

[10.09.15]

*COMPANIES
HOUSE.*

BARONS KEEP LIMITED

Co No 02609358

**DIRECTORS' REPORT AND ACCOUNTS
31 DECEMBER 2014**

WEDNESDAY



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23/09/2015
COMPANIES HOUSE

Directors' Report

The directors have pleasure in submitting their twenty-fourth annual report and financial statements for the year to 31 December 2014.

Business Review

The company's principal business is to hold the freehold to the block of flats, Barons Keep, Gliddon Road, London W14, to ensure its good management and, if appropriate, to develop the block of flats for the benefit of tenants. Purchase of the freehold and the head-lease took place on 29 October 1991.

In 2014 the company granted one flat long lease at a premium of £475,000 and two garage long leases at a premium of £12,000 each. There remain five flats and sixteen garages on short leases all expiring in 2032.

Barons Keep Limited is responsible for the property service charge, which is managed by Esskay Management Services LLP, as agent for the company. A separate reserve fund is maintained to provide funds to meet future significant expenditure to maintain the building and estate in good condition.

Roof Development

In January 2010 Barons Keep Limited and Barons Keep Property Company (London) Limited entered into a development agreement for the development of the roof space at Barons Keep. Work is in progress in accordance with planning permission for the erection of eleven apartments and associated works.

Directors

The directors of the company during the year were as follows:

	Date of last appointment
Hector CG Hawkins	21 October 2009
John Hill	8 November 2012
Stefanie Roth	8 November 2012
Michael Gainsbury	8 November 2012
James Ebdon	21 October 2009
Robert Gregory	27 October 2011

Appointment of Directors

The company's directors, who are required to have a property interest in Barons Keep, are elected by shareholders in accordance with the company's constitution. This provides that directors joining the board to fill casual vacancies must be re-appointed by the company's shareholders at the next Annual General Meeting and that a third of directors must retire and stand for re-election every three years.

Directors' and Officers' Liability Insurance

The company has maintained insurance to cover Directors' and Officers' liability. The company employs a company secretary who is its sole employee.

Statement of Directors' responsibilities

The directors are responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial period. 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 of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates which 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 responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial Statements

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Board confirms, having made enquiries of each person holding office as director of the company as at the date the report is approved, that:

- (i) so far as each director is aware, there is no information needed by the company's auditors in connection with preparing their report of which the auditors are unaware, and
- (ii) each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the Board


Sheila Glaser

Company Secretary
10 September 2015

**Glenavon House, 39 Common Road
Claygate
Surrey, KT10 0HG**

Independent Auditors' Report to the shareholders of Barons Keep Limited

We have audited the financial statements of Barons Keep Limited for the year ended 31 December 2014 which comprise the Profit and Loss account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the requirements of the Financial Reporting Standard for Smaller Entities (effective from April 2008).

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 that we are required to state to them in an audit 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- o give a true and fair view of the state of the company's affairs at 31 December 2014 and of its result for the year then ended;
- o have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- o have been prepared in accordance with the requirements of the Companies Act 2006.

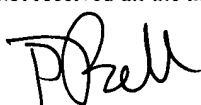
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where Companies Act 2006 requires us to report to you if, in our opinion:

- o adequate accounting records have not been kept; or
- o the financial statements are not in agreement with the accounting records; or
- o certain disclosures of directors' remuneration specified by law are not made; or
- o we have not received all the information and explanations we require for our audit.



Patrick Bell (Senior Statutory Auditor) for and on behalf of
Bell Dinwiddie & Co

Chartered Accountants and
Registered Auditors

18 September 2015

BARONS KEEP LIMITED

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PROFIT AND LOSS ACCOUNT**FOR THE YEAR TO 31 DECEMBER 2014**

	Notes	2014	2013
Turnover	1	£26,658	£25,956
Administrative expenses	3	(64,420)	(50,746)
		<u>(37,762)</u>	<u>(24,790)</u>
Other operating income	4	477,201	20,000
Interest payable	5	-	-
Interest receivable	6	958	2,800
		<u>440,397</u>	<u>(1,990)</u>
Profit/(loss) for the year before taxation	3	440,397	(1,990)
Taxation	7	(93,642)	-
		<u>346,755</u>	<u>(1,990)</u>
Profit/(loss) for the year after taxation		346,755	(1,990)
Profit and loss account brought forward		261,753	263,743
		<u>£608,508</u>	<u>£261,753</u>
Profit and loss account at 31 December		£608,508	£261,753
		<u>=====</u>	<u>=====</u>

