

Registered number: 06881654

BLUSTON SECURITIES (BORDON) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018



| |
|--|
| BLUSTON SECURITIES (BORDON) LIMITED |
|--|

COMPANY INFORMATION

| | |
|----------------------------|--|
| Directors | M D Paisner CBE R Glatter |
| Company secretary | M D Paisner CBE |
| Registered number | 06881654 |
| Registered office | 25 Moorgate London EC2R 6AY |
| Independent auditor | Nexia Smith & Williamson Statutory Auditor & Registered Auditors 25 Moorgate London EC2R 6AY |

BLUSTON SECURITIES (BORDON) LIMITED

CONTENTS

| | Page |
|--|---------------|
| Directors' Report | 1 - 2 |
| Independent Auditor's Report | 3 - 5 |
| Statement of Comprehensive Income | 6 |
| Balance Sheet | 7 |
| Statement of Changes in Equity | 8 |
| Notes to the Financial Statements | 9 - 17 |

BLUSTON SECURITIES (BORDON) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

The Directors present their report and the financial statements for the year ended 31 March 2018.

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 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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 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 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.

Results and dividends

The profit for the year, after taxation, amounted to £247,434 (2017 - loss £29,583).

Directors

The Directors who served during the year were:

M D Paisner CBE
R Glatter

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

The auditor, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.


BLUSTON SECURITIES (BORDON) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

Small companies exemption

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 *29th October 2018* and signed on its behalf.


R Glatter
Director

BLUSTON SECURITIES (BORDON) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BLUSTON SECURITIES (BORDON) LIMITED

Opinion

We have audited the financial statements of Bluston Securities (bordon) Limited (the 'Company') for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, and the 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 March 2018 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.

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.

BLUSTON SECURITIES (BORDON) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BLUSTON SECURITIES (BORDON) LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Directors Report and Financial Statements, 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.

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

BLUSTON SECURITIES (BORDON) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BLUSTON SECURITIES (BORDON) LIMITED (CONTINUED)

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

Nexia Smith & Williamson

Jacqueline Oakes (Senior Statutory Auditor)

for and on behalf of

Nexia Smith & Williamson

Statutory Auditor

Registered Auditors

25 Moorgate

London

EC2R 6AY

Date: *5 November 2018*

BLUSTON SECURITIES (BORDON) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2018**

| | Note | 2018 £ | 2017 £ |
|--|------|----------------|-----------------|
| Turnover | 4 | 240,609 | 210,986 |
| Cost of sales | | (13,689) | (19,858) |
| Gross profit | | 226,920 | 191,128 |
| Administrative expenses | | (14,145) | (15,576) |
| Fair value movements on investment property | 8 | 75,000 | (170,000) |
| Operating profit | 5 | 287,775 | 5,552 |
| Interest receivable and similar income | | 3 | 27 |
| Interest payable and expenses | | (39) | (60) |
| Profit before tax | | 287,739 | 5,519 |
| Tax on profit | 7 | (40,305) | (35,102) |
| Profit/(loss) for the financial year | | 247,434 | (29,583) |
| Total comprehensive income for the year | | 247,434 | (29,583) |

BLUSTON SECURITIES (BORDON) LIMITED
REGISTERED NUMBER: 06881654


BALANCE SHEET
AS AT 31 MARCH 2018

| | Note | 2018 £ | 2017 £ |
|--|------|--------------------|--------------------|
| Fixed assets | | | |
| Investment property | 8 | 3,375,000 | 3,300,000 |
| | | <u>3,375,000</u> | <u>3,300,000</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 9 | 10,906 | 79,954 |
| Cash at bank and in hand | | 20,005 | 20,005 |
| | | <u>30,911</u> | <u>99,959</u> |
| Creditors: amounts falling due within one year | 10 | (2,521,420) | (2,702,902) |
| Net current liabilities | | <u>(2,490,509)</u> | <u>(2,602,943)</u> |
| Total assets less current liabilities | | <u>884,491</u> | <u>697,057</u> |
| Net assets | | <u>884,491</u> | <u>697,057</u> |
| Capital and reserves | | | |
| Called up share capital | 11 | 2 | 2 |
| Investment property revaluation reserve | 12 | (196,527) | (271,527) |
| Profit and loss account | 12 | 1,081,016 | 968,582 |
| | | <u>884,491</u> | <u>697,057</u> |

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out within Part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
22 October 2018


