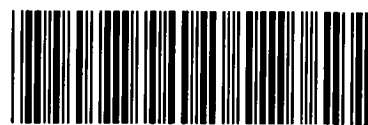


**TOWER MANAGEMENT SERVICES LIMITED**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

THURSDAY



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COMPANIES HOUSE

**Company No. 03554336**

## **TOWER MANAGEMENT SERVICES LIMITED**

### **COMPANY INFORMATION**

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|                          |   |
|--------------------------|---|
| <b>Directors</b>         | P Lewis<br>B Stiefel  |
| <b>Secretary</b>         | E MacPherson  |
| <b>Company Number</b>    | 03554336  |
| <b>Registered Office</b> | York Gate<br>100 Marylebone Road<br>London<br>NW1 5DX                                 |
| <b>Auditors</b>          | RSM UK Audit LLP<br>Chartered Accountants<br>25 Farringdon Street<br>London, EC4A 4AB |

# **TOWER MANAGEMENT SERVICES LIMITED**

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# **TOWER MANAGEMENT SERVICES LIMITED**

## **DIRECTORS' REPORT**

FOR THE YEAR ENDED 31 DECEMBER 2017

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The directors present their report together with the audited accounts for the year ended 31 December 2017.

### **Principal Activities**

The Company's 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  
B Stiefel

### **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 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.

**TOWER GENERAL PARTNER LIMITED**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**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**

**28** March 2018

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF TOWER MANAGEMENT SERVICES LIMITED**

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#### **Opinion**

We have audited the financial statements of Tower Management Services Limited (the 'company') for the year ended 31 December 2017 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and notes to the financial statements, including a summary of 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 2017 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 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **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. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF TOWER MANAGEMENT SERVICES LIMITED (CONTINUED)**

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#### **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
- 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 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.

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

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF TOWER MANAGEMENT SERVICES LIMITED (CONTINUED)**

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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.

*RSM UK Audit LLP*

RICHARD COATES (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
25 Farringdon Street  
London  
EC4A 4AB

28 March 2018



**TOWER MANAGEMENT SERVICES LIMITED****STATEMENT OF INCOME AND RETAINED EARNINGS**

FOR THE YEAR ENDED 31 DECEMBER 2017

|   | Notes | 2017<br>£        | 2016<br>£ |
|---|-------|------------------|-----------|
| <b>Turnover</b>                                   | 3     | <b>578,555</b>   | 569,825   |
| Administrative expenses                           |       | <b>(567,257)</b> | (564,640) |
| <b>Operating Profit</b>                           |       | <b>11,298</b>    | 5,185     |
| Interest Receivable                               |       | <b>1,137</b>     | 2,818     |
| <b>Profit before taxation</b>                     |       | <b>12,435</b>    | 8,003     |
| Tax   | 5     | <b>(2,393)</b>   | (2,257)   |
| <b>Profit for the Year</b>                        |       | <b>10,042</b>    | 5,746     |
| Retained earnings at the start of the period      |       | <b>168,944</b>   | 163,198   |
| <b>Retained earnings at the end of the period</b> |       | <b>178,986</b>   | 168,944   |

All amounts relate to continuing activities.

**TOWER MANAGEMENT SERVICES LIMITED**

Company Number: 03554336

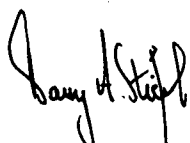
**STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2017

|   | Notes | 2017<br>£        | 2016<br>£        |
|---|-------|------------------|------------------|
| <b>Current Assets</b>                                 |       |                  |                  |
| Debtors   | 6     | 1,108,230        | 1,148,237        |
| Cash at bank  |       | 1,977,623        | 2,762,760        |
|   |       | <u>3,085,853</u> | <u>3,910,997</u> |
| <b>Creditors: Amounts Falling Due Within One Year</b> | 7     | (2,906,865)      | (3,742,051)      |
| <b>Total Assets Less Current Liabilities</b>          |       | <u>178,988</u>   | <u>168,946</u>   |
| <b>Capital and Reserves</b>                           |       |                  |                  |
| Share capital   | 8     | 2                | 2                |
| Profit and loss account                               |       | 178,986          | 168,944          |
| <b>Shareholders' Funds</b>                            |       | <u>178,988</u>   | <u>168,946</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 6 to 10 were approved by the board of directors and authorised for issue on 28. March 2018 and signed on its behalf.



**B Stiefel**  
Director



**P Lewis**  
Director

## **TOWER MANAGEMENT SERVICES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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#### **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.

##### ***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 2017**

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### **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 (2016: none).

No directors received any remuneration for their services as directors of the company (2016: £nil).

### **5 Taxation**

|                              | 2017<br>£ | 2016<br>£ |
|------------------------------|-----------|-----------|
| Corporation tax for the year | 2,393     | 2,257     |
|                              | <hr/>     | <hr/>     |

### **6 Debtors**

|                          | 2017<br>£ | 2016<br>£ |
|--------------------------|-----------|-----------|
| Due within one year:     |           |           |
| Amounts due from tenants | 1,090,492 | 789,961   |
| Other debtors            | 17,738    | 358,276   |
|                          | <hr/>     | <hr/>     |
|                          | 1,108,230 | 1,148,237 |
|                          | <hr/>     | <hr/>     |

### **7 Creditors: Amounts Falling Due Within One Year**

|                                    | 2017<br>£ | 2016<br>£ |
|------------------------------------|-----------|-----------|
| Trade creditors                    | 76,687    | 485,519   |
| Service charge creditors           | 2,188,337 | 2,014,934 |
| Corporation tax                    | 2,393     | 2,257     |
| Other taxation and social security | 177,128   | 234,857   |
| Amounts owed to group undertakings | 22,601    | 7,404     |
| Other creditors                    | 259,630   | 563,758   |
| Accruals and deferred income       | 180,089   | 433,322   |
|                                    | <hr/>     | <hr/>     |
|                                    | 2,906,865 | 3,742,051 |
|                                    | <hr/>     | <hr/>     |

## **TOWER MANAGEMENT SERVICES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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#### **8 Share Capital**

|   | <b>2017</b>       | <b>2016</b>       |
|---|-------------------|-------------------|
|   | <b>£</b>          | <b>£</b>          |
| <b>Allotted, called up and fully paid</b> |                   |                   |
| 2 ordinary shares of £1 each              | <b>2</b>          | <b>2</b>          |
|   | <u>          </u> | <u>          </u> |

#### **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 £195.3m as at 31 December 2017 (2016: £193.4m). This guarantee is secured by a fixed and floating charge over the assets of the company.

#### **10 Consolidated Accounts**

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.