

Registered number: 4189735

**FREDERICK COURT LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**31 DECEMBER 2013**

TUESDAY



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## **FREDERICK COURT LIMITED**

**REGISTERED NUMBER: 4189735**

### **STRATEGIC REPORT**

#### **REVIEW OF THE BUSINESS**

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

During the year the company recorded a loss attributable to shareholders of £11,111 (2012 - £18,770).

#### **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  
24 April 2014

## **FREDERICK COURT LIMITED**

**REGISTERED NUMBER: 4189735**

### **DIRECTORS' REPORT**

The directors present their report and financial statements for the year ended 31 December 2013.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company is residential property letting.

#### **DIVIDENDS**

No dividend was paid in the year (2012 – 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.

#### **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 2013 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.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the annual 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)**

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES (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 AUDITORS**

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

24 April 2014

## **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 2013 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 10. 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).

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 Statement of Directors' Responsibilities 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 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 annual 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 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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)**

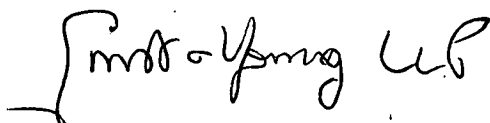
**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion 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.

**Matters on which we are required to report by exception**

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 by the company, 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 director' 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

24 April 2014

# FREDERICK COURT LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 £	2012 £
Turnover		198,123	187,992
Property expenses		(228,018)	(227,273)
		<hr/>	<hr/>
		(29,895)	(39,281)
Other property income		20,569	19,484
		<hr/>	<hr/>
Net rents receivable		(9,326)	(19,797)
Administrative expenses		(5,150)	(5,035)
		<hr/>	<hr/>
<b>OPERATING LOSS</b>	3	<b>(14,476)</b>	<b>(24,832)</b>
Interest receivable		-	-
		<hr/>	<hr/>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(14,476)</b>	<b>(24,832)</b>
Tax on loss on ordinary activities	4	3,365	6,062
		<hr/>	<hr/>
<b>RETAINED LOSS FOR THE FINANCIAL YEAR</b>	8	<b>(11,111)</b>	<b>(18,770)</b>
		<hr/>	<hr/>

### STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

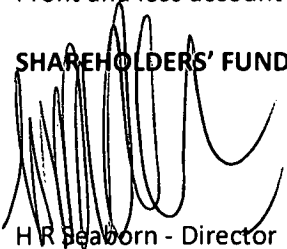
There were no recognised gains and losses other than the loss attributable to shareholders of the company of £11,111 in the year ended 31 December 2013 and the loss attributable to shareholders of the company of £18,770 in the year ended 31 December 2012.


*Notes 1 to 10 form an integral part of these financial statements*

# FREDERICK COURT LIMITED

## BALANCE SHEET 31 DECEMBER 2013

		2013	2012
	Note	£	£
<b>CURRENT ASSETS</b>			
Debtors	5	18,430	29,410
		<u>18,430</u>	<u>29,410</u>
<b>CREDITORS - amounts falling due within one year</b>			
Other creditors	6	14,219	14,968
Amount owed to parent undertaking		9,140	8,260
		<u>23,359</u>	<u>23,228</u>
		<u>(4,929)</u>	<u>6,182</u>
		=====	=====
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	2	2
Profit and loss account	8	(4,931)	6,180
<b>SHAREHOLDERS' FUNDS/(DEFICIT)</b>	9	<u>(4,929)</u>	<u>6,182</u>
		=====	=====

  
H R Seaborn - Director

  
R J Grant - Director

24 April 2014

*Notes 1 to 10 form an integral part of these financial statements*



# **FREDERICK COURT LIMITED**

## **NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2013**

### **1 ACCOUNTING POLICIES**

#### **(a) Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with all applicable accounting standards.

Fundamental accounting concept

The financial statements have been prepared under the going concern concept because the director have obtained confirmation of the intention of Cadogan Group Limited to provide and maintain 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.

#### **(b) Turnover**

Turnover comprises rents due in respect of the accounting period. The cost of all lease incentives (such as rent-free periods) is offset against the total rent due and the net rental income is then spread evenly over the period from the start of the lease to the date of the next rent review or the lease end date. Increases in rents arising from rent reviews are recognised when the review has been completed and agreed with the tenant.

All of the company's activities take place in the United Kingdom.

#### **(c) Cash flow statement**

The company is a wholly owned subsidiary of Cadogan Estates Limited which itself is a wholly owned subsidiary of Cadogan Group Limited. As Cadogan Group Limited prepares consolidated financial statements the company has made use of the exemption under Financial Reporting Standard 1 (Revised), "Cash Flow Statements", not to prepare a statement of cash flow.

#### **(d) Related parties**

As the company is 100% owned directly or indirectly by the ultimate parent undertaking it has made use of the exemption in Financial Reporting Standard 8, paragraph 3c, not to disclose transactions with other group companies which meet the criteria that all subsidiary undertakings which are party to the transaction are wholly owned by the ultimate parent.

### **2 STAFF COSTS AND EMOLUMENTS OF DIRECTORS**

The company did not employ any staff during the year (2012 – nil).

The directors received no remuneration during the year (2012 – nil).

# FREDERICK COURT LIMITED

## NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2013

**3 OPERATING LOSS** is stated after charging:

	2013 £	2012 £
Auditor's remuneration – audit of the financial statements	5,150	5,000
	<u>          </u>	<u>          </u>

**4 TAXATION**

**(a) Analysis of charge in the year**

	2013 £	2012 £
Current tax:		
UK corporation tax on loss for the year	-	-
Group relief	(3,365)	(6,062)
Total tax on loss on ordinary activities	(3,365)	(6,062)
	=====	=====

**(b) Factors affecting tax charge for the year**

The tax charge for the current year is equal to (2012 – equal to) the current standard rate of corporation tax in the UK of 23.25% (2012 – 24.5%).

**(c) Factors affecting tax charge for the year**

The UK corporation tax rate reduced to 23% from April 2013. The rate will reduce to 21% from April 2014 and 20% from April 2015. The rate changes will impact the amount of future tax payments to be made by the company.

# FREDERICK COURT LIMITED

## NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2013

### 5 DEBTORS

	2013 £	2012 £
Trade debtors	5,462	6,160
Prepayments	12,868	23,250
	<hr/>	<hr/>
	18,430	29,410
	=====	=====

### 6 CREDITORS

	2013 £	2012 £
Other creditors and accruals	10,076	11,017
Deferred income	4,143	3,951
	<hr/>	<hr/>
	14,219	14,968
	=====	=====

### 7 CALLED UP SHARE CAPITAL

	2013 £	2012 £
2 Authorised, allotted and fully paid ordinary shares of £1 each	2	2
	<hr/>	<hr/>

### 8 RESERVES

	Profit and loss account £
At 1 January 2013	6,180
Retained loss for the year	(11,111)
	<hr/>
At 31 December 2013	(4,931)
	=====

# FREDERICK COURT LIMITED

## NOTES ON THE FINANCIAL STATEMENTS 31 DECEMBER 2013

### 9 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS/(DEFICIT)

	2013 £	2012 £
Total recognised gains and losses	(11,111)	(18,770)
	————	————
Net reduction in shareholders' funds	(11,111)	(18,770)
Opening shareholders' funds	6,182	24,952
	————	————
Closing shareholders' funds/(deficit)	(4,929)	6,182
	=====	=====

### 10 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.