Company Registration No. 01641970 (England and Wales)

CHESTERFIELD HOUSE MANAGEMENT LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2021

76 New Cavendish Street
London
W1G 9TB

CHESTERFIELD HOUSE MANAGEMENT LIMITED

COMPANY INFORMATION

Directors	Dr A Stacey	
	Mr G F Hutchings	
	Sir C R Corness	
	Mrs P Gold	
	Mr V Vareldzis	
	Mr D Man Ka Ho	
	Mr R S Goodwin	(Appointed 12 August 2020)
Secretary	A S M Blixt	
Company number	01641970	
Registered office	Chesterfield House South Audley Street London W1K 1HA	
Auditor	TC Group 76 New Cavendish Street London W1G 9TB	

CHESTERFIELD HOUSE MANAGEMENT LIMITED

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CHESTERFIELD HOUSE MANAGEMENT LIMITED

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

The annual statement provides full details of the Company's activities for the financial year ending 31st March 2021 and key points are highlighted below. It also provides the opportunity to update lessees on the matters to which the Board of Chesterfield House Management Limited has been attending in the last year.

Accounts and Overall Financial Position
The accounts show the potential tax liability on Company assets, as required under the Financial Reporting Standard FRS 102. The accounts for the year ending March 2021 show on page 8 that there is an operating loss of £554,064, mainly due to the internal refurbishment work which commenced in August 2020 and has been partially funded from the Company reserves. It is also shown on page 8 that there is a loss before taxation of £1,975,459. This is due to the operating loss of £554,064 and a decrease in the value of the Company's fixed assets of £1,425,615 resulting from the downward revaluation by the surveyor to £9,011,860 from £10,437,475 in 2020 (see page 9), with an offset of £4,220 from interest received. The Company's nett assets have decreased from £10,174,884 in 2020 to £8,470,291 in 2021, as shown on page 9.

Service Charge and Refurbishment Fund
The service charge demand from the lessees increased slightly to £761,398 in 2020/2021 from £757,114 in 2019/2020 - this had remained unchanged for nine years in the previous ten years. The service charge was subsidised by a sum from the reserves and the full amount was needed to cover the additional expenses referred to below. The annual contribution to the refurbishment fund remained unchanged at £161k in 2020/2021. The total amount in the refurbishment fund was £231,130 on 31 March 2021 and this sum was used to fund the internal refurbishment.

Administrative expenses
The total administrative expenses (i.e. service charge costs and additional costs incurred by the Company) increased in 2020/2021 to £1,573,735 from £928,516 in the previous year. The increased administrative expenses are primarily due to increases in the cost of insurance, energy and legal and professional fees, the boiler replacement project, the change of the access control system and the internal refurbishment (which, at a total cost of £554,744, was subsidised with a sum of £323,614 from the Company reserves and £231,130 from the refurbishment fund). Legal fees were incurred in connection with (a) the proposed development of Leconfield House which, had it been unopposed and allowed to proceed, would have had a significantly adverse impact on Chesterfield House, and (b) a telecommunications company demanding to inspect our buildings with a view to placing a mast on the roof to which unrestricted access would be required - this matter is ongoing.

Reserves
The value of the Company's nett current assets was £988,306 on 31 March 2021 compared with £1,538,150 in the previous year (see page 9). These are made up of the income received from the Company's assets (i.e. the flats and the car park), the refurbishment fund and the premium received for the lease extensions. The rental income from the garage was slightly lower but comparable to that received in the previous year whilst that from the flats showed an increase as the refurbished flats came into use. Detailed analysis of income shows that the lease extension funds of £688,602 received to March 2019 increased by a further £524,408 to March 2020 and by an additional £65,560 in the current year to make a total of £1,278,570.

Focus moving forward
The rolling maintenance programme included in 2020/2021 a number of important items of work. A particular significant activity in 2020/2021 was the internal refurbishment of the building, which has been long overdue. Work was planned to commence in April 2020 but was disrupted by the pandemic. The work started in August 2020, with appropriate precautions in place. Most of the work was completed in July 2021 and minor snagging is to be completed shortly. The final phase of the refurbishment includes the installation of new furniture and mirrors in the four entrances. The Company also replaced the hot water and heating boilers and the access control system during the summer of 2020, at a cost of £272,507 and £10,000 respectively. These items were funded wholly from Company reserves.

Conclusion

The Company has undertaken substantial refurbishment work and had to deal with some serious challenges in 2020/2021. Nevertheless, it has ended the year in a very good financial position without the need to issue further demands to the lessees. The significant maintenance that will be required in the foreseeable future will continue to present challenges and the Board is committed to implementing its policy of balancing the need to maintain the buildings with the control of costs.

Overall, the year 2020/2021 has been a successful one and I am grateful to the Board of Directors of Chesterfield House Management Limited, namely Sir Colin Corness, Mrs. P. Gold, Mr. R. Goodwin, Mr. G. Hutchings, Mr. D. Man and Mr. V. Vareldzis, the General Manager, Ms. A. Blixt, and the staff for their service to Chesterfield House.

Dr A Stacey
Chairman

25 October 2021

CHESTERFIELD HOUSE MANAGEMENT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activities
The principal activity of the company continued to be that of managing the property of Chesterfield House for the benefit of its residents.

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

Dr A Stacey	
Mr G F Hutchings	
Sir C R Corness	
Mrs P Gold	
Mr V Vareldzis	
Mr D Man Ka Ho	
Mr R S Goodwin	(Appointed 12 August 2020)

Auditor
TC Group were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

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.

CHESTERFIELD HOUSE MANAGEMENT LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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.

