

Company registration number 01641970 (England and Wales)

CHESTERFIELD HOUSE MANAGEMENT LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2023

Approved for and signed on behalf of the company

6th Floor Kings House
9-10 Haymarket
London
United Kingdom
SW1Y 4BP

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 |
| Secretary | Annika Blixt |
| Company number | 01641970 |
| Registered office | Chesterfield House South Audley Street London W1K 1HA |
| Auditor | TC Group 6th Floor Kings House 9-10 Haymarket London United Kingdom SW1Y 4BP |

CHESTERFIELD HOUSE MANAGEMENT LIMITED

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CHESTERFIELD HOUSE MANAGEMENT LIMITED

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

The annual statement provides full details of the Company's activities for the financial year ending 31st March 2023 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 2023 show on page 8 that there is an operating loss of £55,307 compared to £607,062 for the previous year. The Company's net assets, reported on page 9, show a small increase with values of £7,921,321 in 2023 and £7,865,064 in 2022.

Service Charge and Refurbishment Fund

The service charge demand from the lessees increased from £838,371 in 2021 / 2022 to £1,137,528 in 2022/2023 mainly due to a substantial increase in energy costs and a 5% increase in staff salaries. The annual contribution to the refurbishment fund remained at £200k in recognition of the major works that are required in the foreseeable future, as discussed below, and an energy levy was raised to cover the substantial rise in energy costs.

Administrative expenses

The total administrative expenses (i.e. service charge costs and additional costs incurred by the Company) decreased from £1,665,556 in 2021 / 2022 to £1,477,564 in 2022 / 2023. Legal fees were incurred principally in connection with two ongoing issues:

- (a) the proposed development of Leconfield House, which would have had a significantly adverse impact on Chesterfield House, and
- (b) a telecommunications company demanding to place a mast on the roof of the West block to which unrestricted access would have been required and which was considered to introduce a substantial health and safety hazard to residents.

Reserves

The Company's nett current assets are made up of the income received from the Company flats and the car park, the refurbishment fund and the premia received for the lease extensions. The value of the Company's net current assets was £383,079 on 31 March 2022 and £332,870 on 31 March 2023 (see page 9). The rental income from the garage and the flats was slightly higher than that received in the previous year.

Major Works

There is a rolling maintenance programme and the works undertaken in 2022 / 2023 were the decommissioning of the roof water tanks and the installation of new booster pumps. This was wholly funded from Company reserves. Looking ahead, there is a pressing need to replace the four passenger lifts in the South Audley Street and Chesterfield Gardens blocks, which are as old as the buildings, i.e. almost ninety years old. The programme of work has now started with the replacement of the lift in the West block. The work on the rest will be undertaken at optimal intervals.

CHESTERFIELD HOUSE MANAGEMENT LIMITED

CHAIRMAN'S STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Conclusion

The year 2022 / 2023 has been a successful one: the Company undertook a substantial maintenance programme whilst also having to confront some highly challenging planning applications which would have had a significant effect on the buildings and residents of Chesterfield House had they been approved. Furthermore, the Company is in a good financial position, though the unforeseen recent increase in energy costs introduces a further challenge.

Going forward, the Board will continue to do its utmost to protect the interests of Chesterfield House at all times. I would like to thank my fellow directors, namely Sir Colin Corness, Mrs. P. Gold, Mr. G. Hutchings, Mr. D. Man, and Mr. V. Vareldzis, the General Manager, Ms. A. Blixt, and the staff of Chesterfield House for their steadfast support and commitment to Chesterfield House.

Dr A Stacey
CHML Chairman

22 November 2023

CHESTERFIELD HOUSE MANAGEMENT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

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

(Retired 24 November 2022)

Auditor

The auditor, TC Group, 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.

CHESTERFIELD HOUSE MANAGEMENT LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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

22 November 2023

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 2023 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 Financial Reporting Standard 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 2023 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

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.

CHESTERFIELD HOUSE MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CHESTERFIELD HOUSE MANAGEMENT LIMITED

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 in relation to which 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 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.

CHESTERFIELD HOUSE MANAGEMENT LIMITED

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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.