R Glatter
 Director


M D Paisner CBE
 Director

BLUSTON SECURITIES (BORDON) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018**

| | Called up share capital £ | Investment property revaluation reserve £ | Profit and loss account £ | Total equity £ |
|--|---------------------------------|---|---------------------------------|-------------------|
| At 1 April 2016 | 2 | (101,527) | 828,165 | 726,640 |
| Comprehensive income for the year | | | | |
| Loss for the year | - | - | (29,583) | (29,583) |
| Total comprehensive income for the year | - | - | (29,583) | (29,583) |
| Transfer to/from profit and loss account | - | (170,000) | 170,000 | - |
| At 1 April 2017 | 2 | (271,527) | 968,582 | 697,057 |
| Comprehensive income for the year | | | | |
| Profit for the year | - | - | 247,434 | 247,434 |
| Total comprehensive income for the year | - | - | 247,434 | 247,434 |
| Dividends: Equity capital | - | - | (60,000) | (60,000) |
| Transfer to/from profit and loss account | - | 75,000 | (75,000) | - |
| At 31 March 2018 | 2 | (196,527) | 1,081,016 | 884,491 |

BLUSTON SECURITIES (BORDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. General information

Bluston Securities (Bordon) Limited is a private limited company, limited by shares and incorporated in England & Wales. The address of the registered office is 25 Moorgate, London EC2R 6AY.

The nature of the Company's operations and its principal activities since incorporation has been property investment and management.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment property unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are also presented in pounds sterling.

2.2 Disclosure exemptions

The Company meets the definition of a qualifying entity as set out in FRS 102. Accordingly in preparing the separate financial statements of the Company, the following disclosure exemptions in FRS 102 have been adopted:

- Disclosures in respect of the Company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole.

2.3 Going concern

At the balance sheet date the Company is reliant on the continued support of its parent company, Bluston Securites Limited. The Company has received written confirmation of its parent company's support covering a period of at least 12 months from the date of signing these financial statements so that the Company can meet its liabilities as they fall due. The directors consider the going concern basis to be appropriate and therefore the financial statements do not include any adjustments that might result from withdrawal of support from the parent company.

BLUSTON SECURITIES (BORDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.4 Revenue

Revenue represents the amounts receivable for rental income, service charges, goods and services, net of VAT.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rental income and service charges are recognised on the basis of the amount receivable for the year. Where there is a material rent free period on the lease incentive, and the amount is considered to be recoverable, the income is spread evenly over the lease term. The lease term represents the non-cancellable period for which the lessee has contract to lease the asset together with any further terms where the lessee has the option to continue to lease the asset, with or without further payment, when at the inception of the lease it is reasonably certain that the lessee will exercise the option.

Rents received in advance are shown as deferred income in the balance sheet.

2.5 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset.

Investment properties are remeasured to fair value at each reporting date. Gains and losses on remeasurement are recognised in the profit or loss for the period.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits. Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price, including transaction costs. Except for those financial assets and liabilities classified as at fair value through profit or loss, where they are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction in which case they are measured at the present value of future payments, discounted at a market rate of interest for a similar debt instrument.

BLUSTON SECURITIES (BORDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.7 Financial instruments (continued)

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the criteria set out within section 11 of FRS 102 for basic financial instruments are subsequently measured at amortised cost using the effective interest method.

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the conditions are measured at undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2.8 Interest income

Interest income is recognised in the profit or loss using the effective interest method.

2.9 Taxation

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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 the timing difference.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

BLUSTON SECURITIES (BORDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.9 Taxation (continued)

Deferred tax assets and liabilities are offset only if: (a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and (b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.10 Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Financial assets

Financial assets comprise trade and other debtors.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

2.11 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 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 at an annual general meeting.

BLUSTON SECURITIES (BORDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Judgements

Financial instruments classification

The classification of financial instruments as "basic" or "other" requires judgement as to whether all the applicable conditions for classification as basic are met. This includes consideration of the form of the instrument and its return.

Lease incentives

Where there is a material rent free period on the lease incentive, and the amount is considered to be recoverable, the income is spread evenly over the lease term. The lease term represents the non-cancellable period for which the lessee has contracted to lease the asset together with any further terms for the lessee has the option to continue to lease the asset, with or without further payment, when at the inception of the lease it is reasonably certain that the lessee will exercise the option. Judgement is therefore required for each specific lease in order to determine whether the non-cancellable period is considered to be up to the end of the lease term, or up to the break date.

Key sources of estimation uncertainty

Investment property

The valuation of the property held is a central component of the business. In estimating the fair value, management periodically engage third party qualified valuers to perform the valuation. At reporting dates where a third party value has not been sought, the Directors will provide their own fair value estimates having regard to their knowledge of up to date relevant market information which will include speaking informally to third parties from within the industry.

