

Committee
House.

DIRECTORS' REPORT AND ACCOUNTS



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COMPANIES HOUSE

Directors' Report

The directors have pleasure in submitting their twenty-first annual report and financial statements for the year to 31 December 2011.

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 January 2010 Barons Keep Limited and Barons Keep Property Company (London) Limited (a company under the control of the directors of Buildsmiths 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.

Directors

The directors of the company during the year were as follows

	Date of last appointment
Hector CG Hawkins	21 October 2009
John Hill	26 October 2006
Stefanie Roth	26 October 2006
Michael Gainsbury	26 October 2006
James Ebdon	21 October 2009
Robert Gregory	27 October 2011

Appointment of Directors

The company's directors 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.

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.

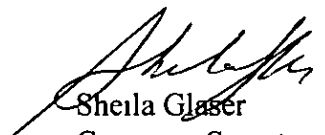
Financial Statements

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
13 September 2012

**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 2011 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 2011 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
26 September 2012

BARONS KEEP LIMITED

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PROFIT AND LOSS ACCOUNT**FOR THE YEAR TO 31 DECEMBER 2011**

	Notes	2011	2010
Turnover	1	£26,015	£25,975
Administrative expenses		(73,639)	(92,554)
		<u> </u>	<u> </u>
		(47,624)	(66,579)
Interest payable	5	(4)	(35)
Interest receivable	6	2,432	3,041
		<u> </u>	<u> </u>
Loss for the year before taxation	3	(45,196)	(63,573)
Taxation	7	(846)	(5,940)
		<u> </u>	<u> </u>
Loss for the year after taxation		(46,042)	(69,513)
Profit and loss account brought forward		365,385	434,898
		<u> </u>	<u> </u>
Profit and loss account at 31 December		£319,343	£365,385
		<u> </u>	<u> </u>

BARONS KEEP LIMITED

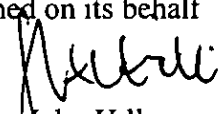
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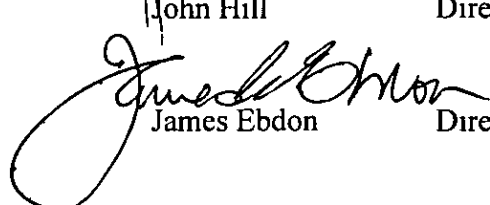
**BALANCE SHEET AS AT 31 DECEMBER 2011
COMPANY NUMBER 2609358**

	Notes	2011	2010
FIXED TANGIBLE ASSET	8	£100,277	£109,531
CURRENT ASSETS			
Debtors	9	14,316	6,239
Cash at bank and in hand		246,334	267,713
		<u>260,650</u>	<u>273,952</u>
CREDITORS Amounts falling due within one year	10	(36,378)	(13,892)
		<u> </u>	<u> </u>
NET CURRENT ASSETS		224,272	260,060
		<u> </u>	<u> </u>
TOTAL ASSETS LESS CURRENT LIABILITIES		324,549	369,591
		<u> </u>	<u> </u>
PROVISIONS FOR LIABILITIES	11	(5,000)	(4,000)
		<u> </u>	<u> </u>
		<u>£319,549</u>	<u>£365,591</u>
REPRESENTED BY.			
Share capital	12	£206	£206
Profit and Loss account	13	319,343	365,385
		<u> </u>	<u> </u>
	14	£319,549	£365,591
		<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 13 September 2012 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

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and the law enacted or substantively enacted at the balance sheet date.

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.

NOTES - (FORMING PART OF THE FINANCIAL STATEMENTS)**2 EMPLOYEE COSTS**

The company had one employee, the Company Secretary, who was paid £3,975 (20010 £3,738) Directors of the company are not remunerated All directors are shareholders in the company The Company Secretary is only remunerated for services in the capacity of Company Secretary

3 LOSS FOR THE YEAR

	2011	2010
Administration expenses include		
Costs related to roof development (see note 8)	£32,980	£54,616
Auditors' remuneration (including irrecoverable VAT)	2,400	2,400
Depreciation	9,254	9,472
	<u> </u>	<u> </u>

