

Registered number: 09778408

BASS REAL ESTATE NO. 13 LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2022

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BASS REAL ESTATE NO. 13 LIMITED

COMPANY INFORMATION

Directors	C P H Mills H R M Williamson
Registered number	09778408
Registered office	6 Stratton Street London W1J 8LD
Accountants	Simmons Gainsford LLP Chartered Accountants 14 Floor, 33 Cavendish Square London W1G 0PW

BASS REAL ESTATE NO. 13 LIMITED

CONTENTS

	Page
Directors' Report	1 - 2
Accountants' Report	3
Statement of Comprehensive Income	4
Balance Sheet	5
Statement of Changes in Equity	6
Notes to the Financial Statements	7 - 13

BASS REAL ESTATE NO. 13 LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2022

The directors present their report and the financial statements for the period ended 31 March 2022.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 these financial statements, the directors are required to:

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

Principal activity

The principal activity of the company was that of an investment property company.

Directors

The directors who served during the period were:

C P H Mills
H R M Williamson

Future developments

During the year, the threat from the coronavirus subsided and the economy gradually re-opened. However, commodity price increases, the conflict in Ukraine, a tightening in the labour market and the increasing levels of inflation have created a 'cost of living crisis' which is forecast to cut economic growth over the next 12 to 18 months, but the directors are confident that the company will be able to continue trading profitably. It is possible that revenue could be lower during the year to March 2023 as interest rates are rising and markets are volatile. Markets have been in negative territory in 2022, eg. the FTSE All Share is down over 7% in the 6 months to June 2022. Any decline in revenue will impact our gross and net margins, but the business is very cost conscious, so is expected to remain profitable. The company has considerable financial backing and a secure income stream, so it is well positioned.

BASS REAL ESTATE NO. 13 LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2022**

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 9/12/2022 | 16:26 GMT and signed on its behalf.

Charles Mills

C P H Mills
Director

BASS REAL ESTATE NO. 13 LIMITED

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF
THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF BASS REAL ESTATE NO. 13 LIMITED
FOR THE PERIOD ENDED 31 MARCH 2022**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Bass Real Estate No. 13 Limited for the period ended 31 March 2022 which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>.

This report is made solely to the Board of directors of Bass Real Estate No. 13 Limited, as a body, in accordance with the terms of our engagement letter dated 7 April 2021. Our work has been undertaken solely to prepare for your approval the financial statements of Bass Real Estate No. 13 Limited and state those matters that we have agreed to state to the Board of directors of Bass Real Estate No. 13 Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bass Real Estate No. 13 Limited and its Board of directors, as a body, for our work or for this report.

It is your duty to ensure that Bass Real Estate No. 13 Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Bass Real Estate No. 13 Limited. You consider that Bass Real Estate No. 13 Limited is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit or review of the financial statements of Bass Real Estate No. 13 Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Simmons Gainsford LLP

Simmons Gainsford LLP

Chartered Accountants

14 Floor, 33 Cavendish Square

London

W1G 0PW

Date:

9/12/2022

BASS REAL ESTATE NO. 13 LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2022**

		Year to 31 March 2022 £	18 Months Period to 31 March 2021 £
	Note		
Turnover	4	27,958	109,209
Cost of sales		(14,386)	(43,541)
Gross profit		<u>13,572</u>	<u>65,668</u>
Administrative expenses		(7,589)	(3,217)
Other operating income	5	28,564	94,261
Fair value movements		-	183,343
Operating profit		<u>34,547</u>	<u>340,055</u>
Interest payable and similar expenses	7	(13,428)	(52,574)
Tax on profit	8	(5,701)	-
Profit for the financial period		<u><u>15,418</u></u>	<u><u>287,481</u></u>

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 7 to 13 form part of these financial statements.

BASS REAL ESTATE NO. 13 LIMITED
REGISTERED NUMBER: 09778408

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Investment property	9	220,000	785,000
		<u>220,000</u>	<u>785,000</u>
Current assets			
Debtors: amounts falling due within one year	10	140,728	9,203
		<u>140,728</u>	<u>9,203</u>
Creditors: amounts falling due within one year	11	(8,701)	(2,400)
		<u>132,027</u>	<u>6,803</u>
Net current assets		<u>132,027</u>	<u>6,803</u>
Total assets less current liabilities		<u>352,027</u>	<u>791,803</u>
Creditors: amounts falling due after more than one year	12	-	(455,194)
		<u>-</u>	<u>(455,194)</u>
Net assets		<u>352,027</u>	<u>336,609</u>
Capital and reserves			
Called up share capital	14	400,001	400,001
Capital contribution	15	-	13,428
Profit and loss account	15	(47,974)	(76,820)
		<u>352,027</u>	<u>336,609</u>

The directors considers that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the period 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 were approved and authorised for issue by the board and were signed on its behalf on

9/12/2022 | 16:26 GMT

Charles Mills

C P H Mills
Director

The notes on pages 7 to 13 form part of these financial statements.

