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**BROTHERTON REAL ESTATE LIMITED**

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**UNAUDITED**  
**FINANCIAL STATEMENTS**  
**INFORMATION FOR FILING WITH THE REGISTRAR**  
**FOR THE YEAR ENDED 31 MAY 2019**



**BROTHERTON REAL ESTATE LIMITED**  
**REGISTERED NUMBER: 09028626**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MAY 2019**

	Note	2019 £	As restated 2018 £
<b>Fixed assets</b>			
Tangible assets	4	21,031	3,613
Investments	5	26,993	26,883
		<u>48,024</u>	<u>30,496</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	351,520	228,482
Cash at bank and in hand		472,129	541,642
		<u>823,649</u>	<u>770,124</u>
Creditors: amounts falling due within one year	7	(222,233)	(321,430)
<b>Net current assets</b>		<u>601,416</u>	<u>448,694</u>
<b>Total assets less current liabilities</b>		<u>649,440</u>	<u>479,190</u>
Creditors: amounts falling due after more than one year	8	(17,394)	-
<b>Net assets</b>		<u><u>632,046</u></u>	<u><u>479,190</u></u>
<b>Capital and reserves</b>			
Called up share capital	9	100	100
Profit and loss account		631,946	479,090
		<u><u>632,046</u></u>	<u><u>479,190</u></u>

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**BROTHERTON REAL ESTATE LIMITED**  
**REGISTERED NUMBER: 09028626**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 MAY 2019**

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The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

*Daniel Uzan*

*Richard Fine*

**D Uzan**  
Director

**R Fine**  
Director

Date: Dec 12, 2019

Dec 10, 2019

The notes on pages 3 to 11 form part of these financial statements.

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## **BROTHERTON REAL ESTATE LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2019**

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#### **1. General information**

The principal activity of Brotherton Real Estate Limited ("the Company") is property finance consulting.

The Company is a private company limited by shares and is incorporated in England and Wales.

The Registered Office address is 35 Ballards Lane, London, N3 1XW.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The following principal accounting policies have been applied:

##### **2.2 Revenue**

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:

###### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

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## BROTHERTON REAL ESTATE LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2019

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#### 2. Accounting policies (continued)

##### 2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	-	25% Straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

##### 2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Other unlisted investments, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Income and Retained Earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

##### 2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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## BROTHERTON REAL ESTATE LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2019

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#### 2. Accounting policies (continued)

##### 2.6 Financial instruments

The Company only enters into basic financial instruments and transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from other third parties and loans to and from related parties.

###### (i) Financial assets

Basic financial assets, including trade and other debtors, and amounts due from related companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Income and Retained Earnings.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

###### (ii) Financial liabilities

Basic financial liabilities, including trade and other creditors and accruals, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

###### (iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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## **BROTHERTON REAL ESTATE LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2019**

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## **2. Accounting policies (continued)**

### **2.7 Foreign currency translation**

#### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

#### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

### **2.8 Finance costs**

Finance costs are charged to the Statement of Income and Retained Earnings 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.

### **2.9 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.

### **2.10 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

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## **BROTHERTON REAL ESTATE LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2019**

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## **2. Accounting policies (continued)**

### **2.11 Pensions**

#### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

### **2.12 Taxation**

Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

## **3. Employees**

The average monthly number of employees, including directors, during the year was 3 (2018 - 3).



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**BROTHERTON REAL ESTATE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2019**

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**4. Tangible fixed assets**

	Office equipment £
<b>Cost or valuation</b>	
At 1 June 2018	9,695
Additions	22,539
At 31 May 2019	<u>32,234</u>
<b>Depreciation</b>	
At 1 June 2018	6,082
Charge for the year on owned assets	5,121
At 31 May 2019	<u>11,203</u>
<b>Net book value</b>	
At 31 May 2019	<u>21,031</u>
At 31 May 2018	<u>3,613</u>

# BROTHERTON REAL ESTATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2019

### 5. Fixed asset investments

	Investments in subsidiary companies £	Unlisted investments £	Total £
<b>Cost or valuation</b>			
At 1 June 2018 (as previously stated)	202	26,781	26,983
Prior Year Adjustment	(100)	-	(100)
At 1 June 2018 (as restated)	102	26,781	26,883
Additions	-	110	110
At 31 May 2019	102	26,891	26,993
<b>Net book value</b>			
At 31 May 2019	102	26,891	26,993
At 31 May 2018 (as restated)	102	26,781	26,883

#### Direct subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Brotherton Real Estate Investment Management Ltd	Ordinary	66.67 %	Real estate asset management consultancy
Mission Brotherton Ltd	Ordinary	100 %	Property finance consulting

#### Indirect Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
BREIM Properties Ltd	Ordinary	66.67 %	Property investment

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**BROTHERTON REAL ESTATE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2019**

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**5. Fixed asset investments (continued)**

The aggregate of the share capital and reserves as at 31 May 2019 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Brotherton Real Estate Investment Management Limited	65,931	87,323
Mission Brotherton Limited	100	77,214
	<u>66,031</u>	<u>164,537</u>

**6. Debtors**

	2019 £	As restated 2018 £
Trade debtors	120,000	9,000
Amounts owed by group undertakings	174,167	168,245
Other debtors	-	9,337
Prepayments and accrued income	57,353	41,900
	<u>351,520</u>	<u>228,482</u>

**7. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Trade creditors	25,137	15,299
Amounts owed to group undertakings	26,472	100
Corporation tax	27,546	181,552
Other taxation and social security	25,404	13,664
Other creditors	106,769	104,915
Accruals and deferred income	10,905	5,900
	<u>222,233</u>	<u>321,430</u>

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**BROTHERTON REAL ESTATE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2019**

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**8. Creditors: Amounts falling due after more than one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	<b>17,394</b>	<b>-</b>

**9. Share capital**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
100 (2018 - 100) Ordinary shares of £1 each	<b>100</b>	<b>100</b>

**10. Prior year adjustment**

A prior year adjustment has been made to remove an incorrectly recorded investment in subsidiary balance. This has had the effect of reducing fixed asset investments by £100 and increasing debtors due within one year by £100. There was no impact on the reserves of the Company.

**11. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. Contributions totalling £1,578 were payable to the fund at the Statement of Financial Position date and are included in creditors.

**12. Ultimate parent undertaking & controlling party**

The company is a subsidiary of Brotherton Holdings Limited, which is the ultimate parent undertaking registered in England and Wales.