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 In accordance with the terms of this agreement Barons Keep Property Company (London) Limited has commenced work on improvements to services to the flats At 31 December 2011 Barons Keep Property Company (London) Limited, a company not connected to Barons Keep Limited, had incurred expenditure of £552,000 as part of this agreement The costs related to the roof development shown above of £32,980 (2010 £54,616) are costs incurred by Barons Keep Limited for professional fees for advice relating to this agreement

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

There were no new long leases sold in 2011 or 2010

5 INTEREST PAYABLE

	2011	2010
Bank interest	£4	£35
	<u> </u>	<u> </u>
	£4	£35
	<u> </u>	<u> </u>

6 INTEREST RECEIVABLE

	2011	2010
Bank interest	2,087	£2,782
Interest on arrears	345	259
	<u> </u>	<u> </u>
	£2,432	£3,041
	<u> </u>	<u> </u>

NOTES - (FORMING PART OF THE FINANCIAL STATEMENTS)

7 TAXATION

	2011	2010
UK corporation tax at 21 0% (2010 – 21 0%)		
on the result for the year - recoverable	£ -	£ -
Prior year adjustment - recoverable/(payable)	154	(1,940)
Deferred tax	(1,000)	(4,000)
	<u>£(846)</u>	<u>£(5,940)</u>

8 FIXED TANGIBLE ASSETS

	Gates & Fencing	Freehold at Cost	Office Equipment	Total
Cost				
At 1 January 2011	£92,511	£72,522	£887	£165,920
Additions in year	-	-	-	-
Disposal in year	-	-	-	-
At 31 December 2011	<u>£92,511</u>	<u>£72,522</u>	<u>£887</u>	<u>£165,920</u>
Depreciation				
At 1 January 2011	£55,506	£ -	£883	£56,389
Charge for year	9,251	-	3	9,254
Disposal in year	-	-	-	-
At 31 December 2011	<u>£64,757</u>	<u>£ -</u>	<u>£886</u>	<u>£65,643</u>
Net book values				
At 31 December 2011	<u>£27,754</u>	<u>£72,522</u>	<u>£1</u>	<u>£100,277</u>
At 31 December 2010	<u>£37,005</u>	<u>£72,522</u>	<u>£4</u>	<u>£109,531</u>

NOTES - (FORMING PART OF THE FINANCIAL STATEMENTS)

9 DEBTORS

	2011	2010
All due within one year		
Rents receivable	£13,672	£1,914
Other debtors	112	2,646
Prepayments	152	1,299
Taxation recoverable	380	380
	<u>£14,316</u>	<u>£6,239</u>

10 CREDITORS: Amounts falling due within one year

	2011	2010
Sundry creditors	£35,073	£13,892
Corporation tax	1,305	-
	<u>£36,378</u>	<u>£13,892</u>

11 PROVISIONS FOR LIABILITIES

	2011	2010
At 1 January	£4,000	£ -
Provision for deferred tax	1,000	4,000
	<u>£5,000</u>	<u>£4,000</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 2011

	Number	Value
Authorised		
'A' ordinary shares of £1 each	129	£129
'B' ordinary shares of 5p each	2,300	£115
	<u> </u>	<u> </u>
Allotted and fully paid		
'A' ordinary shares of £1 each	111	£111
'B' ordinary shares of 5p each	1,890	£95
	<u> </u>	<u> </u>
		<u>£206</u>

There were no changes in the share capital of the company during the year

NOTES - (FORMING PART OF THE FINANCIAL STATEMENTS)

13 PROFIT AND LOSS ACCOUNT

	2011	2010
Profit and loss account at 1 January	£365,385	£434,898
Loss for the year after taxation	(46,042)	(69,513)
	<u> </u>	<u> </u>
Profit and loss account at 31 December	<u>£319,343</u>	<u>£365,385</u>

14 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2011	2010
Shareholders' funds at 1 January	£365,591	£435,104
Loss for the year after taxation	(46,042)	(69,513)
Increase in share capital during the year	-	-
	<u> </u>	<u> </u>
Shareholders' funds at 31 December	<u>£319,549</u>	<u>£365,591</u>

15 COMMITMENTS

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

	2011	2010
Authorised and contracted	£9,260	£34,600
Authorised but not contracted	£nil	£nil
	<u> </u>	<u> </u>

This relates to the contract with the project managers who act on behalf of Barons Keep Limited in dealing with Buildsmiths/Barons Keep Property Company (London) Limited.

16 RELATED PARTY TRANSACTIONS

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