Company Registration No. 01317608 (England and Wales)

B A M ESTATE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 24 DECEMBER 2017

Faulkner House
Victoria Street
St Albans
Herts
AL1 3SE

Rayner Essex LLP
Chartered Accountants

Draft Financial Statements

B A M ESTATE LIMITED

COMPANY INFORMATION

Directors	S Lebor (Chairman)	
	E M Baroudy	
	S Bilgrami	
	J Boylan	
	I Cohen	
	L Ellenport	
	R Keenlyside	
	G Carriere	
	D Rosenfelder	(Appointed 23 June 2017)
Secretary	L Mitchell	
Company number	01317608	
Registered office	Estate Office 18b Avenue Mansions Finchley Road London NW3 7AU	
Auditors	Rayner Essex LLP Faulkner House Victoria Street St Albans Herts AL1 3SE	

Draft Financial Statements

B A M ESTATE LIMITED

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B A M ESTATE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 24 DECEMBER 2017

The directors present their annual report and financial statements for the year ended 24 December 2017.

Principal activities

The principal activity of the company continued to be that of the management of the B A M Estate, comprising Buckingham, Avenue and Malborough Mansions, for the mutual well being and benefit of all the residents. The company has a subsidiary, Estate Management (Hampstead) Limited, which acts as an agent for the company in the management of the Estate.

Directors

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

S Lebor (Chairman)	
E M Baroudy	
S Bilgrami	
J Boylan	
I Cohen	
L Ellenport	
R Keenlyside	
C Thierbach	(Resigned 22 June 2017)
G Carriere	
D Rosenfelder	(Appointed 23 June 2017)

Auditor

The auditor, Rayner Essex LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually 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 auditor is aware of that information.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 24 DECEMBER 2017

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

On behalf of the board

.....
S Lebor (Chairman)
Director
Date: .....

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF B A M ESTATE LIMITED

Qualified opinion arising from uncertainty over property valuation

We have audited the financial statements of B A M Estate Limited (the 'company') for the year ended 24 December 2017 which comprise the Profit And Loss Account, the Balance Sheet, the Statement of Changes in Equity 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 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the valuation of land and buildings are not confirmed as representing the true market values of the properties. The valuation has been made by the directors.

In our opinion, except for the effects of the matter described in the paragraph above, the financial statements:

- give a true and fair view of the state of the company's affairs as at 24 December 2017 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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.

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.

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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF B A M ESTATE LIMITED

Opinions on other matters prescribed by the Companies Act 2006

Notwithstanding our adverse opinion on the financial statements, 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
- 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 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.

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.

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.

Neil Heyes FCA (Senior Statutory Auditor)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF B A M ESTATE LIMITED

for and on behalf of Rayner Essex LLP .....

Chartered Accountants
Statutory Auditor

Faulkner House
Victoria Street
St Albans
Herts
AL1 3SE

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 24 DECEMBER 2017

	Notes	2017 £	2016 £
Turnover		350,369	352,920
Cost of sales		(188,635)	(213,835)
Gross profit		161,734	139,085
Administrative expenses		(105,935)	(116,962)
Other operating income		1,400	2,980
Operating profit		57,199	25,103
Interest receivable and similar income		635	2,295
Increase in valuation of properties		106,000	148,790
Profit before taxation		163,834	176,188
Tax on profit		(122)	(459)
Profit for the financial year	**8**	163,712	175,729

B A M ESTATE LIMITED

BALANCE SHEET

AS AT 24 DECEMBER 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	**3**		7,125,032		7,019,547
Investments	**4**		3		3
			7,125,035		7,019,550
Current assets					
Debtors	**5**	560,688		308,806	
Cash at bank and in hand		121,091		124,935	
		681,779		433,741	
Creditors: amounts falling due within one year	**6**	(373,689)		(183,878)	
Net current assets			308,090		249,863
Total assets less current liabilities			7,433,125		7,269,413
Capital and reserves					
Called up share capital	**7**		195		195
Profit and loss reserves	**8**		7,432,930		7,269,218
Total equity			7,433,125		7,269,413

These financial statements have been prepared 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 ..... and are signed on its behalf by:

.....	.....
S Lebor (Chairman)	E M Baroudy
Director	**Director**

Company Registration No. 01317608

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 24 DECEMBER 2017

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 25 December 2015	195	6,024,934	1,068,555	7,093,684
Effect of transition to FRS 102	-	(6,024,934)	6,024,934	-
As restated	195	-	7,093,489	7,093,684
Year ended 24 December 2016:				
Profit and total comprehensive income for the year	-	-	175,729	175,729
Balance at 24 December 2016	195	-	7,269,218	7,269,413
Year ended 24 December 2017:				
Profit and total comprehensive income for the year	-	-	163,712	163,712
Balance at 24 December 2017	195	-	7,432,930	7,433,125

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 24 DECEMBER 2017

1 Accounting policies

Company information

B A M Estate Limited is a private company limited by shares incorporated in England and Wales. The registered office is Estate Office, 18b Avenue Mansions, Finchley Road, London, NW3 7AU.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 24 December 2017 are the first financial statements of B A M Estate Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 25 December 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 12.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and for this company primarily relates to rental income on properties.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Land and buildings Freehold	subject to annual revaluation
Fixtures, fittings & equipment	25% straight line
Computer equipment	25% on reducing balance

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 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 DECEMBER 2017

1 Accounting policies **(Continued)**

1.5 Cash at bank and in hand

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.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

1.7 Equity instruments

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.