BASS REAL ESTATE NO. 13 LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2022**

	Called up share capital £	Other reserves £	Profit and loss account £	Total equity £
At 1 October 2019	400,001	66,002	(416,875)	49,128
Comprehensive income for the period				
Profit for the period	-	-	287,481	287,481
Unwinding of capital contribution	-	(52,574)	52,574	-
At 1 April 2021	400,001	13,428	(76,820)	336,609
Comprehensive income for the period				
Profit for the period	-	-	15,418	15,418
Unwinding of capital contribution	-	(13,428)	13,428	-
At 31 March 2022	400,001	-	(47,974)	352,027

The notes on pages 7 to 13 form part of these financial statements.

BASS REAL ESTATE NO. 13 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

1. General information

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

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Harwood Capital Management Limited as at 31 March 2022 and these financial statements may be obtained from 6 Stratton Street, Mayfair, London, W1J 8LD.

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. Rent is recognised in the period it relates to.

2.4 Finance costs

Finance costs are charged to profit or loss 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.

BASS REAL ESTATE NO. 13 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the period 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 balance sheet date in the countries where the Company operates and generates income.

2.7 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.8 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 profit or loss.

2.9 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 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. 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 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.

BASS REAL ESTATE NO. 13 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.9 Financial instruments (continued)

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 balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Financial liabilities and equity instruments are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies, are initially measured at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest rate method.

A liability is derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

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

Estimates and Judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Fair value of investment property

The directors determine the fair value of the investment property at the end of the reporting date based on prevailing market rates. Details of the key assumptions and techniques used have been detailed on note 10.

BASS REAL ESTATE NO. 13 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

4. Turnover

An analysis of turnover by class of business is as follows:

	31 March 2022 £	Period to 31 March 2021 £
Rental income	<u>27,958</u>	<u>109,209</u>

All turnover arose within the United Kingdom.

5. Other operating income

	31 March 2022 £	Period to 31 March 2021 £
Profit on disposal of investment properties	<u>28,564</u>	<u>94,261</u>

6. Employees

The average monthly number of employees, including the directors, during the period was as follows:

	31 March 2022 No.	Period to 31 March 2021 No.
Directors	<u>2</u>	<u>2</u>

7. Interest payable and similar expenses

	31 March 2022 £	Period to 31 March 2021 £
Other loan interest payable	<u>13,428</u>	<u>52,574</u>

BASS REAL ESTATE NO. 13 LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022

8. Taxation

	31 March 2022 £	Period to 31 March 2021 £
Current tax on profits for the year	5,701	-

Factors affecting tax charge for the period

The tax assessed for the period is higher than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	31 March 2022 £	Period to 31 March 2021 £
Profit on ordinary activities before tax	21,119	287,481
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	4,013	54,621
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	9,989
Capital allowances for period in excess of depreciation	-	(3,262)
Utilisation of tax losses	(6,290)	-
Rollover relief on profit on disposal of fixed assets	-	(34,835)
Non-taxable income less expenses not deductible for tax purposes, other than goodwill and impairment	11,127	(17,910)
Group relief	(3,149)	(8,603)
Total tax charge for the period	5,701	-

BASS REAL ESTATE NO. 13 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

9. Investment property

	Freehold investment property £
Valuation	
At 1 April 2021	785,000
Disposals	(565,000)
At 31 March 2022	<u>220,000</u>

The 2022 valuations were made by the directors, on an open market value basis.

At 31 March 2022

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

	2022 £	2021 £
Historic cost	<u>217,783</u>	<u>792,206</u>

10. Debtors

	2022 £	2021 £
Trade debtors	-	100
Amounts owed by group undertakings	132,630	-
Other debtors	7,498	8,503
Prepayments and accrued income	600	600
	<u>140,728</u>	<u>9,203</u>

11. Creditors: Amounts falling due within one year

	2022 £	2021 £
Corporation tax	5,701	-
Accruals and deferred income	3,000	2,400
	<u>8,701</u>	<u>2,400</u>

BASS REAL ESTATE NO. 13 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

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

	2022	2021
	£	£
Amounts owed to group undertakings	-	455,194

13. Loans

Analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due 2-5 years		
Other loans	-	455,194

14. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
400,001 (2021 - 400,001) Ordinary shares of £1.0 each	400,001	400,001

15. Reserves

Other reserves

Other reserves comprise the capital contribution resulting from the interest free loan provided by the parent company and fair value gains on fixed asset investments net of associated deferred tax.

16. Controlling party

The immediate parent undertaking is Harwood Property Investments Limited, which is registered in England and Wales.

The ultimate parent undertaking is Harwood Capital Management Limited which is registered in England and Wales. The consolidated statements of Harwood Capital Management Limited are held and available at 6 Stratton Street, Mayfair, London W1J 8LD.

CHB Mills is the ultimate controlling party by virtue of his shareholding in Harwood Capital Management Limited.