
Profit for the year	-	-	266,138	266,138
Deficit on revaluation of freehold investment property	-	-	20,131	20,131
Total comprehensive income for the year	-	-	286,269	286,269
Transfer to/from profit and loss account	-	(20,131)	-	(20,131)
At 1 November 2016	10	558,078	798,048	1,356,136
Comprehensive income for the year				
Profit for the year	-	-	1,152,371	1,152,371
Surplus on revaluation of freehold investment property	-	-	(893,898)	(893,898)
Total comprehensive income for the year	-	-	258,473	258,473
Transfer to/from profit and loss account	-	893,898	-	893,898
At 31 October 2017	10	1,451,976	1,056,521	2,508,507

BINDEN ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

1. General information

The company is a private limited 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 net current liabilities on the statement of financial position at 31 October 2017, the directors believe that the company's financial statements should be prepared on a going concern basis.

The company has provided guarantees which amount to £4.9m in respect of bank loans and an overdraft of its parent company, Perrers Properties Limited. The company's forecasts and projections which also incorporate its parent undertaking, taking account of reasonably possible changes in its trading performance, show that the company will be able to operate within the group's current facilities.

The group has long term bank loan facility amounting to £4.9m. The group's forecasts and projections show that the group should be able to comply with the terms of the loan facility including the bank covenants.

The group has a bank overdraft facility amounting to £75,000 which is due for review on 31 October 2018. There are no matters which have been brought to the director's attention that would cause this facility to be withdrawn. The directors have held discussions with the group's bankers about the facility throughout the financial year and no matters have been drawn to their attention to suggest that renewal may not be forthcoming on acceptable terms, which is subject to normal credit committee approval.

G O Mason has confirmed that his loan to the company's parent, shown in creditors due after more than one year will remain in place for a minimum of 12 months from the date the accounts are approved, provided that the bank facilities held by the parent company remain in place.

G O Mason has also confirmed that he will provide additional financial support to the group should the group require additional facilities. Related entities that have provided finance facilities to the group have also confirmed their continued support.

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 2017

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 Revaluation of tangible fixed assets

The freehold investment property is carried at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of financial position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of comprehensive income.

2.5 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.

2.6 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, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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.

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.

BINDEN ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

2. Accounting policies (continued)

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 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Operating leases: the Company as lessor

Rentals 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.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 November 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.10 Taxation

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 reporting date in the countries where the Company operates and generates income.

3. Employees

Remuneration paid to the directors amounted to £87,873 (2016: £Nil).

The average monthly number of employees, including directors, during the year was 2 (2016 - 2).

BINDEN ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

4. Tangible fixed assets

	Freehold investment property £
Cost or valuation	
At 1 November 2016	5,900,000
Additions	6,102
Revaluations	893,898
At 31 October 2017	<u>6,800,000</u>
 Net book value	
At 31 October 2017	<u><u>6,800,000</u></u>
At 31 October 2016	<u><u>5,900,000</u></u>

The freehold investment property was revalued at 31 October 2017 by G O Mason, a director and qualified chartered surveyor, on the basis of existing use, fair value guided by an external valuation performed in May 2017.

If the freehold investment property had not been revalued, its historical cost would be £5,348,024 (2016: £5,341,922).

5. Debtors

	2017 £	2016 £
Trade debtors	16,865	22,242
Amounts owed by related undertakings	-	3,422
Other debtors	3,490	3,585
Prepayments and accrued income	85,479	111,766
	<u><u>105,834</u></u>	<u><u>141,015</u></u>

BINDEN ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

6. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	137,609	132,841
Amounts owed to related undertakings	4,845	-
Corporation tax	117,366	61,709
Other taxation and social security	21,581	23,423
Accruals and deferred income	102,259	122,118
	<u>383,660</u>	<u>340,091</u>

7. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Amounts owed to group undertaking	<u>4,013,667</u>	<u>4,344,788</u>

8. 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 2017 is £4,882,408 (2016: £5,332,421). No liability is expected to arise under this guarantee.

9. Commitments under operating leases

At 31 October 2017 the company had future minimum lease payments (rental income) under non-cancellable operating leases of £3,309,032 (2016: £3,415,753).

BINDEN ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

10. Related party transactions

Perrers Properties Limited

The parent company, Perrers Properties Limited provided a loan to the company amounting to £4,013,667 (2016: £4,344,788). The balance comprises £974,322 (2016: £1,376,608) capital and £3,039,345 (2016: £2,968,180) accrued interest. The loan is interest bearing at 6%. The interest charged for the year was £71,166 (2016: £93,234).

A management charge of £100,000 (2016: £Nil) is receivable from Perrers Properties Limited in respect of the directors remuneration paid this year by the company.

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 £37,449 (2016: £32,671) for services in connection with the company's property investments and management services under normal commercial terms and charged £Nil (2016: £1,700) for services in connection with additions to the investment property. The balance outstanding at the year end was £132,486 (2016: £125,576) which is included in trade creditors, £4,845 (2016: £Nil) which is included in amounts owed to group undertakings and £8,465 (2016: £3,733) which is included in accruals. The company is also owed £Nil (2016: £3,422) by the LLP which is included in amounts owed by related undertakings.

11. Ultimate parent undertaking and controlling party

The ultimate parent company is Perrers Properties Limited, a company incorporated in England and Wales.

BINDEN ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

12. First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 November 2015. The impact of the transition to FRS 102 is as follows:

Reconciliation of equity at 1 November 2015

Equity at 1 November 2015 under previous UK GAAP	£ 1,089,998
Equity shareholders funds at 1 November 2015 under FRS 102	<u>1,089,998</u>

Reconciliation of equity at 31 October 2016

Equity at 31 October 2016 under previous UK GAAP	£ 1,356,136
Equity shareholders funds at 31 October 2016 under FRS 102	<u>1,356,136</u>

Reconciliation of profit and loss account for the year ended 31 October 2016

Profit for the year under previous UK GAAP	£ 286,269
Deficit on revaluation of freehold investment property	(20,131)
Profit for the year ended 31 October 2016 under FRS 102	<u>266,138</u>

The following were changes in accounting policies arising from the transition to FRS 102:

- 1 Deficit on revaluation of freehold investment property accounted for in the statement of comprehensive income