

Registered number: 06537028

Be Modern Properties Limited

Directors' report and financial statements

7 May 2016



Be Modern Properties Limited

Officers and professional advisers

Directors	W Bloodworth G Bloodworth
Company secretary	J R Harris
Registered number	06537028
Registered office	19-34 Bedesway Bede Industrial Estate Jarrow Tyne and Wear NE32 3BE
Independent auditor	UNW LLP Chartered Accountants Citygate St James Boulevard Newcastle upon Tyne NE1 4JE
Bankers	Lloyds Bank Plc PO Box 45 54 Fawcett Street Sunderland NE33 1AW
Solicitors	Patterson, Glenton & Stracey Law Court Chambers Waterloo Square South Shields NE33 1AW Ward Hadaway Sandgate House 102 Quayside Newcastle upon Tyne NE1 3DX

Be Modern Properties Limited

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Be Modern Properties Limited

Directors' report Year ended 7 May 2016

The directors present their report and the financial statements for the year ended 7 May 2016.

Results and dividends

The profit for the year, after taxation, amounted to £153,435 (2015: £431,096).

Dividends paid on equity capital amounted to £450,000 (2015: £nil).

Directors

The directors who served during the year were:

W Bloodworth
G Bloodworth

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to section 487(2) of the Companies Act 2006, the auditor will be deemed to be reappointed and UNW LLP will therefore continue in office.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 27 October 2016 and signed on its behalf by:



W Bloodworth
Director

Be Modern Properties Limited

Directors' responsibilities statement Year ended 7 May 2016

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.



Independent auditor's report to the members of Be Modern Properties Limited

We have audited the financial statements of Be Modern Properties Limited for the year ended 7 May 2016, set out on pages 5 to 13. 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in 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 on page 2, 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 directors' report 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 financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 7 May 2016 and of its profit 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 Be Modern Properties 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 directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

In the light of our 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.

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, 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

A handwritten signature in black ink, appearing to read 'David Redhead'.

David Redhead (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

27 October 2016

Be Modern Properties Limited

Statement of comprehensive income Year ended 7 May 2016

	Note	2016 £	2015 £
Profit and loss account			
Turnover		648,750	655,000
Gross profit		648,750	655,000
Administrative expenses		(88,833)	(97,789)
Exceptional administrative expenses	3	(293,738)	-
Operating profit		266,179	557,211
Interest receivable and similar income		8,738	349
Interest payable and similar charges		(3)	-
Profit on ordinary activities before taxation		274,914	557,560
Tax on profit on ordinary activities		(121,479)	(126,464)
Profit for the financial year		153,435	431,096

There were no amounts recognised in other comprehensive income for 2016 or 2015.

The notes on pages 8 to 13 form part of these financial statements.

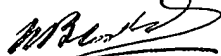
Be Modern Properties Limited

Balance sheet At 7 May 2016

	Note	£	7 May 2016 £	£	9 May 2015 £
Fixed assets					
Tangible assets	5		4,008,081		4,096,913
Investments	6		4		4
			<u>4,008,085</u>		<u>4,096,917</u>
Current assets					
Fixed assets held for sale		-		402,583	
Debtors	7	365,367		17,783	
Cash at bank and in hand		808,182		15,510	
		<u>1,173,549</u>		<u>435,876</u>	
Creditors: amounts falling due within one year	8	(1,132,161)		(189,483)	
Net current assets			<u>41,388</u>		<u>246,393</u>
Total assets less current liabilities			<u>4,049,473</u>		<u>4,343,310</u>
Provisions for liabilities					
Deferred tax		(126,861)		(124,133)	
Net assets			<u><u>3,922,612</u></u>		<u><u>4,219,177</u></u>
Capital and reserves					
Called up share capital			3,379,335		3,379,335
Profit and loss account			543,277		839,842
Total equity			<u><u>3,922,612</u></u>		<u><u>4,219,177</u></u>

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 were approved and authorised for issue by the board and were signed on its behalf on 27 October 2016.



W Bloodworth

Director

Company registered number: 06537028

Be Modern Properties Limited

Statement of changes in equity Year ended 7 May 2016

	Called up share capital £	Profit and loss account £	Total equity £
At 10 May 2015	3,379,335	839,842	4,219,177
Profit for the year	-	153,435	153,435
Dividends: Equity capital	-	(450,000)	(450,000)
At 7 May 2016	<u>3,379,335</u>	<u>543,277</u>	<u>3,922,612</u>

Statement of changes in equity Year ended 9 May 2015

	Called up share capital £	Profit and loss account £	Total equity £
At 11 May 2014	3,379,335	408,746	3,788,081
Profit for the year	-	431,096	431,096
At 9 May 2015	<u>3,379,335</u>	<u>839,842</u>	<u>4,219,177</u>

Be Modern Properties Limited

Notes to the financial statements Year ended 7 May 2016

1. General information and statement of compliance

The company is a private company limited by shares, incorporated and domiciled in the United Kingdom. The address of the registered office is given in the company information page of these financial statements.

Statement of compliance

The financial statements have been prepared in accordance with Section 1A of Financial Reporting Standard 102 'the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' and the Companies Act 2006.