Philip Clark FCCA (Senior Statutory Auditor)
For and on behalf of TC Group

Statutory Auditor

Date: 8 December 2023

Office: London

CHESTERFIELD HOUSE MANAGEMENT LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

| | Notes | 2023 £ | 2022 £ |
|--|-------|-------------|-------------|
| Turnover | | 1,415,157 | 1,052,594 |
| Administrative expenses | | (1,477,564) | (1,665,556) |
| Other operating income | | 7,100 | 5,900 |
| Operating loss | | (55,307) | (607,062) |
| Interest receivable and similar income | | 5,098 | 1,835 |
| Fair value adjustment on investment properties | | 131,440 | - |
| Profit/(loss) before taxation | | 81,231 | (605,227) |
| Taxation | | (24,974) | - |
| Profit/(loss) for the financial year | | 56,257 | (605,227) |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | 56,257 | (605,227) |

CHESTERFIELD HOUSE MANAGEMENT LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

| | Notes | 2023 £ | £ | 2022 £ | £ |
|---|-------|--------------------|-------------------------|------------------|-------------------------|
| Fixed assets | | | | | |
| Investment properties | 4 | | 9,143,300 | | 9,011,860 |
| Current assets | | | | | |
| Debtors | 5 | 366,937 | | 296,886 | |
| Cash at bank and in hand | | 1,198,498 | | 816,267 | |
| | | <u>1,565,435</u> | | <u>1,113,153</u> | |
| Creditors: amounts falling due within one year | 6 | <u>(1,232,565)</u> | | <u>(730,074)</u> | |
| Net current assets | | | <u>332,870</u> | | <u>383,079</u> |
| Total assets less current liabilities | | | <u>9,476,170</u> | | <u>9,394,939</u> |
| Provisions for liabilities | 7 | | <u>(1,554,849)</u> | | <u>(1,529,875)</u> |
| Net assets | | | <u><u>7,921,321</u></u> | | <u><u>7,865,064</u></u> |
| Capital and reserves | | | | | |
| Called up share capital | 8 | | 98 | | 98 |
| Profit and loss reserves | | | <u>7,921,223</u> | | <u>7,864,966</u> |
| Total equity | | | <u><u>7,921,321</u></u> | | <u><u>7,865,064</u></u> |

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 22 November 2023 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 2023

| | Share capital | Profit and loss reserves | Total |
|--|---------------|--------------------------|-----------|
| | £ | £ | £ |
| Balance at 1 April 2021 | 98 | 8,470,193 | 8,470,291 |
| Year ended 31 March 2022: | | | |
| Loss and total comprehensive income for the year | - | (605,227) | (605,227) |
| Balance at 31 March 2022 | 98 | 7,864,966 | 7,865,064 |
| Year ended 31 March 2023: | | | |
| Profit and total comprehensive income for the year | - | 56,257 | 56,257 |
| Balance at 31 March 2023 | 98 | 7,921,223 | 7,921,321 |

CHESTERFIELD HOUSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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 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 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.

CHESTERFIELD HOUSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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.

CHESTERFIELD HOUSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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 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.

1.10 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.

CHESTERFIELD HOUSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Employees

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

| | 2023 Number | 2022 Number |
|-------|----------------|----------------|
| Total | 10 | 10 |

4 Investment property

| | 2023 £ |
|-------------------|-----------|
| Fair value | |
| At 1 April 2022 | 9,011,860 |
| Revaluations | 131,440 |
| At 31 March 2023 | 9,143,300 |

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 fair value of the investment properties at 31 March 2023 has been arrived at on the basis of a valuation carried out by the directors. These valuations were made on an open market value basis by reference to market evidence of transaction prices for similar properties.

5 Debtors

| | 2023 £ | 2022 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 176,901 | 127,207 |
| Other debtors | 190,036 | 169,679 |
| | 366,937 | 296,886 |

6 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------|-----------|-----------|
| Trade creditors | 51,775 | 75,901 |
| Taxation and social security | 17,848 | 18,123 |
| Other creditors | 1,162,942 | 636,050 |
| | 1,232,565 | 730,074 |

CHESTERFIELD HOUSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Provisions for liabilities

| | 2023 £ | 2022 £ |
|--------------------------|-----------|-----------|
| Deferred tax liabilities | 1,554,849 | 1,529,875 |

8 Called up share capital

| | 2023 Number | 2022 Number | 2023 £ | 2022 £ |
|-------------------------------|----------------|----------------|-----------|-----------|
| Ordinary share capital | | | | |
| Authorised | | | | |
| Ordinary shares of £1 each | 100 | 100 | 100 | 100 |
| Issued and fully paid | | | | |
| Ordinary shares of £1 each | 98 | 98 | 98 | 98 |

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.

10 Non distributable profit and loss reserves

Profit and loss reserves include fair value reserve of £6,628,574 in respect of the company's investment property. The cumulative fair value surplus of £8,183,423 (2022: £8,051,983) less the calculated £1,554,849 (2022: £1,529,875) of deferred taxation on the potential gain results in a fair value reserve of £6,628,574 (2022: £6,522,108) at the balance sheet date. The fair value reserve is not distributable.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.