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

On behalf of the board

Dr A Stacey
Director

25 October 2021

CHESTERFIELD HOUSE MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CHESTERFIELD HOUSE MANAGEMENT LIMITED

Opinion

We have audited the financial statements of Chesterfield House Management Limited (the 'company') for the year ended 31 March 2021 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including 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 financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its loss 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.

Emphasis of matter - Material Valuation Uncertainty

As discussed in note 5 to the financial statements, there is material valuation uncertainty in determining the value of the investment properties due to the ongoing impact of Covid -19. Our opinion is not modified with respect to this matter.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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
- certain disclosures of 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud
The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CHESTERFIELD HOUSE MANAGEMENT LIMITED

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

Jeremy Berman (Senior Statutory Auditor)
For and on behalf of TC Group

Statutory Auditor

Date: 10 December 2021
Office: London

CHESTERFIELD HOUSE MANAGEMENT LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Turnover		1,002,226	1,460,762
Administrative expenses		(1,573,735)	(928,516)
Other operating income		17,445	5,500
Operating (loss)/profit		(554,064)	537,746
Interest receivable and similar income		4,220	8,314
Fair value gains and losses on investment properties	4	(1,425,615)	-
(Loss)/profit before taxation		(1,975,459)	546,060
Taxation		270,866	(189,551)
(Loss)/profit for the financial year		(1,704,593)	356,509
Other comprehensive income		-	-
Total comprehensive income for the year		(1,704,593)	356,509

CHESTERFIELD HOUSE MANAGEMENT LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Investment properties	5		9,011,860		10,437,475
Current assets					
Debtors	6	361,131		248,758	
Cash at bank and in hand		1,345,341		2,000,171	
		1,706,472		2,248,929	
Creditors: amounts falling due within one year	7	(718,166)		(710,779)	
Net current assets			988,306		1,538,150
Total assets less current liabilities			10,000,166		11,975,625
Provisions for liabilities	8		(1,529,875)		(1,800,741)
Net assets			8,470,291		10,174,884
Capital and reserves					
Called up share capital			98		98
Profit and loss reserves			8,470,193		10,174,786
Total equity			8,470,291		10,174,884

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 25 October 2021 and are signed on its behalf by:

Dr A Stacey
Director

Company Registration No. 01641970

CHESTERFIELD HOUSE MANAGEMENT LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 April 2019	98	9,818,277	9,818,375
Year ended 31 March 2020:			
Profit and total comprehensive income for the year	-	356,509	356,509
Balance at 31 March 2020	98	10,174,786	10,174,884
Year ended 31 March 2021:			
Loss and total comprehensive income for the year	-	(1,704,593)	(1,704,593)
Balance at 31 March 2021	98	8,470,193	8,470,291

The notes on pages 12 to 17 form part of these financial statements

CHESTERFIELD HOUSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Chesterfield House Management Limited is a private company limited by shares incorporated in England and Wales . The registered office is Chesterfield House, South Audley Street, London, W1K 1HA. The principal activity of the company continues to be that of the management of the property of Chesterfield House for the benefit of its residents.

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 a mounts 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.

1.2 Turnover

Turnover represents amounts receivable for rents, interest and service charges within the United Kingdom.

Revenue from rental properties are recognised as they are invoiced. Rentals are generally invoiced monthly in advance of the month of occupancy, unless alternate arrangements are agreed. The lengths of the leases vary by property.

Revenue from service charges is recognised by the period to which those charges relate. Service charges are raised biannually in advance, in two six month tranches.

1.3 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.

1.4 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments'.

Financial instruments are recognised in the company's statement of financial position 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.

1 Accounting policies **(Continued)**

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 classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.6 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.

1.7 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 income statement 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.

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 income statement, 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.

1.8 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.

1.9 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.11 Service charge income and expenditure

The income and expenditure recognised in the accounts encompasses all transactions entered into by the company in its own right and also on behalf of the leaseholders. Any short term surpluses in relation to annual service charge income and expenditure, along with any funds held on behalf of the leaseholders for future refurbishment expenditure, are recognised as liabilities within other creditors.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the opinion of the directors there are no significant judgements or areas of estimation uncertainty.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	10	13

4 Fair value adjustments

	2021 £	2020 £
Fair value gains/(losses)		
Changes in the fair value of investment properties	(1,425,615)	-

5 Investment property

	2021
	£
Fair value	
At 1 April 2020	10,437,475
Revaluations	(1,425,615)
At 31 March 2021	9,011,860

Investment properties represent the Company's interest in the long leasehold of five flats and two other structures at the property known as Chesterfield House. The investment properties undergo regular external valuation with review undertaken, by the board of directors, of the carrying value in the intervening periods. No depreciation is provided in respect of these properties. The latest external valuation of the investment property was carried out on 28 July 2021 by Harding Chartered Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties, adjusted to make allowance for difference in the various factors that may affect value.
As a result of the Covid 19 pandemic, market activity is being impacted in many sectors. Less weight can be attached to previous market evidence for comparison purposes. Based on these unprecedented set of circumstances, the surveyors' valuation of £9m is reported on the basis of material valuation uncertainty.
The directors consider the valuation to be appropriate for the current period.

6 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Trade debtors	177,221	123,889
Other debtors	183,910	124,869
	361,131	248,758

7 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	88,257	43,963
Taxation and social security	17,603	3,509
Other creditors	612,306	663,307
	718,166	710,779

Included within the other creditors is an amount of £61,809 (2020: £139,058) held on behalf of the leaseholders in respect of refurbishment funds and short term service charge surpluses.

8 Provisions for liabilities

	2021	2020
	£	£
Deferred tax liabilities	1,529,875	1,800,741

9 Controlling party

The company has no ultimate controlling party.

All of the Directors are members of the company and as lessees contribute to the service charges and ground rent on the same basis as all other lessees.