1.8 Taxation

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

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 DECEMBER 2017

1 Accounting policies **(Continued)**

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 14 (2016 - 15).

Some of the salary costs are accounted for the Leaseholder account.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 DECEMBER 2017

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 25 December 2016	7,017,000	106,703	7,123,703
Additions	-	150	150
Revaluation	106,000	-	106,000
At 24 December 2017	7,123,000	106,853	7,229,853
Depreciation and impairment			
At 25 December 2016	-	104,156	104,156
Depreciation charged in the year	-	665	665
At 24 December 2017	-	104,821	104,821
Carrying amount			
At 24 December 2017	7,123,000	2,032	7,125,032
At 24 December 2016	7,017,000	2,547	7,019,547

4 Fixed asset investments

	2017	2016
	£	£
Investments	3	3

The investment represents the cost of the investment in Estate Management Hampstead Limited.

5 Debtors

	2017	2016
Amounts falling due within one year:	£	£
Amounts owed by group undertakings and undertakings in which the company has a participating interest	519,867	286,454
Other debtors	40,821	22,352
	560,688	308,806

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 DECEMBER 2017

6 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	(272)	15,353
Corporation tax	122	459
Other taxation and social security	9,204	10,441
Other creditors	364,635	157,625
	373,689	183,878

7 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
195 ordinary shares of £1 each	195	195
	195	195

8 Profit and loss reserves

Included within profit and loss reserves are non-distributable profits amounting to £6,279,724 which relates to unrealised gains on the revaluation of properties.

9 Financial commitments, guarantees and contingent liabilities

The Company's bankers have a legal charge over company property.

10 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2017	2016
	£	£
	7,483	-

11 Related party transactions

Transactions with related parties

During the year BAM Estate Management Ltd paid £5,874 for services to Look New Dry Cleaning and Carpet Care Ltd (2016: £5,991), a business controlled by Mr I J Cohen, a director of the company.

£2,769 was paid to Diamond Properties Ltd (2016: £3,574), a letting agent controlled by Mrs N Cohen, the wife of Mr I J Cohen.

£21,000 was paid to Robel Consultancy Ltd (2016: £9,000), this has been split across both BAM Estate Management Ltd and the Leaseholder account. Robel Consultancy Ltd is controlled by Mr S Lebor, a director of the company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 24 DECEMBER 2017

12 Reconciliations on adoption of FRS 102

Reconciliation of equity

	25 December 2015 £	24 December 2016 £
Equity as reported under previous UK GAAP and under FRS 102	7,093,684	7,269,413

Reconciliation of profit for the financial period

	Notes	2016 £
Profit as reported under previous UK GAAP		26,939
Adjustments arising from transition to FRS 102:		
Property revaluation		148,790
Profit reported under FRS 102		175,729

B A M ESTATE LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 24 DECEMBER 2017

Draft Financial Statements

B A M ESTATE LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 24 DECEMBER 2017

	£	2017 £	£	2016 £
Turnover				
Rent receivable		350,369		352,920
Cost of sales				
Service charge	47,396		46,240	
Commissions payable	18,157		15,685	
Rates and water	3,215		4,327	
Repairs and maintenance	101,467		134,390	
Legal and professional fees	16,472		10,908	
Bank charges	1,420		1,847	
Insurances	508		438	
		(188,635)		(213,835)
Gross profit		161,734		139,085
Other operating income				
Sundry income		1,400		2,980
Administrative expenses		(105,935)		(116,962)
Operating profit		57,199		25,103
Investment revenues				
Bank interest received	635		2,295	
		635		2,295
Other gains and losses				
Change in fair value of properties		106,000		148,790
Profit before taxation		163,834		176,188

Draft Financial Statements

B A M ESTATE LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 24 DECEMBER 2017

	2017 £	2016 £
Administrative expenses		
Wages and salaries	61,438	66,455
Staff recruitment costs	5,853	-
Company Secretary	10,010	16,613
Computer running costs	1,026	1,750
Non audit remuneration paid to auditors	1,990	534
Audit fees	7,200	7,200
Printing and stationery	2,754	4,198
Telecommunications	5,376	3,737
Sundry expenses	9,623	15,626
Depreciation	665	849
	105,935	116,962