

COMPANY REGISTRATION NUMBER: 09778059

**BASS REAL ESTATE NO. 5 LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 SEPTEMBER 2017**

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BASS REAL ESTATE NO. 5 LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2017

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BASS REAL ESTATE NO. 5 LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr T Hendy
Mr T Knight
Mr M Cudlipp
Mr E Greenberg
Mr J Whittingham

Registered office

6 Stratton Street
London
United Kingdom
W1J 8LD

Auditor

BSG Valentine (UK) LLP
Chartered Accountants & Statutory Auditor
Lynton House
7 - 12 Tavistock Square
London
WC1H 9BQ

BASS REAL ESTATE NO. 5 LIMITED

DIRECTORS' REPORT

YEAR ENDED 30 SEPTEMBER 2017

The directors present their report and the financial statements of the company for the year ended 30 September 2017.

Directors

The directors who served the company during the year were as follows:

Mr T Hendy
Mr T Knight
Mr M Cudlipp
Mr E Greenberg
Mr J Whittingham

Directors' responsibilities statement

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 the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company provisions

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

BASS REAL ESTATE NO. 5 LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2017

This report was approved by the board of directors on 28 June 2018 and signed on behalf of the board by:

A handwritten signature in black ink, consisting of a series of connected loops and a final horizontal stroke.

Mr T Knight
Director

Registered office:
6 Stratton Street
London
United Kingdom
W1J 8LD

BASS REAL ESTATE NO. 5 LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BASS REAL ESTATE NO. 5 LIMITED
YEAR ENDED 30 SEPTEMBER 2017

Opinion

We have audited the financial statements of Bass Real Estate No. 5 Limited (the 'company') for the year ended 30 September 2017 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

BASS REAL ESTATE NO. 5 LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BASS REAL ESTATE NO. 5
LIMITED (continued)**

YEAR ENDED 30 SEPTEMBER 2017

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

BASS REAL ESTATE NO. 5 LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BASS REAL ESTATE NO. 5
LIMITED (continued)**

YEAR ENDED 30 SEPTEMBER 2017

Responsibilities of directors

As explained more fully 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

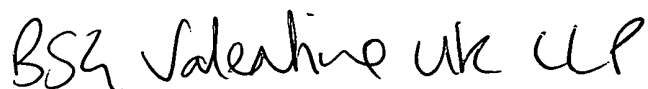
BASS REAL ESTATE NO. 5 LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BASS REAL ESTATE NO. 5
LIMITED (continued)**

YEAR ENDED 30 SEPTEMBER 2017

Use of our report

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.

Handwritten signature of Daniel Burke in black ink, reading "BSG Valentine UK LLP".

Daniel Burke (Senior Statutory Auditor)

For and on behalf of
BSG Valentine (UK) LLP
Chartered Accountants & Statutory Auditor
Lynton House
7 - 12 Tavistock Square
London
WC1H 9BQ

28 June 2018

BASS REAL ESTATE NO. 5 LIMITED
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 30 SEPTEMBER 2017

	Note	Year to 30 Sep 17 £	Period from 15 Sep 15 to 30 Sep 16 £
Turnover		2,101,500	578,500
Cost of sales		(1,911,898)	(562,774)
Gross profit		<u>189,602</u>	<u>15,726</u>
Administrative expenses		(18,815)	(51,011)
Other operating income		<u>30,880</u>	<u>136,858</u>
Operating profit		201,667	101,573
Interest payable and similar expenses		(100,431)	(172,651)
Profit/(loss) before taxation		<u>101,236</u>	<u>(71,078)</u>
Tax on profit/(loss)		<u>—</u>	<u>—</u>
Profit/(loss) for the financial year and total comprehensive income		<u><u>101,236</u></u>	<u><u>(71,078)</u></u>

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the year as set out above.

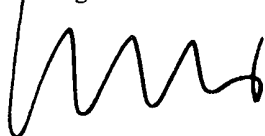
The notes on pages 11 to 13 form part of these financial statements.

