

CLASSIC MANAGEMENT SERVICES LIMITED

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JANUARY 2019**

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CLASSIC MANAGEMENT SERVICES LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 JANUARY 2019**

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	5		1,126		3,451
Investment properties	6		10,716,616		8,286,598
			<u>10,717,742</u>		<u>8,290,049</u>
Current assets					
Stocks		22,237		22,237	
Debtors	7	5,015,852		7,093,771	
Cash at bank and in hand		233,016		292,496	
		<u>5,271,105</u>		<u>7,408,504</u>	
Creditors: amounts falling due within one year	8	<u>(1,706,814)</u>		<u>(3,740,500)</u>	
Net current assets			<u>3,564,291</u>		<u>3,668,004</u>
Total assets less current liabilities			<u>14,282,033</u>		<u>11,958,053</u>
Creditors: amounts falling due after more than one year	9		(1,275,000)		-
Provisions for liabilities	10		<u>(329,510)</u>		<u>(314,795)</u>
Net assets			<u><u>12,677,523</u></u>		<u><u>11,643,258</u></u>
Capital and reserves					
Called up share capital	12		188,011		188,011
Share premium account			354,617		354,617
Other reserves			2,097,815		1,886,574
Profit and loss reserves			<u>10,037,080</u>		<u>9,214,056</u>
Total equity			<u><u>12,677,523</u></u>		<u><u>11,643,258</u></u>

CLASSIC MANAGEMENT SERVICES LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 JANUARY 2019

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 January 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

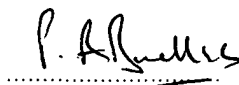
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared 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 19 June 2019 and are signed on its behalf by:



N A Aldred
Director



P A Buckles
Director

CLASSIC MANAGEMENT SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JANUARY 2019

	Notes	Share capital £	Share premium account £	Other reserves £	Profit and loss reserves £	Total £
Balance at 1 February 2017		188,011	354,617	2,727,157	7,561,694	10,831,479
Year ended 31 January 2018:						
Profit and total comprehensive income for the year		-	-	-	882,779	882,779
Dividends	4	-	-	-	(71,000)	(71,000)
Transfers		-	-	(840,583)	840,583	-
Balance at 31 January 2018		188,011	354,617	1,886,574	9,214,056	11,643,258
Year ended 31 January 2019:						
Profit and total comprehensive income for the year		-	-	-	1,061,265	1,061,265
Dividends	4	-	-	-	(27,000)	(27,000)
Transfers		-	-	211,241	(211,241)	-
Balance at 31 January 2019		188,011	354,617	2,097,815	10,037,080	12,677,523

CLASSIC MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019

1 Accounting policies

Company information

Classic Management Services Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Unit 6 Penn Street Works, Penn Street, Amersham, Buckinghamshire, HP7 0PX.

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 investment properties at fair value. The principal accounting policies adopted are set out below.

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.

Turnover

Turnover represents property rental income invoiced during the year, exclusive of Value Added Tax. Turnover is recognised when the rental invoice is raised, which is usually at the beginning of the period to which the rental relates. Where the invoice relates to a period after the year end, the income is deferred and recognised in the next year.

Tangible fixed assets

Tangible fixed assets are measured at cost net of depreciation and any impairment losses.

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

Fixtures, fittings and equipment	25% Straight Line
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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.

Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss, and subsequently unrealised/(realised) gains/losses are transferred to/(from) other reserves, net of applicable deferred tax.

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).

CLASSIC MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

1 Accounting policies (Continued)

Stocks

Stocks are stated at the lower of cost and net realisable value.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised 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 trade and other debtors, amounts owed to group undertakings 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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 trade and other creditors and bank loans 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of 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.

Other reserves relate to the historic valuation of investment properties to their fair value net of deferred taxation.

CLASSIC MANAGEMENT SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2019

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2018 - 2).

CLASSIC MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2019

3 Taxation

	2019 £	2018 £
Current tax		
UK corporation tax on profits for the current period	159,094	221,192
Adjustments in respect of prior periods	19,124	-
	<u>178,218</u>	<u>221,192</u>
Deferred tax		
Origination and reversal of timing differences	14,715	4,857
	<u>192,933</u>	<u>226,049</u>

4 Dividends

	2019 £	2018 £
Final paid	<u>27,000</u>	<u>71,000</u>

5 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
At 1 February 2018 and 31 January 2019	<u>23,397</u>
Depreciation and impairment	
At 1 February 2018	19,946
Depreciation charged in the year	2,325
	<u>22,271</u>
Carrying amount	
At 31 January 2019	<u>1,126</u>
At 31 January 2018	<u>3,451</u>

CLASSIC MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2019

6 Investment property

	2019 £
Fair value	
At 1 February 2018	8,286,598
Additions	2,021,347
Revaluations	408,671
	<hr/>
At 31 January 2019	10,716,616 <hr/> <hr/>

Investment property comprises that of commercial property. The fair value of the investment property has been arrived at on the basis of a valuation carried out by the directors. The valuation was made on an open market value basis by reference to rental yields.

