

MICHAEL BEAR DEVELOPMENTS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 JULY 2021

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**CHARTERED ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE PREPARATION OF THE UNAUDITED STATUTORY
FINANCIAL STATEMENTS OF MICHAEL BEAR DEVELOPMENTS LIMITED
FOR THE YEAR ENDED 31 JULY 2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Michael Bear Developments Limited for the year ended 31 July 2021 which comprise the Balance sheet and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>.

This report is made solely to the director of Michael Bear Developments Limited in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Michael Bear Developments Limited and state those matters that we have agreed to state to the director of Michael Bear Developments Limited in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Michael Bear Developments Limited and its director for our work or for this report.

It is your duty to ensure that Michael Bear Developments Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Michael Bear Developments Limited. You consider that Michael Bear Developments Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Michael Bear Developments Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

BAGINSKY COHEN
CHARTERED ACCOUNTANTS
930 HIGH ROAD
LONDON
N12 9RT
17 January 2021

BALANCE SHEET
AS AT 31 JULY 2021

	Note	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Tangible assets	4		742,127		753,290
Investments	5		26,365		26,365
			<u>768,492</u>		<u>779,655</u>
CURRENT ASSETS					
Debtors: amounts falling due within one year	6	1,257		4,893	
Cash at bank and in hand	7	78,402		76,684	
		<u>79,659</u>		<u>81,577</u>	
Creditors: amounts falling due within one year	8	(2,687)		(8,866)	
			<u>76,972</u>		<u>72,711</u>
NET CURRENT ASSETS					
			<u>845,464</u>		<u>852,366</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
PROVISIONS FOR LIABILITIES					
Deferred tax			(94,733)		(96,754)
			<u>750,731</u>		<u>755,612</u>
NET ASSETS					
CAPITAL AND RESERVES					
Called up share capital	9		500		500
Revaluation reserve	10		357,263		357,263
Profit and loss account	10		392,968		397,849
			<u>750,731</u>		<u>755,612</u>

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities. The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17/01/2021.

M. BEAR
Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

1. ACCOUNTING POLICIES (CONTINUED)

1.3 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and

Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

1.4 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Motor vehicles	- 20% reducing balance
Furniture & equipment	- 20% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

1. ACCOUNTING POLICIES (CONTINUED)

1.5 REVALUATION OF TANGIBLE FIXED ASSETS

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

1.6 INVESTMENT PROPERTY

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

1.7 VALUATION OF INVESTMENTS

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

1.8 DEBTORS

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.9 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.10 CREDITORS

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.11 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

1. ACCOUNTING POLICIES (CONTINUED)

1.12 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.

JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in note 1, management is required to make judgments, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from 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 affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 2 (2020 - 2).

4. TANGIBLE FIXED ASSETS

	Long Term Leasehold Property £	Motor vehicles £	Furniture and Equipment £	Total £
COST OR VALUATION				
At 1 August 2020	685,000	65,000	14,353	764,353
Additions	-	-	3,118	3,118
At 31 July 2021	685,000	65,000	17,471	767,471
DEPRECIATION				
At 1 August 2020	-	4,333	6,731	11,064
Charge for the year on owned assets	-	12,133	2,148	14,281
At 31 July 2021	-	16,466	8,879	25,345
NET BOOK VALUE				
At 31 July 2021	685,000	48,534	8,592	742,126
At 31 July 2020	685,000	60,667	7,623	753,290

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

5. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST OR VALUATION	
At 1 August 2020 and 31 July 2021	<u>26,365</u>

6. DEBTORS

	2021 £	2020 £
Trade debtors	-	3,500
Director's loan	1,257	1,393
	<u>1,257</u>	<u>4,893</u>

7. CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash at bank and in hand	<u>78,404</u>	<u>76,685</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	90	368
Other taxation and social security	507	2,058
Other creditors	-	4,000
Accruals and deferred income	2,090	2,440
	<u>2,687</u>	<u>8,866</u>

9. SHARE CAPITAL

	2021 £	2020 £
ALLOTTED, CALLED UP AND FULLY PAID		
500 (2020 - 500) Ordinary shares of £1.00 each	<u>500</u>	<u>500</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

10. RESERVES

Profit & loss account

This includes all current and prior period retained profit and losses.

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.