

Registered number: 4189735

FREDERICK COURT LIMITED

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2016



FREDERICK COURT LIMITED

31 DECEMBER 2016

CORPORATE INFORMATION

Directors: H R Seaborn
R J Grant

Secretary: P M Loutit

Registered office: 10 Duke of York Square
London SW3 4LY

Registered number: 4189735

Auditor: Ernst & Young LLP
1 More London Place
London SE1 2AF

FREDERICK COURT LIMITED
REGISTERED NUMBER: 4189735

STRATEGIC REPORT

The directors present their strategic report for the year ended 31 December 2016.

REVIEW OF THE BUSINESS

The company is a wholly owned subsidiary of Cadogan Estates Limited and a review of the company's business is included within the group's consolidated financial statements of Cadogan Group Limited, Cadogan Estates Limited's immediate parent undertaking.

During the year the company recorded a loss attributable to shareholders of £112,210 (2015 – profit of £947).

APPROACH TO RISK MANAGEMENT

The company is a member of a group which is a long term property investor with a focus on high quality property assets located in central London. The group has appropriate policies in place to identify, assess and manage the risks faced by the business. Because of its private ownership and long term outlook the group aims for, and is able to achieve, a high level of resilience in all areas of its business.

A detailed review of the group's approach to dealing with its principal risks and uncertainties is set out in the consolidated financial statements of Cadogan Group Limited.

By order of the board



PM Loutit
Secretary

26 April 2017

FREDERICK COURT LIMITED

REGISTERED NUMBER: 4189735

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2016.

PRINCIPAL ACTIVITY

The principal activity of the company is residential property letting.

DIVIDENDS

No dividend was paid in the year (2015 – nil).

FUTURE DEVELOPMENTS

The directors do not anticipate any major change in the company's principal activity outlined above in the foreseeable future.

FINANCIAL RISK MANAGEMENT

A summary of approach to risk management has been included in the strategic report.

DIRECTORS

The directors holding office during the financial year and up to the date of this report are listed on page 1.

The company has granted an indemnity to its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in Section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' Report.

GOING CONCERN

The company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives, details of its financial instruments and derivative activities, and its exposures to price, credit, liquidity and cash flow risk are set out in the strategic report contained in the Cadogan Group Limited consolidated financial statements.

At 31 December 2016 the company had net liabilities. Cadogan Group Limited has agreed to provide adequate funds for the company to meet its liabilities as they fall due for a period of not less than twelve months from the date of this report. As a consequence the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the report and 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).

FREDERICK COURT LIMITED

DIRECTORS' REPORT (continued)

DIRECTORS' RESPONSIBILITIES STATEMENT (continued)

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:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper 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 to 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.

DISCLOSURE OF INFORMATION TO THE 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, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the board



PM Loutit
Secretary

26 April 2017

COURT REPORT INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FREDERICK COURT LIMITED

We have audited the financial statements of Frederick Court Limited for the year ended 31 December 2016 which comprise the Income Statement, Statement of Comprehensive Income, Statement of Changes of Equity, Statement of Financial Position and the related notes 1 to 9. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland'.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 and 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FREDERICK COURT LIMITED (continued)**

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

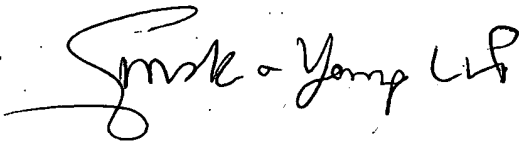
- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have identified no material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters where 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.