2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. The company has adopted Section 1A of FRS 102 in the current year and an explanation of how the transition to FRS 102 has affected the reported financial performance and position is given in note 9.

2.1 Basis of preparation of financial statements

The financial statements are prepared on a going concern basis and under the historical cost convention. They are presented in pounds sterling.

2.2 Revenue

Turnover

Turnover comprises rental income from other group companies receivable during the year, excluding Value Added Tax. Turnover is recognised on a straight line basis over the term of the lease. Where payments are received from customers in advance of the rental period the amounts are recorded as deferred income and included as part of creditors due within one year.

2.3 Tangible fixed and depreciation

Tangible fixed assets are stated at cost, less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price plus any further costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their estimated useful lives as follows:

Freehold property	-	2% straight line
Long term leasehold property	-	straight line over tenure

Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

Be Modern Properties Limited

Notes to the financial statements Year ended 7 May 2016

2. Accounting policies (continued)

2.4 Investments

Investments are stated at cost less provision for impairment.

2.5 Short term debtors and creditors

Short term debtors and creditors with no stated interest rate are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account.

2.6 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.

2.7 Current and deferred taxation

The taxation expense for the year comprises current and deferred tax and is recognised in the profit and loss account except to the extent that it relates to items recognised in other comprehensive income, or directly in equity, in which case the tax expense is also recognised in other comprehensive income or directly in equity.

Current tax is the amount of income tax payable in respect of the taxable profit for the current or past reporting periods. It is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences arise from the inclusion of transactions and events in the financial statements in periods different from those in which they are assessed for tax.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences.

2.8 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence, to provide further understanding of the performance of the company.

Be Modern Properties Limited

Notes to the financial statements Year ended 7 May 2016

3. Exceptional items

	2016 £	2015 £
Net loss on disposal of fixed assets held for sale	<u>293,738</u>	<u>-</u>

4. Employees

The average monthly number of employees, including directors, during the year was 2 (2015: 2).

5. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Total £
Cost			
At 10 May 2015 and 7 May 2016	<u>3,789,094</u>	<u>713,083</u>	<u>4,502,177</u>
Depreciation			
At 10 May 2015	344,229	61,035	405,264
Charge for the year	<u>80,113</u>	<u>8,719</u>	<u>88,832</u>
At 7 May 2016	<u>424,342</u>	<u>69,754</u>	<u>494,096</u>
Net book value			
At 7 May 2016	<u>3,364,752</u>	<u>643,329</u>	<u>4,008,081</u>
At 9 May 2015	<u>3,444,865</u>	<u>652,048</u>	<u>4,096,913</u>

Be Modern Properties Limited

Notes to the financial statements Year ended 7 May 2016

6. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 10 May 2015 and 7 May 2016	<u>4</u>
Net book value	
At 7 May 2016	<u>4</u>
At 9 May 2015	<u>4</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Burstay Properties Limited	United Kingdom	Ordinary	100%	Property holding company
Diaward Properties Limited	United Kingdom	Ordinary	100%	Non-trading

7. Debtors

	7 May 2016 £	9 May 2015 £
Amounts owed by group undertakings	357,419	-
Other debtors	<u>7,948</u>	<u>17,783</u>
	<u>365,367</u>	<u>17,783</u>

Be Modern Properties Limited

Notes to the financial statements Year ended 7 May 2016

8. Creditors: amounts falling due within one year

	7 May 2016 £	9 May 2015 £
Amounts owed to group undertakings	1,068,925	189,482
Corporation tax	63,236	-
Other creditors	-	1
	<u>1,132,161</u>	<u>189,483</u>

Be Modern Properties Limited

Notes to the financial statements Year ended 7 May 2016

9. First time adoption of FRS 102

The company transitioned to FRS 102 from previously extant UK GAAP as at 11 May 2014. The impact of the transition to FRS 102 is as follows:

Reconciliation of equity at 11 May 2014

	Note	£
Equity at 11 May 2014 under previous UK GAAP		3,841,120
Deferred tax provided on rollover gain	1	(53,039)
Equity shareholders funds at 11 May 2014 under FRS 102		3,788,081

Reconciliation of equity at 9 May 2015

	Note	£
Equity at 9 May 2015 under previous UK GAAP		4,272,216
Deferred tax provided on rollover gain	1	(53,039)
Equity shareholders funds at 9 May 2015 under FRS 102		4,219,177

Reconciliation of profit and loss account for the period ended 9 May 2015

	£
Profit for the year under UK GAAP	431,096
Profit for the period ended 9 May 2015 under FRS 102	431,096

The following were changes in accounting policies arising from the transition to FRS 102:

- 1 Under FRS 102 deferred tax is required to be provided for on rollover gains; under previous UK GAAP provision was not required to be made for deferred tax in respect of potentially taxable gains which have been rolled over into replacement assets.

The effect of recognising deferred tax in respect of such gains is to reduce equity by £53,039 at 11 May 2014 and 9 May 2015. There has been no impact of this adjustment on profit for the year ended 9 May 2015, nor on other comprehensive income for that period.