

**LADBROKE SQUARE MONTESSORI SCHOOL LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**  
**PAGES FOR FILING WITH REGISTRAR**

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# LADBROKE SQUARE MONTESSORI SCHOOL LIMITED

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# LADBROKE SQUARE MONTESSORI SCHOOL LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2017

		2017		2016 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	3		36,205		44,254
Investment properties	4		454,143		454,143
Investments	5		1,078,596		1,102,821
			<u>1,568,944</u>		<u>1,601,218</u>
<b>Current assets</b>					
Debtors	6	2,100		2,100	
Cash at bank and in hand		32,220		42,246	
			<u>34,320</u>	<u>44,346</u>	
<b>Creditors: amounts falling due within one year</b>	7	(263,603)		(444,019)	
<b>Net current liabilities</b>			(229,283)		(399,673)
<b>Total assets less current liabilities</b>			<u>1,339,661</u>		<u>1,201,545</u>
<b>Provisions for liabilities</b>	8		(37,497)		(40,975)
<b>Net assets</b>			<u>1,302,164</u>		<u>1,160,570</u>
<b>Capital and reserves</b>					
Called up share capital	10		285,000		285,000
Revaluation reserve	11		202,557		199,080
Profit and loss reserves			814,607		676,490
<b>Total equity</b>			<u>1,302,164</u>		<u>1,160,570</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

# LADBROKE SQUARE MONTESSORI SCHOOL LIMITED

## BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2017

The financial statements were approved by the board of directors and authorised for issue on 18/2/18 and are signed on its behalf by:

  
P Tausig  
Director

Company Registration No. 01886903

# LADBROKE SQUARE MONTESSORI SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1 Accounting policies

#### Company information

Ladbroke Square Montessori School Limited is a private company limited by shares incorporated in England and Wales. The registered office is Palladium House, 1-4 Argyll Street, London, W1F 7LD.

#### 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.

#### 1.2 Turnover

Turnover represents amounts receivable for services provided net of VAT.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

#### 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 Leasehold	20% reducing balance
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	20% 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 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. The surplus or deficit on revaluation is recognised in profit or loss:

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

# LADBROKE SQUARE MONTESSORI SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 1 Accounting policies

(Continued)

#### 1.5 Impairment of fixed assets

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

#### 1.6 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.

#### 1.7 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.

# LADBROKE SQUARE MONTESSORI SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that 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.

#### **1.8 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.

#### **1.9 Derivatives**

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

#### **1.10 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.

##### **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.

# LADBROKE SQUARE MONTESSORI SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 1 Accounting policies

(Continued)

#### 1.11 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.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.13 Fixed Asset Investments

Interests in shares are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in profit or loss. Transaction costs are expensed to profit or loss as incurred.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 15 (2016 - 16).

### 3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 January 2017 and 31 December 2017	137,690	62,814	200,504
<b>Depreciation and impairment</b>			
At 1 January 2017	111,900	44,350	156,250
Depreciation charged in the year	5,158	2,891	8,049
At 31 December 2017	117,058	47,241	164,299
<b>Carrying amount</b>			
At 31 December 2017	20,632	15,573	36,205
At 31 December 2016	25,790	18,464	44,254

### 4 Investment property

	2017 £
<b>Fair value</b>	
At 1 January 2017 and 31 December 2017	454,143

# LADBROKE SQUARE MONTESSORI SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 4 Investment property

(Continued)

The valuation of the investment property as at 31 December 2017 by a director was on an open market value basis.

### 5 Fixed asset investments

	2017 £	2016 £
Investments	<u>1,078,596</u>	<u>1,102,821</u>

#### Movements in fixed asset investments

	Investments other than loans £
<b>Cost or valuation</b>	
At 1 January 2017	1,102,821
Additions	271,688
Valuation changes	29,825
Disposals	(325,738)
At 31 December 2017	<u>1,078,596</u>
<b>Carrying amount</b>	
At 31 December 2017	<u>1,078,596</u>
At 31 December 2016	<u>1,102,821</u>

### 6 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Corporation tax recoverable	<u>2,100</u>	<u>2,100</u>

### 7 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	188	96
Trade creditors	158,738	202,441
Amounts due to group undertakings	28,472	164,084
Corporation tax	41,217	35,440
Other taxation and social security	8,556	7,193
Other creditors	26,432	34,765
	<u>263,603</u>	<u>444,019</u>

# LADBROKE SQUARE MONTESSORI SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 8 Provisions for liabilities

		2017 £	2016 £
Deferred tax liabilities	9	<u>37,497</u>	<u>40,975</u>

### 9 Deferred taxation

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

	Liabilities 2017 £	Liabilities 2016 £
<b>Balances:</b>		
Revaluations	<u>37,497</u>	<u>40,975</u>
<b>Movements in the year:</b>		2017 £
Liability at 1 January 2017		40,975
Credit to profit or loss		(3,478)
Liability at 31 December 2017		<u>37,497</u>

### 10 Called up share capital

	2017 £	2016 £
<b>Ordinary share capital Issued and fully paid</b>		
285,000 Ordinary shares of £1 each	<u>285,000</u>	<u>285,000</u>
	<u>285,000</u>	<u>285,000</u>

### 11 Revaluation reserve

	2017 £	2016 £
At beginning of year	199,080	-
Other movements	<u>3,477</u>	<u>199,080</u>
At end of year	<u>202,557</u>	<u>199,080</u>

### 12 Related party transactions

# LADBROKE SQUARE MONTESSORI SCHOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 12 Related party transactions

(Continued)

During the year, the company transferred funds amounting to £742,237 to a related party company.

In the year, the company received funds of £606,625 from a related party company.

Included in other creditors is an amount of £28,472 (2016 - £164,084) due to a related party company.

Included in other creditors is an amount of £14,442 (2016: £24,156) due to one of the directors.

### 13 Prior period adjustment

#### Changes to the balance sheet

	At 31 December 2016		
	As previously reported	Adjustment	As restated
	£	£	£
<b>Fixed assets</b>			
Investment properties	214,088	240,055	454,143
Investments	986,873	115,948	1,102,821
<b>Provisions for liabilities</b>			
Deferred tax	-	(40,975)	(40,975)
	<u>845,542</u>	<u>315,028</u>	<u>1,160,570</u>
<b>Net assets</b>	<u>845,542</u>	<u>315,028</u>	<u>1,160,570</u>
<b>Capital and reserves</b>			
Revaluation reserve	-	199,080	199,080
Profit and loss	560,542	115,948	676,490
	<u>845,542</u>	<u>315,028</u>	<u>1,160,570</u>
<b>Total equity</b>	<u>845,542</u>	<u>315,028</u>	<u>1,160,570</u>

#### Changes to the profit and loss account

	Period ended 31 December 2016		
	As previously reported	Adjustment	As restated
	£	£	£
Amounts written off investments	(12,961)	356,004	343,043
Taxation	(35,435)	(40,976)	(76,411)
	<u>131,856</u>	<u>315,028</u>	<u>446,884</u>
<b>Profit for the financial period</b>	<u>131,856</u>	<u>315,028</u>	<u>446,884</u>