BARONS KEEP LIMITED


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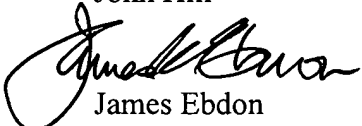
BALANCE SHEET AS AT 31 DECEMBER 2014**COMPANY NUMBER 02609358**

	Notes	2014	2013
FIXED TANGIBLE ASSET	8	£56,005	£81,775
CURRENT ASSETS			
Debtors	9	8,099	7,170
Cash at bank and in hand		673,540	192,549
		<u>681,639</u>	<u>199,719</u>
CREDITORS: Amounts falling due within one year	10	(123,928)	(14,535)
		<u> </u>	<u> </u>
NET CURRENT ASSETS		557,711	185,184
		<u> </u>	<u> </u>
TOTAL ASSETS LESS CURRENT LIABILITIES		613,716	266,959
		<u> </u>	<u> </u>
PROVISIONS FOR LIABILITIES	11	(5,000)	(5,000)
		<u> </u>	<u> </u>
		<u>£608,716</u>	<u>£261,959</u>
		<u>=====</u>	<u>=====</u>
REPRESENTED BY:			
Share capital	12	£208	£206
		<u> </u>	<u> </u>
Profit and Loss account	13	608,508	261,753
		<u> </u>	<u> </u>
	14	£608,716	£261,959
		<u> </u>	<u> </u>
		<u>=====</u>	<u>=====</u>

The directors have relied on the special provisions relating to small companies within Part 15 of the Companies Act 2006 s450(3) and 1(2).

The financial statements were approved by the board and authorised for issue on 10 September 2015 and signed on its behalf.


John Hill Director


James Ebdon Director

NOTES - (FORMING PART OF THE FINANCIAL STATEMENTS)

1. ACCOUNTING POLICIES

a Basis of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

The company has taken advantage of the exemption in Financial Reporting Standard no. 1 from producing a cash flow statement on the grounds that it is a small company.

b Turnover

Turnover represents ground rents of flats receivable from the lessees of Barons Keep and ground rents from garages receivable from the owners.

c Tangible Fixed Assets

The freehold consists solely of the freehold of Barons Keep. It is capitalised at the cost of acquisition and attributable costs less the proportionate cost of the leases sold. No depreciation is charged on the cost of the freehold land and buildings as in the opinion of the directors it would not be material.

Other fixed assets are capitalised at the cost of acquisition and installation. Depreciation is charged so as to amortise the cost in equal instalments. Gates and fencing are amortised over ten years, office equipment over four years.

d Deferred Tax

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when timing differences will reverse.

e Corporation Tax

The company has agreed with the Inland Revenue a special basis of taxation on the surplus arising on the sale of new leases to existing flats. Taxation is payable on gross sales proceeds.

2 EMPLOYEE COSTS

The company had one employee, the Company Secretary, who was paid £5,163 (2013: £3,662). Directors of the company are not remunerated. All directors are shareholders in the company.

NOTES - (FORMING PART OF THE FINANCIAL STATEMENTS)

3 LOSS FOR THE YEAR

	2014	2013
Administration expenses include:		
Costs related to roof development	£23,603	£13,640
Auditors' remuneration (including irrecoverable VAT)	2,752	2,640
Depreciation	9,251	9,251
	<u>=====</u>	<u>=====</u>

In January 2010 Barons Keep Limited and Barons Keep Property Company (London) Limited, a company not connected to Barons Keep Limited, entered into a development agreement for the development of the roof space at Barons Keep. In accordance with the terms of this agreement Barons Keep Property Company (London) Limited has commenced work on improvements to services to the flats. The project manager of Barons Keep Limited has estimated that as at 31 December 2014 the value of the works so far carried out by Barons Keep Property Company (London) Limited is £582,000 (2013: £582,000).

The costs related to the roof development shown above of £23,603 (2013: £13,640) are costs, including irrecoverable VAT, incurred by Barons Keep Limited for professional fees, including legal expenses, for advice relating to this agreement.

**4 OTHER OPERATING INCOME
SALE OF LONG LEASES**

This represents the surplus arising on the sale of one flat long lease and two garage long leases.

