

Basetheme Limited

**Abbreviated accounts
for the Year Ended 31 December 2015**



Basetheme Limited
Company Information

Director	R J Hughes
Company secretary	M R Francis
Registered number	05607348
Registered office	C/O White Dove Securities Limited Hadfield Road Cardiff CF11 8WD
Independent auditors	ASE Audit LLP Chartered Accountants & Statutory Auditors Rowan Court Concord Business Park Manchester Greater Manchester M22 0RR

Basetheme Limited

Contents

	Page
Independent auditors' report	1
Statement of financial position	2
Statement of changes in equity	3 - 4
Notes to the abbreviated accounts	5 - 13

Basetheme Limited

**Independent auditors' report to the shareholders of Basetheme Limited
Under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages 2 to 13, together with the financial statements of Basetheme Limited for the year ended 31 December 2015 prepared under section 396 of the Companies Act 2006.

This report is made solely to the Company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in a special Auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

The director is responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the Company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the Company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

Opinion

In our opinion the Company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts on pages 2 to 13 have been properly prepared in accordance with the regulations made under that section.



Ian McMahon FCCA FMAAT (Senior Statutory Auditor)
for and on behalf of

ASE Audit LLP

Chartered Accountants

Statutory Auditors

Rowan Court

Concord Business Park

Manchester

Greater Manchester

M22 0RR

Date: 23/9/2016

Basetheme Limited
Registered number:05607348

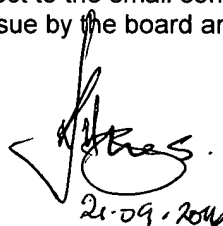
Abbreviated statement of financial position
As at 31 December 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	4	1,346	2,336
Investment property	5	1,522,457	1,522,457
		<u>1,523,803</u>	<u>1,524,793</u>
Current assets			
Debtors		12,284	3,318
Cash at bank and in hand		12,452	14,645
		<u>24,736</u>	<u>17,963</u>
Creditors: amounts falling due within one year		(473,634)	(474,658)
Net current liabilities		<u>(448,898)</u>	<u>(456,695)</u>
Total assets less current liabilities		<u>1,074,905</u>	<u>1,068,098</u>
Creditors: amounts falling due after more than one year		(850,950)	(859,650)
Provisions for liabilities			
Deferred tax		(48,129)	(48,060)
		<u>(48,129)</u>	<u>(48,060)</u>
Net assets		<u><u>175,826</u></u>	<u><u>160,388</u></u>
Capital and reserves			
Called up share capital	8	2	2
Revaluation reserve		193,764	193,764
Profit and loss account		(17,940)	(33,378)
		<u>175,826</u>	<u>160,388</u>

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

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 were approved and authorised for issue by the board and were signed on its behalf by:

R J Hughes
Director
Date:


21.09.2016

The notes on pages 5 to 13 form part of these financial statements.

Basetheme Limited
Statement of changes in equity
For the Year Ended 31 December 2015

	£
At 1 January 2015	160,388
Comprehensive income for the year	
Profit for the year	15,438
Total comprehensive income for the year	<u>15,438</u>
At 31 December 2015	<u><u>175,826</u></u>

Basetheme Limited
Statement of changes in equity
For the Year Ended 31 December 2015

	£
At 1 January 2014	137,909
Comprehensive income for the year	
Profit for the year	22,480
Total comprehensive income for the year	<u>22,480</u>
At 31 December 2014	<u><u>160,389</u></u>

The notes on pages 5 to 13 form part of these financial statements.

Basetheme Limited
Notes to the abbreviated accounts
For the Year Ended 31 December 2015

1. General information

Basetheme Limited is a private company limited by shares and is incorporated in Wales. The registered office address is Hadfield Road, Cardiff, CF11 8WD. There is no single principal place of business. Details of the principal activity of the company is included in the Directors' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated financial statements have been extracted, have been prepared under the historical cost convention as modified by the revaluation of investment properties and in accordance with applicable accounting standards and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 10.

The functional and presentation currency in these financial statements is Sterling.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

At the balance sheet date, the company had net current liabilities of £448,898 (2014: £456,695). Other creditors within current liabilities include £460,000 payable to a related party. The director has received a letter of support from the related party confirming the amounts due will not be repayable unless the company is in a position to do so. The director has also prepared forecasts which demonstrate that the company can manage its working capital and generate sufficient operating cash flows to enable it to meet its remaining liabilities as they fall due. On this basis, the director considers it appropriate to prepare the financial statements on the going concern basis.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rental income

Rental income is recognised on an accruals basis.

Basetheme Limited
Notes to the abbreviated accounts
For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	- 33% on cost
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of comprehensive income.

2.5 Investment property

Investment property is carried at fair value determined annually 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 the Income statement.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, 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 payables or receivables, 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 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

Basetheme Limited
Notes to the abbreviated accounts
For the Year Ended 31 December 2015

2. Accounting policies (continued)

2.7 Financial instruments (continued)

reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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, 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.

2.8 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.

2.9 Finance costs

Finance costs are charged to the Income statement 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.

2.10 Borrowing costs

All borrowing costs are recognised in the Income statement in the year in which they are incurred.

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income statement, except that a change 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are not discounted.

