

REGISTERED NUMBER: 02609358 (England and Wales)

Report of the Directors and
Financial Statements for the Year Ended 31 December 2016
for
Barons Keep Limited

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for the Year Ended 31 December 2016

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Barons Keep Limited

Company Information
for the Year Ended 31 December 2016

DIRECTORS:

J A Hill
J G Ebdon
M J Gainsbury
R B Gregory
H C G Hawkins
S Roth

SECRETARY:

Mrs S Glaser

REGISTERED OFFICE:

6 Barons Keep
Gliddon Road
London
W14 9AT

REGISTERED NUMBER:

02609358 (England and Wales)

SENIOR STATUTORY AUDITOR:

Patrick Bell

AUDITORS:

Bell Dinwiddie & Co
Unit 6, AC Court
Thames Ditton
Surrey
KT7 0SR

Report of the Directors
for the Year Ended 31 December 2016

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

REVIEW OF BUSINESS

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.

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; four flats have now been completed and three of the leases were signed in September 2016.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

J A Hill
J G Ebdon
M J Gainsbury
R B Gregory
H C G Hawkins
S Roth

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 Report of the Directors 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 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

Report of the Directors
for the Year Ended 31 December 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Bell Dinwiddie & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

BY ORDER OF THE BOARD:

Mrs S Glaser - Secretary

27 September 2017

Report of the Independent Auditors to the Members of
Barons Keep Limited

We have audited the financial statements of Barons Keep Limited for the year ended 31 December 2016 on pages six to eleven. The financial reporting framework that has been applied in their preparation is 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'.

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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on pages two and three, 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. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors 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 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' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Patrick Bell (Senior Statutory Auditor)
for and on behalf of Bell Dinwiddie & Co
Unit 6, AC Court
Thames Ditton
Surrey
KT7 0SR

28 September 2017

Income Statement
for the Year Ended 31 December 2016

	Notes	31.12.16 £	31.12.15 as restated £
TURNOVER		27,873	26,633
Administrative expenses		<u>155,393</u> (127,520)	<u>208,208</u> (181,575)
Other operating income	3	<u>866,857</u>	<u>-</u>
OPERATING PROFIT/(LOSS)		<u>739,337</u>	<u>(181,575)</u>
Interest receivable and similar income		<u>4,592</u> 743,929	<u>740</u> (180,835)
Interest payable and similar expenses	5	<u>-</u>	<u>65</u>
PROFIT/(LOSS) BEFORE TAXATION	6	<u>743,929</u>	<u>(180,900)</u>
Tax on profit/(loss)		<u>4,991</u>	<u>8,831</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u><u>738,938</u></u>	<u><u>(189,731)</u></u>

Balance Sheet
31 December 2016

		31.12.16	31.12.15 as restated
	Notes	£	£
FIXED ASSETS			
Tangible assets	8	700,814	506,460
CURRENT ASSETS			
Debtors	9	32,881	5,022
Cash at bank		<u>475,265</u>	<u>544,546</u>
		508,146	549,568
CREDITORS			
Amounts falling due within one year	10	<u>50,600</u>	<u>632,042</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>457,546</u>	<u>(82,474)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,158,360	423,986
PROVISIONS FOR LIABILITIES		<u>430</u>	<u>5,000</u>
NET ASSETS		<u>1,157,930</u>	<u>418,986</u>
CAPITAL AND RESERVES			
Called up share capital		214	208
Retained earnings		<u>1,157,716</u>	<u>418,778</u>
SHAREHOLDERS' FUNDS		<u>1,157,930</u>	<u>418,986</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the board on the Board of Directors on 27 September 2017 and were signed on its behalf by:

J A Hill - Director

J G Ebdon - Director

Notes to the Financial Statements
for the Year Ended 31 December 2016

1. **STATUTORY INFORMATION**

Barons Keep Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

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. Enabling works are amortised over twenty-five years, heating upgrades over fifteen years and office equipment over four years.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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.

