

TOWER MANAGEMENT SERVICES LIMITED
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020



Company No. 03554336

TOWER MANAGEMENT SERVICES LIMITED

COMPANY INFORMATION

Directors	P Lewis M Rosenberg
Secretary	E MacPherson
Company Number	03554336
Registered Office	York Gate 100 Marylebone Road London NW1 5DX
Auditors	RSM UK Audit LLP Chartered Accountants 25 Farringdon Street London, EC4A 4AB

TOWER MANAGEMENT SERVICES LIMITED

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TOWER MANAGEMENT SERVICES LIMITED

DIRECTORS REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report together with the audited accounts for the year ended 31 December 2020.

Principal Activities

The Companys principal activity is that of providing property management services to Tower 42 and its estate.

Directors

The directors who served during the year and subsequent to that date were:

P Lewis

M Rosenberg

Directors Responsibilities Statement

The directors are responsible for preparing the Directors 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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. 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 companys 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.

TOWER MANAGEMENT SERVICES LIMITED

DIRECTORS REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement as to Disclosure of Information to the Auditor

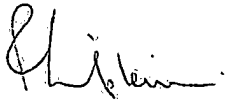
The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Auditor

The auditor, RSM UK Audit LLP, has indicated its willingness to continue in office.

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

On behalf of the board



P Lewis, Director

19 March 2021

INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF TOWER MANAGEMENT SERVICES LIMITED

Opinion

We have audited the financial statements of Tower Management Services Limited (the company) for the year ended 31 December 2020 which comprise the statement of comprehensive income, statement of financial position 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 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Auditors 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 auditors 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,

INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF TOWER MANAGEMENT SERVICES LIMITED (CONTINUED)

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 the 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 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 directors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- if small - 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 from the requirement to prepare a strategic report or in preparing the directors report

Responsibilities of directors

As explained more fully in the directors responsibilities statement set out on page 1, 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 companys 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.

Auditors 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 auditors 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.

INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF TOWER MANAGEMENT SERVICES LIMITED (CONTINUED)

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk 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, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety. We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these law and regulations and inspected legal expenditure to identify any potentially undisclosed non-compliance.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF TOWER MANAGEMENT SERVICES LIMITED (CONTINUED)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditors report.

Use of our report

This report is made solely to the companys 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 companys members those matters we are required to state to them in an auditors 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 companys members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Christopher Tate (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

25 Farringdon Street

London

EC4A 4AB

19 March 2021

TOWER MANAGEMENT SERVICES LIMITED

STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Turnover	3	641,335	658,126
Administrative expenses		(632,202)	(643,691)
Operating Profit		9,133	14,435
Interest Receivable		2,002	196
Profit before taxation		11,135	14,631
Tax	4	(2,780)	(2,816)
Profit for the Year		8,355	11,815
Retained earnings at the start of the period		202,149	190,334
Retained earnings at the end of the period		210,504	202,149

All amounts relate to continuing activities.

TOWER MANAGEMENT SERVICES LIMITED

Company Number: 03554336

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £	2019 £
Current Assets			
Debtors	6	83,190	607,543
Cash at bank		3,618,461	3,107,622
		<u>3,701,651</u>	<u>3,715,165</u>
Creditors: Amounts Falling Due Within One Year	7	<u>(3,491,145)</u>	<u>(3,513,016)</u>
Total Assets Less Current Liabilities		<u>210,506</u>	<u>202,149</u>
Capital and Reserves			
Share capital	8	2	2
Profit and loss account		210,504	202,147
Shareholders Funds		<u>210,506</u>	<u>202,149</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and Section 1A Smaller Entities of FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements on pages 7 to 11 were approved by the board of directors and authorised for issue 19 March 2021 and signed on its behalf.



P Lewis
Director



M Rosenberg
Director

TOWER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 General Information

Tower Management Services Limited (the Company) is a private company limited by shares incorporated and registered in England to provide property management services to Tower 42 and its estate. The registered office of Tower Management Services Limited is York Gate, 100 Marylebone Road, London NW1 5DX.

2 Accounting Policies

Basis of Accounting

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), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime, and under the historical cost convention. 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.

Going Concern

Given the nature of the company's activities all liabilities are settled by collection service charges from the tenants the company represents. The COVID-19 outbreak is currently having a very limited and manageable impact on the business. On that basis, the director feels it is appropriate to prepare the accounts on a going concern basis.

Turnover

Fees and commissions received for management and other property services are included in income as earned net of Value Added Taxation and trade discounts.

Deferred Taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the accounts. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Financial Instruments

The Company has elected to apply the provisions of Section 11 of FRS 102, in full, to all of its financial instruments. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Creditors

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

TOWER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Turnover

The company provides property management services for Tower 42 and its attached estate. The company incurs all service charge expenditure and recharges these costs to tenants. These costs and equal recharges are excluded from sales and cost of sales. The amounts outstanding at the year end in relation to these costs and equally recharged are included within debtors and creditors.

4 Employees

There were no employees of the company during the year other than the directors (2019: none).

No directors received any remuneration for their services as directors of the company (2019: £nil).

5 Taxation

	2020 £	2019 £
Corporation tax for the year	2,780	2,817

6 Debtors

	2020 £	2019 £
Due within one year:		
Amounts due from tenants	-	445,489
Other debtors	83,190	162,054
	83,190	607,543

7 Creditors: Amounts Falling Due Within One Year

	2020 £	2019 £
Trade creditors	32,454	4,086
Service charge creditors	2,643,725	2,064,330
Corporation tax	2,780	2,816
Other taxation and social security	88,740	314,955
Other creditors	440	404
Amounts due to tenants	599,574	-
Accruals and deferred income	123,431	1,126,425
	3,500,280	3,513,016

TOWER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Share Capital

	2020	2019
	£	£
Allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2

9 Contingent Liabilities

The company is party to a cross guarantee arrangement in connection with the secured borrowings of The Tower Limited Partnership which were £187.1m as at 31 December 2020 (2019: £189.9m). This guarantee is secured by a fixed and floating charge over the assets of the company.

10 Immediate and Ultimate Controlling Party

In the opinion of the Directors, the immediate parent entity is The Tower Limited Partnership, and the ultimate parent company is Ki Corporation Limited, a company registered in Jersey.

Ki Corporation Limited is the parent of the smallest group for which consolidated accounts are prepared of which the company is a member. The registered office of Ki Corporation Limited is 28 Esplanade, St. Helier, Jersey, JE2 3QA.