BASS REAL ESTATE NO. 5 LIMITED
STATEMENT OF FINANCIAL POSITION
30 SEPTEMBER 2017

	Note	2017 £	£	2016 £	£
Current assets					
Stocks		125,621		1,944,572	
Debtors	5	486,326		288,304	
		<u>611,947</u>		<u>2,232,876</u>	
Creditors: amounts falling due within one year	6	<u>9,730</u>		<u>640,884</u>	
Net current assets			602,217		1,591,992
Total assets less current liabilities			602,217		1,591,992
Creditors: amounts falling due after more than one year	7		522,058		1,663,069
Net assets/(liabilities)			<u>80,159</u>		<u>(71,077)</u>
Capital and reserves					
Called up share capital			50,001		1
Profit and loss account			30,158		(71,078)
Shareholders funds/(deficit)			<u>80,159</u>		<u>(71,077)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 28 June 2018, and are signed on behalf of the board by:



Mr T Knight
Director

Company registration number: 09778059

The notes on pages 11 to 13 form part of these financial statements.

BASS REAL ESTATE NO. 5 LIMITED
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 30 SEPTEMBER 2017

	Called up share capital £	Profit and loss account £	Total £
At 15 September 2015	—	—	—
Loss for the year	—	(71,078)	(71,078)
Total comprehensive income for the year	—	(71,078)	(71,078)
Issue of shares	1	—	1
Total investments by and distributions to owners	1	—	1
At 30 September 2016	1	(71,078)	(71,077)
Profit for the year	—	101,236	101,236
Total comprehensive income for the year	—	101,236	101,236
Issue of shares	50,000	—	50,000
Total investments by and distributions to owners	50,000	—	50,000
At 30 September 2017	<u>50,001</u>	<u>30,158</u>	<u>80,159</u>

The notes on pages 11 to 13 form part of these financial statements.

BASS REAL ESTATE NO. 5 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 6 Stratton Street, London, W1J 8LD, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Other operating income

Other operating income represents proceeds of net rents from properties which are held for sale.

Judgements 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. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

A key estimation is that of stock valuation, which is based on the lower of cost and estimated net realisable value.

Revenue recognition

Turnover represents sale proceeds from sales of properties.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

BASS REAL ESTATE NO. 5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 2017

3. Accounting policies (continued)

Financial instruments (continued)

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Auditor's remuneration

	Year to 30 Sep 17	Period from 15 Sep 15 to 30 Sep 16
	£	£
Fees payable for the audit of the financial statements	<u>2,400</u>	<u>2,400</u>

5. Debtors

	2017 £	2016 £
Trade debtors	1,741	288,304
Amounts owed by group undertakings and undertakings in which the company has a participating interest	483,528	—
Other debtors	<u>1,057</u>	<u>—</u>
	<u>486,326</u>	<u>288,304</u>

BASS REAL ESTATE NO. 5 LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30 SEPTEMBER 2017

6. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	631	1,465
Amounts owed to group undertakings and undertakings in which the company has a participating interest	–	620,210
Other creditors	9,099	19,209
	<u>9,730</u>	<u>640,884</u>

During the year the company capitalised £50,000 of its loan to Bass Real Estate Limited by way of subscription for ordinary shares.

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

	2017	2016
	£	£
Other loans	<u>522,058</u>	<u>1,663,069</u>

Other loans are secured upon the assets of the company.

See note 8 for details of a contingent liability in respect of other borrowings.

Other loans are repayable in full on 1 December 2020. The loans are subject to interest rates of LIBOR plus 12%.

8. Contingencies

The company is subject to a cross guarantee with its parent undertaking and fellow group members in respect of other borrowings. The total other loans across the group as at 30 September 2017 was £9,704,070 (2016: £28,422,675).

The company is subject to a cross guarantee with its parent undertaking and fellow group members in respect of Abbey National Treasury Services Plc loans. The total loan outstanding as at 30 September 2017 in the parent company was £15,331,980 (2016: £Nil).

Both loans are secured over the assets of the company.

9. Related party transactions

At the year end the company owed £483,528 (2016: was owed £620,210) to Bass Real Estate Limited. Bass Real Estate Limited is a fellow group undertaking.

During the year, the company was charged fees by Harwood Real Estate Limited amounting to £12,126 (2016: £17,958), a company with common directorship.

10. Controlling party

The immediate parent company is Bass Real Estate Limited, a company incorporated in Jersey.

There is no controlling party in the opinion of the directors.

BASS REAL ESTATE NO. 5 LIMITED
MANAGEMENT INFORMATION
YEAR ENDED 30 SEPTEMBER 2017

The following pages do not form part of the financial statements.