Basetheme Limited
Notes to the abbreviated accounts
For the Year Ended 31 December 2015

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Property, plant and equipment assets

Property, plant and equipment are reviewed for impairment if events or circumstances indicate that the carrying value may not be recoverable. When an impairment review is carried out the recoverable value is determined based on value in use calculations which require estimates to be made of future cash flows.

Investment properties

Investment properties are valued annually using a yield of methodology using market rental values capitalised at a market capitalisation rate, but there is an inevitable degree of judgment involved in that each property is unique and value can only ultimately be reliably tested in the market itself.

4. Tangible fixed assets

	£
Cost or valuation	
At 1 January 2015	22,575
At 31 December 2015	<u>22,575</u>
Depreciation	
At 1 January 2015	20,240
Charge owned for the period	989
At 31 December 2015	<u>21,229</u>
Net book value	
At 31 December 2015	<u>1,346</u>
At 31 December 2014	<u><u>2,336</u></u>

Basetheme Limited
Notes to the abbreviated accounts
For the Year Ended 31 December 2015

5. Investment property

	£
Valuation	
At 1 January 2015	1,522,457
At 31 December 2015	<u><u>1,522,457</u></u>

Investment properties with a carrying value of £1,522,457 (2014: £1,522,457) are pledged as security for the company's loans.

The 2015 valuations were made by the director, on an open market value for existing use basis.

	2015 £	2014 £
Revaluation reserves		
At 1 January 2015	193,764	193,764
At 31 December 2015	<u><u>193,764</u></u>	<u><u>193,764</u></u>

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2015 £	2014 £
Historic cost	1,280,252	1,280,252
	<u><u>1,280,252</u></u>	<u><u>1,280,252</u></u>

Basetheme Limited
Notes to the abbreviated accounts
For the Year Ended 31 December 2015

6. Loans

Analysis of the maturity of loans is given below:

	2015 £	2014 £
Amounts falling due within one year		
Bank loans	8,700	8,700
	<u>8,700</u>	<u>8,700</u>
Amounts falling due 1-2 years		
Bank loans	8,700	8,700
Other loans	783,525	-
	<u>792,225</u>	<u>8,700</u>
Amounts falling due 2-5 years		
Bank loans	26,100	26,100
Other loans	-	783,525
	<u>26,100</u>	<u>809,625</u>
Amounts falling due after more than 5 years		
Bank loans	32,625	41,325
	<u>32,625</u>	<u>41,325</u>

The bank and other loans are secured over the investment property and other assets of the company.

Basetheme Limited
Notes to the abbreviated accounts
For the Year Ended 31 December 2015

7. Financial instruments

	2015 £	2014 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	12,452	14,645
	<u>12,452</u>	<u>14,645</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(1,322,628)	(1,330,556)
	<u>(1,322,628)</u>	<u>(1,330,556)</u>

Financial assets measured at amortised cost comprise trade and other debtors as well as items of accrued income included within prepayments.

Financial liabilities measured at amortised cost comprise trade creditors, accruals where a cash settlement will take place, bank loans and other loans.

8. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
200 Ordinary shares of £0.01 each	2	2
	<u>2</u>	<u>2</u>

9. Controlling party

There was no individual controlling party during the year under review or the preceding year.

Basetheme Limited

Notes to the abbreviated accounts For the Year Ended 31 December 2015

10. First time adoption of FRS 102

		As previously stated 1 January 2014 £	Effect of transition 1 January 2014 £	FRS 102 (as restated) 1 January 2014 £	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
	Note						
Fixed assets		1,350,000	-	1,350,000	1,524,793	-	1,524,793
Current assets	1	24,682	(466)	24,216	18,344	(381)	17,963
Creditors: amounts falling due within one year		(319,982)	-	(319,982)	(474,658)	-	(474,658)
Net current liabilities		(295,300)	(466)	(295,766)	(456,314)	(381)	(456,695)
Total assets less current liabilities		1,054,700	(466)	1,054,234	1,068,479	(381)	1,068,098
Creditors: amounts falling due after more than one year		(868,350)	-	(868,350)	(859,650)	-	(859,650)
Provisions for liabilities	2	-	(47,975)	(47,975)	-	(48,060)	(48,060)
Net assets		186,350	(48,441)	137,909	208,829	(48,441)	160,388
Capital and reserves	2	186,350	(48,441)	137,909	208,829	(48,441)	160,388

Basetheme Limited
Notes to the abbreviated accounts
For the Year Ended 31 December 2015

10. First time adoption of FRS 102 (continued)

	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
Note			
Turnover	79,258	-	79,258
Cost of sales	(13,608)	-	(13,608)
	<hr/>	<hr/>	<hr/>
	65,650	-	65,650
Administrative expenses	(11,026)	-	(11,026)
	<hr/>	<hr/>	<hr/>
Operating profit	54,624	-	54,624
Interest payable and similar charges	(28,161)	-	(28,161)
Taxation	(3,984)	-	(3,984)
	<hr/>	<hr/>	<hr/>
Profit on ordinary activities after taxation and for the financial year	22,479	-	22,479
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Explanation of changes to previously reported profit and equity:

- 1 Movement of deferred tax from asset to liability
- 2 Deferred tax on revaluation reserve