	2014	2013
Received from sale of leases	£498,998	£20,000
Attributable cost of leases sold	(21,797)	-
Surplus	<u>£477,201</u>	<u>£20,000</u>
	<u>=====</u>	<u>=====</u>

5 INTEREST PAYABLE

	2014	2013
Bank interest	£ -	£ -
	<u>£ -</u>	<u>£ -</u>
	<u>=====</u>	<u>=====</u>

6 INTEREST RECEIVABLE

	2014	2013
Bank interest	£649	£2,419
Interest on arrears	309	381
	<u>£958</u>	<u>£2,800</u>
	<u>=====</u>	<u>=====</u>

NOTES - (FORMING PART OF THE FINANCIAL STATEMENTS)

7 TAXATION

	2014	2013
UK corporation tax at 20.0% (2013 – 20.0%)		
on the result for the year - recoverable	£(92,470)	£ -
Prior year adjustment - recoverable/(payable)	(1,172)	-
Deferred tax	-	-
	<u>£(93,642)</u>	<u>£ -</u>

8 FIXED TANGIBLE ASSETS

	Gates & Fencing	Freehold at Cost	Office Equipment	Total
Cost				
At 1 January 2014	£92,511	£72,522	£887	£165,920
Additions in year	-	-	-	-
Disposal in year	-	(16,519)	-	(16,519)
At 31 December 2014	<u>£92,511</u>	<u>£56,003</u>	<u>£887</u>	<u>£149,401</u>
Depreciation				
At 1 January 2014	£83,259	£ -	£886	£84,145
Charge for year	9,251	-	-	9,251
Disposal in year	-	-	-	-
At 31 December 2014	<u>£92,510</u>	<u>£ -</u>	<u>£886</u>	<u>£93,396</u>
Net book values				
At 31 December 2014	<u>£1</u>	<u>£56,003</u>	<u>£1</u>	<u>£56,005</u>
At 31 December 2013	<u>£9,252</u>	<u>£72,522</u>	<u>£1</u>	<u>£81,775</u>

NOTES - (FORMING PART OF THE FINANCIAL STATEMENTS)

9 DEBTORS

	2014	2013
All due within one year:		
Rents receivable	£3,928	£3,157
Other debtors	900	1,983
Prepayments	62	1,650
Taxation recoverable	3,209	380
	<u>£8,099</u>	<u>£7,170</u>
	=====	=====

10 CREDITORS: Amounts falling due within one year

	2014	2013
Trade creditors and accruals	£31,458	£14,535
Corporation tax	92,470	-
	<u>£123,928</u>	<u>£14,535</u>
	=====	=====

11 PROVISIONS FOR LIABILITIES

	2014	2013
At 1 January	£5,000	£5,000
Provision for deferred tax	-	-
	<u>£5,000</u>	<u>£5,000</u>
	=====	=====

The provision for deferred taxation is made up of estimated future Corporation Tax relating to the roof development that will be paid by Barons Keep Limited. The company's actual liability to Corporation Tax relating to the roof development is estimated to amount to £45,000 which under the development contract will be paid by the developer

12 SHARE CAPITAL

At 31 December 2014

	Number	Value
Allotted and fully paid		
'A' ordinary shares of £1 each	112	£112
'B' ordinary shares of 5p each	1,913	£96
	=====	<u>£208</u>
		=====

During the year to 31 December 2014, 1 'A' ordinary £1.00 share and 23 'B' ordinary £0.05 shares, total nominal value of £2.15, were issued resulting from the sale of one new flat lease during the year. There were no other movements in the share capital of the company.

NOTES - (FORMING PART OF THE FINANCIAL STATEMENTS)

13 PROFIT AND LOSS ACCOUNT

	2014	2013
Profit and loss account at 1 January	£261,753	£263,743
Profit/(loss) for the year after taxation	<u>346,755</u>	<u>(1,990)</u>
Profit and loss account at 31 December	<u>£608,508</u>	<u>£261,753</u>

14 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2014	2013
Shareholders' funds at 1 January	£261,959	£263,949
Loss for the year after taxation	346,755	(1,990)
Increase in share capital during the year	<u>2</u>	<u>-</u>
Shareholders' funds at 31 December	<u>£608,716</u>	<u>£261,959</u>

15 COMMITMENTS

Capital commitments at 31 December, for which no provision has been made in these accounts were as follows:

	2014	2013
Authorised and contracted	£nil	£nil
Authorised but not contracted	<u>£nil</u>	<u>£nil</u>

16 SERVICE CHARGE AND RESERVE FUND

Separate service charge and reserve fund accounts to 24 December each year are prepared and issued to tenants.

The service charge accounts to 24 December 2014 showed the following:

	2014	2013
Income	£328,546	£321,554
Expenditure	(352,463)	(332,527)
Transfer from reserve fund	<u>23,917</u>	<u>10,973</u>
Surplus carried forward	<u>£ -</u>	<u>£ -</u>

The reserve fund accounts to 24 December 2014 showed net assets as follows:

	2014	2013
Reserve fund	<u>£1,090,422</u>	<u>£1,014,418</u>

17 RELATED PARTY TRANSACTIONS

Each director of the company is a lessee of a flat at Barons Keep and pays ground rent to the company. Mr J Hill, a director of the company, purchased a new long garage lease during the year for £12,000.