Eamonn McGrath (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

26 April 2017

FREDERICK COURT LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
Turnover	2	209,875	204,827
Property expenses		(368,277)	(218,793)
		<hr/>	<hr/>
		(158,402)	(13,966)
Other property income		23,987	21,053
		<hr/>	<hr/>
Net rents receivable		(134,415)	7,087
Administrative expenses		(5,848)	(5,899)
		<hr/>	<hr/>
OPERATING PROFIT/(LOSS)	4	(140,263)	1,188
		<hr/>	<hr/>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(140,263)	1,188
Tax on profit/(loss) on ordinary activities	5	28,053	(241)
		<hr/>	<hr/>
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		(112,210)	947
		<hr/>	<hr/>

Notes 1 to 9 form an integral part of these financial statements

FREDERICK COURT LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

There was no other comprehensive income during the year and therefore total comprehensive income for the year equals the loss attributable to shareholders of the company of £112,210 in the year ended 31 December 2016 and the profit attributable to shareholders of the company of £947 in the year ended 31 December 2015.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital £	Profit and loss account £	Shareholders' equity £
At 1 January 2015	2	(2,477)	(2,475)
Profit for year	-	947	947
	----	-----	-----
Total comprehensive income for the year	-	947	947
	----	-----	-----
At 31 December 2015	2	(1,530)	(1,528)
	===	=====	=====
At 1 January 2016	2	(1,530)	(1,528)
Loss for year	-	(112,210)	(112,210)
	----	-----	-----
Total comprehensive loss for the year	-	(112,210)	(112,210)
	----	-----	-----
At 31 December 2016	2	(113,740)	(113,738)
	===	=====	=====


Notes 1 to 9 form an integral part of these financial statements

FREDERICK COURT LIMITED

STATEMENT OF FINANCIAL POSITION 31 DECEMBER 2016

		2016	2015
	Note	£	£
CURRENT ASSETS -			
Debtors	6	50,981	49,128
		<u> </u>	<u> </u>
 CREDITORS - amounts falling due within one year			
Other creditors	7	25,707	21,079
Amount owed to parent undertaking		139,012	29,336
Corporation tax		-	241
		<u> </u>	<u> </u>
		164,719	50,656
		<u> </u>	<u> </u>
 NET LIABILITIES		<u>(113,738)</u>	<u>(1,528)</u>
		=====	=====
 CAPITAL AND RESERVES			
Called up share capital	8	2	2
Profit and loss account		(113,740)	(1,530)
		<u> </u>	<u> </u>
EQUITY SHAREHOLDERS' DEFICIT		<u>(113,738)</u>	<u>(1,528)</u>
		=====	=====

 H R Seaborn - Director

 R J Grant - Director

26 April 2017

Notes 1 to 9 form an integral part of these financial statements

FREDERICK COURT LIMITED

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2016

1 ACCOUNTING POLICIES

(a) Statement of compliance

Frederick Court Limited is a limited liability company incorporated in England. The Registered Office is 10 Duke of York Square, London, SW3 4LY.

The financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the company for the year ended 31 December 2016.

Basis of preparation

The financial statements of Frederick Court Limited were authorised for issue by the Board of Directors on 26 April 2017.

The financial statements have been prepared on a historical cost basis in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency of the company.

Under the provisions of FRS 102, the company is defined as a qualifying entity and has consequently taken advantage of the disclosure exemptions set out in Section 1.12 not to:

- Provide a reconciliation of the number of shares outstanding at the beginning and end of the year;
- Prepare a statement of cash flow; and
- Disclosure of key management personnel compensation.

Fundamental accounting concept

The company has net current liabilities primarily arising from amounts owed to group undertakings. The company has received assurances from its operational parent undertaking, Cadogan Group Limited, that it will provide the financial support to meet the company's liabilities as and when they fall due for a period of not less than 12 months from the date of the approval of the financial statements and it is therefore appropriate to prepare the financial statements on the going concern basis.

FREDERICK COURT LIMITED

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2016

1 ACCOUNTING POLICIES (continued)

(b) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Taxation

The company establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

(c) Turnover and revenue recognition.

Turnover is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, net of VAT and comprises gross rents including reverse premium received on early lease termination, commissions and other fees receivable. The following criteria must also be met before revenue is recognised:

Rental income

The Company is the lessor in operating leases. Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease terms and is included in revenue in the income statement due to its operating nature, except for contingent rental income which is recognised when it arises.

Tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the directors are reasonably certain that the tenant will exercise that option.

Amounts received from tenants to terminate leases or to compensate for dilapidations are recognised in the income statement when the right to receive them arises.

FREDERICK COURT LIMITED

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2016

1 ACCOUNTING POLICIES (continued)

(d) Related parties

The company has taken advantage of the exemptions in FRS 102 Section 33.1A Related Party Disclosures, not to disclose related party transactions between two or more members of a group provided that any subsidiary which is party to the transaction is wholly owned by such a member.

(e) Taxation

Current taxation including UK corporation tax is provided at the amounts expected to be paid (or recovered) using the tax rates and laws that have been substantially enacted at the balance sheet date.

2 TURNOVER

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities.

The company operates in one principal area of activity, that of a landlord. The company operates within one geographical market, the United Kingdom.

3 STAFF COSTS AND EMOLUMENTS OF DIRECTORS

The company did not employ any staff during the year (2015 – nil).

The directors received no remuneration during the year (2015 – nil).

4 OPERATING PROFIT/(LOSS) is stated after charging:

	2016	2015
	£	£
Auditor's remuneration – audit of the financial statements	5,800	5,560
	<hr/>	<hr/>

FREDERICK COURT LIMITED

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2016

5 TAXATION

(a) Analysis of charge in the year

	2016 £	2015 £
Current tax:		
UK corporation tax at 20.00% (2015: 20.25%)	-	241
Group relief	(28,053)	-
Total tax on profit/(loss) on ordinary activities	<u>(28,053)</u> =====	<u>241</u> =====

(b) Factors affecting tax charge for the year

The tax charge for the current year is equal to (2015 – equal to) the current standard rate of corporation tax in the UK of 20.00% (2015 – 20.25%).

	2016 %	2015 %
Standard tax rate	20	20
Actual current tax rate	20	20
Difference	<u>-</u> ===	<u>-</u> ===
Explained by:		
Small profits relief	-	-
	<u>-</u> ===	<u>-</u> ===

(c) Factors affecting tax charge for the year

The UK corporation tax rate reduced from 21% to 20% from April 2015. Accordingly the company's result for the accounting period is taxed at an effective rate of 20% (2015 – 20.25%). The corporation tax rate will reduce to 19% from April 2017 and to 17% from April 2020. At the balance sheet date, the reduction to 17% from April 2020 has been substantively enacted and hence in accordance with Accounting Standards, the impact of these reductions have been reflected in the company's financial statements at 31 December 2016. The rate changes will also impact the amount of future tax payments to be made by the company.

FREDERICK COURT LIMITED

NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2016

6 DEBTORS

	2016 £	2015 £
Trade debtors	13,011	10,952
Prepayments	37,970	38,176
	<u>50,981</u>	<u>49,128</u>
	=====	=====

7 CREDITORS

	2016 £	2015 £
Other creditors and accruals	14,714	8,815
Deferred income	10,993	12,264
	<u>25,707</u>	<u>21,079</u>
	=====	=====

8 CALLED UP SHARE CAPITAL

	2016 £	2015 £
2 Authorised, allotted and fully paid ordinary shares of £1 each	2	2
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9 ULTIMATE HOLDING COMPANY

The company's immediate parent undertaking is Cadogan Estates Limited. The holding company for all operational purposes is Cadogan Group Limited, Cadogan Estates Limited's immediate parent undertaking. This is the smallest group which included the company's results in its consolidated financial statements.

In the directors' opinion, the company's ultimate holding company (and the largest group in which the company's results are consolidated) is Cadogan Settled Estates Limited.

The ultimate ownership of Cadogan Settled Estates Limited is vested in The Eighth Earl Cadogan's 6 December 1961 Settlement.

Group financial statements are prepared by Cadogan Settled Estates Limited and Cadogan Group Limited and can be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff CF14 3UZ.