

Company Registration No. 02847156 (England and Wales)

MONTAGU MANSIONS FREEHOLD LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 25 MARCH 2019



Filed by: K. ALFORD
29/30 FITZROY SQUARE
LONDON W1T 6LQ

MONTAGU MANSIONS FREEHOLD LIMITED

COMPANY INFORMATION

Directors	J H Christie A G Trypanis D A Viana
Secretary	K. R. Alford FCIS
Company number	02847156
Registered office	29/30 Fitzroy Square London W1T 6LQ
Auditor	Goodman Jones LLP 29-30 Fitzroy Square London W1T 6LQ

MONTAGU MANSIONS FREEHOLD LIMITED

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MONTAGU MANSIONS FREEHOLD LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 25 MARCH 2019

The directors present their annual report and financial statements for the year ended 25 March 2019.

Principal activities

The principal activity of the company is to own and administer the freehold property known as Montagu Mansions.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

J H Christie
A G Trypanis
D A Viana

Auditor

In accordance with the company's articles, a resolution proposing that Goodman Jones LLP be reappointed as auditor of the company will be put at a General Meeting.

Statement of directors' responsibilities

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 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;
- 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.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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

By order of the board



K. R. Alford FCA

Secretary

25 October 2019

MONTAGU MANSIONS FREEHOLD LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MONTAGU MANSIONS FREEHOLD LIMITED

Opinion

We have audited the financial statements of Montagu Mansions Freehold Limited (the 'company') for the year ended 25 March 2019 which comprise the Profit and Loss Account, the Balance Sheet and notes to the financial statements, 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 105 "The Financial Reporting Standard applicable to the Micro-entities regime" (FRS 105).

In our opinion the financial statements:

- give a presumed true and fair view as prescribed by s396(2A) of the Companies Act 2006 of the state of the company's affairs as at 25 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 105 "The Financial Reporting Standard applicable to the Micro-entities Regime", 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 except for the departure as noted in 'Other matters'. 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.

EMPHASIS OF MATTER - ACCOUNTING CONVENTION

We draw attention to note 1.1 'Accounting convention' of the financial statements which states the financial statements are prepared under FRS 105 "The Financial Reporting Standard applicable to the Micro-entities Regime" ("FRS105") and on a historical cost basis. No revaluation of investment property is allowed under this framework and therefore the investment property is held at historical cost and not fair value. Our opinion on the financial statements is not modified in respect of this matter.

We draw attention to the notes to the financial statements. Disclosure of these notes are not required to be included by FRS 105 but have been provided by the Directors to ensure the financial statements are not misleading. Our opinion on the financial statements is not modified in respect of this matter.

OTHER MATTERS

Our opinion on the true and fair view of the financial statements is a presumed true and fair view as prescribed by s396 (2A) of the Companies Act 2006. In order to express this opinion it has been necessary to depart from the requirements of International Standards of Auditing (UK), namely ISA (UK) 700 para 25 and para 26 which does not allow an unmodified true and fair view opinion to be provided on financial statements prepared under a compliance framework.

In order for these accounts to give a true and fair view under International Standards of Auditing (UK) they would have to be prepared under a fair presentation framework, namely FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (UK GAAP), and under such framework the investment property held by the company would be shown at fair value at each reporting date with the changes in fair value recognised in the profit and loss account.

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.

MONTAGU MANSIONS FREEHOLD LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MONTAGU MANSIONS FREEHOLD LIMITED

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 our 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 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
- 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 in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

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.

MONTAGU MANSIONS FREEHOLD LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MONTAGU MANSIONS FREEHOLD LIMITED

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

Goodman Jones LLP

Graeme Bursack (Senior Statutory Auditor)
for and on behalf of Goodman Jones LLP

5 June 2019

Chartered Accountants
Statutory Auditor

29-30 Fitzroy Square
London
W1T 6LQ

MONTAGU MANSIONS FREEHOLD LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 25 MARCH 2019

	2019	2018
	£	£
Turnover	59,265	52,137
Other income	5,145	678,615
Depreciation and other amounts written off assets	(2,515)	(2,515)
Other charges	(34,001)	(52,077)
Tax	(3,970)	(127,337)
Profit for the financial year	<u>23,924</u>	<u>548,823</u>

MONTAGU MANSIONS FREEHOLD LIMITED

BALANCE SHEET

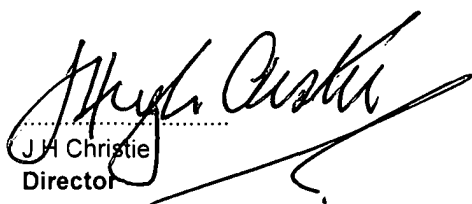
AS AT 25 MARCH 2019


		2019		2018	
		£	£	£	£
Fixed assets	4		260,223		262,838
Current assets	7	233,207		308,032	
Prepayments and accrued income		625		716	
Creditors: amounts falling due within one year	8	(94,108)		(201,007)	
Net current assets			139,724		107,741
Total assets less current liabilities			399,947		370,579
Accruals and deferred income			(17,239)		(11,795)
Net assets			382,708		358,784
Capital and reserves			382,708		358,784

Montagu Mansions Freehold Limited is a private company limited by shares incorporated in England and Wales. The registered office is 29/30 Fitzroy Square, London, W1T 6LQ.