Turnover

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

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

3. **OTHER OPERATING INCOME**

SALE OF LONG LEASES

In 2016 this represented the surplus arising on the new leases for the penthouse flats, the sale of one garage long lease and miscellaneous income.

	2016	2015
New leases for penthouse flats	£1,261,167	£ -
Less: provision against enabling works not yet completed	<u>(435,167)</u>	-
	826,000	-
Received from sale of garage lease	13,500	-
Miscellaneous income	<u>27,357</u>	-
Surplus	<u>£866,857</u>	<u>£ -</u>

4. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 1 .

5. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.12.16	31.12.15 as restated
	£	£
Interest on overdue taxation	<u>-</u>	<u>65</u>

6. **PROFIT/(LOSS) BEFORE TAXATION**

	2016	2015
Administration expenses include:		
Costs related to roof development	£66,815	£45,509
Auditor's remuneration	4,000	2,880
Depreciation	<u>32,425</u>	<u>23,280</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 2016 the value of the enabling works so far carried out by Barons Keep Property Company (London) Limited is £826,000 (2015: £582,000).

The costs related to the roof development shown above of £66,815 (2015: £45,509), are costs, including irrecoverable VAT, incurred by Barons Keep Limited for professional fees, including legal expenses.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

7. **PRIOR YEAR ADJUSTMENT**

FIXED ASSETS AND DEPRECIATION

The enabling works of £582,000 brought into use in the years to 31 December 2015, but not capitalised until the first leases for the new penthouse flats were completed in September 2016, have been treated as a prior year adjustment. These costs have been added to the balance of plant and machinery brought forward at 1 January 2016.

Associated depreciation has been calculated based on when enabling works were brought into use and £131,545 treated as a prior year adjustment in the 2016 accounts.

The comparatives have been adjusted to reflect these amounts.

8. **TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 January 2016	56,003	675,398	731,401
Additions	-	226,779	226,779
At 31 December 2016	<u>56,003</u>	<u>902,177</u>	<u>958,180</u>
DEPRECIATION			
At 1 January 2016	-	224,941	224,941
Charge for year	-	32,425	32,425
At 31 December 2016	<u>-</u>	<u>257,366</u>	<u>257,366</u>
NET BOOK VALUE			
At 31 December 2016	<u>56,003</u>	<u>644,811</u>	<u>700,814</u>
At 31 December 2015	<u>56,003</u>	<u>450,457</u>	<u>506,460</u>

The total enabling works capitalised at 31 December 2016 were £806,054 and depreciation provided against this was £163,788.

9. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.16 £	31.12.15 as restated £
Other debtors	<u>32,881</u>	<u>5,022</u>

10. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.16 £	31.12.15 as restated £
Trade creditors	1,780	(1)
Taxation and social security	9,546	8,831
Other creditors	<u>39,274</u>	<u>623,212</u>
	<u>50,600</u>	<u>632,042</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

11. COMMITMENTS

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

	2016	2015
Authorised and contracted	£nil	£nil
Authorised but not contracted	£nil	£nil
	=====	=====

12. RELATED PARTY TRANSACTIONS

Each director of the company is a lessee of a flat at Barons Keep and pays ground rent to the company.

13. 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 2016 showed the following:

	2016	2015
Income	£365,350	£352,401
Expenditure	(360,349)	(353,936)
Surplus carried forward	<u>(5,001)</u>	<u>1,535</u>
	£ -	£ -
	=====	=====

The reserve fund accounts to 24 December 2016 showed net assets as follows:

	2016	2015
Reserve Fund	£1,294,202	£1,188,811
	=====	=====

14. SHARE CAPITAL

At 31 December 2016

	Number	Value
Allotted and fully paid		
'A' ordinary shares of £1 each	115	£115
'B' ordinary shares of 5p each	1,983	<u>£99</u>
	=====	
		£214
		=====

During the year to 31 December 2016, 3 'A' ordinary £1.00 share and 70 'B' ordinary £0.05 shares, total nominal value of £6.50, were issued resulting from the sale of three new flat leases during the year. There were no other movements in the share capital of the company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.