The investment properties held are principally valued using the residual value method of valuation. Under this methodology the Directors use the yield methodology valuation technique which uses market rental values capitalised with market capitalisation rates. The resulting valuations are cross checked against initial yields and fair market value from recent market transactions. A change in estimated rental values or yield will change the valuation. The interrelationship between all of these inputs is determined by market conditions.

BLUSTON SECURITIES (BORDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

4. Turnover

An analysis of turnover by class of business is as follows:

| | 2018 £ | 2017 £ |
|------------------------------------|----------------|----------------|
| Operating lease rentals receivable | 240,609 | 210,986 |
| | <u>240,609</u> | <u>210,986</u> |

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

| | 2018 £ | 2017 £ |
|---|--------------|--------------|
| Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements | 5,670 | 5,510 |
| | <u>5,670</u> | <u>5,510</u> |

6. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2017 - £NIL).

7. Taxation

| | 2018 £ | 2017 £ |
|--|---------------|---------------|
| Corporation tax | | |
| Current tax on profits for the year | 40,303 | 35,102 |
| Adjustments in respect of previous periods | 2 | - |
| Total current tax | <u>40,305</u> | <u>35,102</u> |

BLUSTON SECURITIES (BORDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

7. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2017 - the same as) the standard rate of corporation tax in the UK of 19% (2017 - 20%) as set out below:

| | 2018 £ | 2017 £ |
|--|---------------|---------------|
| Profit on ordinary activities before tax | 287,739 | 5,519 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 20%) | 54,670 | 1,102 |
| Effects of: | | |
| Movements in deferred tax assets not recognised | (14,367) | 34,000 |
| Adjustments in respect of prior periods | 2 | - |
| Total tax charge for the year | 40,305 | 35,102 |

Factors that may affect future tax charges

Finance Bill 2016 provides that the rate of corporation tax for the 2020 Financial Year (commencing 1 April 2020) will be 17%.

Unrecognised deferred tax relates to fixed asset timings differences and are £33,409 (2017: £27,885).

8. Investment property

| | Freehold investment property £ |
|-------------------------|---|
| Valuation | |
| At 1 April 2017 | 3,300,000 |
| Surplus on revaluation | 75,000 |
| At 31 March 2018 | 3,375,000 |

The 2018 valuations were made by the Directors after advice from Newton Perkins, on an open market value for existing use basis on the market growth in capital values since the previous full valuations undertaken. The underlying capital growth and yield assumptions used in the valuation were reviewed by the Directors and were considered appropriate.

BLUSTON SECURITIES (BORDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

9. Debtors

| | 2018 £ | 2017 £ |
|--------------------------------|---------------|---------------|
| Trade debtors | 10,000 | 78,021 |
| Prepayments and accrued income | 906 | 1,933 |
| | <u>10,906</u> | <u>79,954</u> |

10. Creditors: Amounts falling due within one year

| | 2018 £ | 2017 £ |
|------------------------------------|------------------|------------------|
| Amounts owed to group undertakings | 2,411,177 | 2,596,215 |
| Corporation tax | 40,305 | 35,102 |
| Other taxation and social security | 10,868 | 9,789 |
| Accruals and deferred income | 59,070 | 61,796 |
| | <u>2,521,420</u> | <u>2,702,902</u> |

11. Share capital

| | 2018 £ | 2017 £ |
|---|-----------|-----------|
| Authorised, allotted, called up and fully paid | | |
| 2 Ordinary shares of £1 each | <u>2</u> | <u>2</u> |

12. Reserves**Investment property revaluation reserve**

This reserve relates to the cumulative unrealised gain/(deficit) recognised on the Company's Investment Properties.

Profit and loss account

This reserve relates to the cumulative profit earned by the Company less amounts distributed to shareholders.

BLUSTON SECURITIES (BORDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

13. Operating leases

At 31 March 2018 the Company had future minimum lease amounts receivable under non-cancellable operating leases as follows:

| | 2018 £ | 2017 £ |
|--|------------------|------------------|
| Not later than 1 year | 235,000 | 235,000 |
| Later than 1 year and not later than 5 years | 940,000 | 940,644 |
| Later than 5 years | 1,281,986 | 1,518,274 |
| | <u>2,456,986</u> | <u>2,693,918</u> |

14. Controlling party

The parent company is Bluston Securities Limited by virtue of its 100 per cent shareholding in the Company. The Group accounts are available from the parent company's registered office 25 Moorgate, London, EC2R 6AY.

The ultimate controlling party is the Bluston Charitable Trust by virtue of its majority shareholding in Bluston Securities Limited.