7 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	71,650	73,700
Amounts owed by group undertakings	-	1,026
Other debtors	4,944,202	7,019,045
	<hr/>	<hr/>
	5,015,852	7,093,771 <hr/> <hr/>

Included within other debtors are amounts of £4,467,363 (2018 - £5,766,363) due from companies under common control. The directors have confirmed that these are repayable on demand.

8 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	150,000	2,000,000
Corporation tax	159,094	221,192
Other taxation and social security	29,029	18,975
Other creditors	1,368,691	1,500,333
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	1,706,814	3,740,500 <hr/> <hr/>

The bank loan of £150,000 (2018 - £2,000,000) is secured by an unlimited cross guarantee from a company under common control, and by way of fixed and floating charge over the assets of the company.

CLASSIC MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2019

9 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	1,275,000	-

The bank loan of £1,275,000 (2018 - £nil) is secured by an unlimited cross guarantee from a company under common control, and by way of fixed and floating charge over the assets of the company.

10 Provisions for liabilities

	2019 £	2018 £
Deferred tax liabilities	329,510	314,795

11 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

	Liabilities 2019 £	Liabilities 2018 £
Balances:		
Accelerated capital allowances	329,510	314,795

Movements in the year:

	2019 £
Liability at 1 February 2018	314,795
Charge to profit or loss	14,715
Liability at 31 January 2019	329,510

CLASSIC MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2019

12 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
493,501 Ordinary A shares of 10p each	49,350	49,350
112,507 Ordinary B shares of 10p each	11,251	11,251
88,507 Ordinary C shares of 10p each	8,651	8,851
7,000 Ordinary J shares of 10p each	700	700
7,000 Ordinary S shares of 10p each	700	700
10,000 Ordinary K shares of 10p each	1,000	1,000
10,000 Ordinary R shares of 10p each	1,000	1,000
10,000 Ordinary T shares of 10p each	1,000	1,000
493,501 Ordinary P shares of 10p each	49,350	49,350
2,000 Ordinary L shares of 10p each	200	200
2,000 Ordinary M shares of 10p each	200	200
470,094 Ordinary H shares of 10p each	47,009	47,009
10,000 Ordinary E shares of 10p each	1,000	1,000
82,000 Ordinary N shares of 10p each	8,200	8,200
82,000 Ordinary O shares of 10p each	8,200	8,200
2,000 Ordinary G shares of 10p each	200	-
	<u>188,011</u>	<u>188,011</u>

The ordinary A, B, C, J, S, K, R, T, P, L, M, H, E, N, O and G shares rank pari passu in all respects except in relation to income. The shares will rank separately with regards to entitlement to dividends such that the directors can at any time resolve to declare a dividend on one or more class of share and not the other class or classes.

During the year, 2000 existing C shares were converted into G shares at the same value per share.

13 Financial commitments, guarantees and contingent liabilities

The company is subject to an unlimited cross guarantee for all liabilities of a company under common control, in favour of Allied Irish Bank (GB). The total value of the contingent liability at 31 January 2019 was £1,425,000 (2018 - £2,000,000).

CLASSIC MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2019

14 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Services received	
	2019	2018
	£	£
Other related parties	73,191	44,712

The following amounts were outstanding at the reporting end date:

	2019	2018
	£	£
Amounts due from related parties		
Other related parties	4,467,363	5,766,363

Other related parties relate to companies under the common control of the directors. No interest has been charged on the loans made.

During the year, interest was waived on a loan with an entity under common control. The value of the interest waived was £113,676. In the prior year, the company received interest of £121,325 on loans owed by an entity under common control.

15 Directors' transactions

Included in other creditors are loans due to the directors from the company of £880,250 (2018 - £962,000) and £160,250 (2018 - £202,000). During the year, interest of £77,343 (2018 - £68,165) and £16,408 (2018 - £16,738) was paid to the directors on loan balances owed.

Each of the directors has provided a guarantee of £100,000 (2018 - £100,000) against a loan taken out by the company.