These financial statements have been prepared in accordance with the micro-entity provisions as set out in Part 15 of the Companies Act 2006 and in accordance with FRS 105: The Financial Reporting Standard applicable to the Micro-entities Regime and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 25 October 2019 and are signed on its behalf by:


J H Christie
Director


D A Viana
Director

Company Registration Number 02847156

MONTAGU MANSIONS FREEHOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 25 MARCH 2019

1 Accounting policies

1.1 Accounting convention

The company meets the criteria required for the adoption of the Financial Reporting Standard applicable to the Micro-entities Regime ("FRS 105"). These financial statements have been prepared in accordance with FRS 105 and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. Where additional information is included in the financial statements to ensure the accounts are not misleading the disclosure requirements of section 1A *Small Entities* of FRS 102 "The Financial Reporting Standard applicable in UK and Ireland" ("FRS 102") have been applied in accordance with FRS 105.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. Under the historical cost convention, revaluation of freehold properties, investment properties and certain financial instruments at fair value is not permitted.

The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover includes the total invoice value of rent receivable during the year of £48,765 (2018: £46,937) and income from letting premiums of £10,500 (2018: £5,200).

Rent receivable under operating leases and licences, including any lease incentives received, are recognised in income on a straight line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the lessee's benefit from the leased asset.

Income from letting premiums and lease extensions is recognised once a binding contract has been entered into.

1.3 Tangible fixed assets

Tangible fixed assets including property, plant and equipment and investment property, are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. No revaluation of freehold property or investment property is permitted under FRS 105.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Freehold and buildings

Straight line over 50 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

MONTAGU MANSIONS FREEHOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 MARCH 2019

1 Accounting policies

(Continued)

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.6 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has applied the provisions of Section 9 'Financial Instruments' of FRS 105 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

MONTAGU MANSIONS FREEHOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 MARCH 2019

1 Accounting policies

(Continued)

Basic financial assets and liabilities

Basic financial assets and liabilities, which include debtors, cash and bank balances, creditors and bank loans are initially measured at transaction price including material transaction costs and are subsequently measured at the transaction price, plus or minus transactions costs not yet recognised in profit or loss, plus cumulative interest income or expense recognised in profit or loss to date, minus all repayments of principal and all interest payments and receipts to date, and, for financial assets, minus any reduction for impairment or uncollectability.

Transaction costs that are not immediately expensed to profit and loss are recognised in profit or loss on a straight-line basis over the term of the contract.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

In accordance with FRS 105 no deferred tax asset or liability, which represents the future tax consequences of transactions and events, has been recognised in the financial statements of the current and previous period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was nil (2018 - nil).

3 Profit for the financial year

	2019	2018
Profit for the year is stated after charging/(crediting):	£	£
Fees payable to the company's auditor for the audit of the company's financial statements	6,180	6,000
Depreciation of owned tangible fixed assets	2,515	2,515
Profit on property disposal	4,900	678,506
	<u> </u>	<u> </u>

MONTAGU MANSIONS FREEHOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 25 MARCH 2019

4 Fixed assets

		2019 £	2018 £
Tangible fixed assets	5	260,203	262,818
Fixed asset investments	6	20	20
		<u>260,223</u>	<u>262,838</u>

5 Tangible fixed assets

	Freehold, Land and Buildings £
Cost	
At 26 March 2018	311,353
Disposals	(100)
At 25 March 2019	<u>311,253</u>
Depreciation and impairment	
At 26 March 2018	48,535
Depreciation charged in the year	2,515
At 25 March 2019	<u>51,050</u>
Carrying amount	
At 25 March 2019	<u>260,203</u>
At 25 March 2018	<u>262,818</u>

6 Fixed asset investments

	2019 £	2018 £
Investments	<u>20</u>	<u>20</u>

Details of the company's subsidiaries at 25 March 2019 are as follows:

Name of undertaking	Country of incorporation	Nature of business	Class of shares held	% Held	Direct	Indirect
Montagu Mansions Management Ltd	United Kingdom	Property management	Ordinary B shares	53		

MONTAGU MANSIONS FREEHOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 MARCH 2019

6 Fixed asset investments

(Continued)

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 26 March 2018 & 25 March 2019	20
Carrying amount	
At 25 March 2019	20
At 25 March 2018	20

7 Current assets

	2019 £	2018 £
Cash at bank and in hand	231,581	307,952
Amounts due from group undertakings	1,626	80
	<u>233,207</u>	<u>308,032</u>

8 Creditors: amounts falling due within one year

	2019 £	2018 £
Corporation tax	3,764	127,337
Other creditors	90,344	73,670
	<u>94,108</u>	<u>201,007</u>

MONTAGU MANSIONS FREEHOLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 MARCH 2019

9 Called up share capital

	2019 £	2018 £
Ordinary share capital Issued and fully paid 50,872 Ordinary shares of 1p each	509	509
	<u>509</u>	<u>509</u>

10 Capital redemption reserve

	2019 £	2018 £
At the beginning and end of the year	161,178	161,178
	<u>161,178</u>	<u>161,178</u>

11 Profit and loss reserves

	2019 £	2018 £
At the beginning of the year	197,097	284,174
Profit for the year	23,924	548,823
Dividends	-	(635,900)
At the end of the year	<u>221,021</u>	<u>197,097</u>

12 Related party transactions

Rent of £35,000 (2018: £35,000) was received and service charges of £3,706 (2018: £3,706) were payable to Montagu Mansions Management Limited, a subsidiary of the company.

At the year end the company was due £1,626 (2018: £80) from Montagu Mansions Management Limited.