

# Bryanston (RFE) Limited

Unaudited Financial Statements  
for the Year Ended 30 September 2017

# **Bryanston (RFE) Limited**

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# **Bryanston (RFE) Limited**

## **Company Information**

<b>Directors</b>	Viscount Rothermere Aine O'Reilly Andrew Lane David Nelson Rory Davis
<b>Registered office</b>	22 Chancery Lane London WC2A 1LS
<b>Solicitors</b>	Forsters LLP 31 Hill Street London W1J 5LS
<b>Bankers</b>	HSBC Dorset Corporate Banking 59 Old Christchurch Road Bournemouth Dorset BH1 1EH

## Bryanston (RFE) Limited

(Registration number: 09586323)

### Balance Sheet as at 30 September 2017

	Note	30 September 2017 £	30 September 2016 £
<b>Fixed assets</b>			
Investment property	<u>3</u>	51,744,397	51,385,692
<b>Current assets</b>			
Debtors	<u>4</u>	134,608	122,612
Cash at bank and in hand	<u>5</u>	1,548,034	1,327,934
		<u>1,682,642</u>	<u>1,450,546</u>
<b>Creditors: Amounts falling due within one year</b>	<u>6</u>	<u>(535,822)</u>	<u>(633,588)</u>
<b>Net current assets</b>		<u>1,146,820</u>	<u>816,958</u>
<b>Total assets less current liabilities</b>		52,891,217	52,202,650
<b>Creditors: Amounts falling due after more than one year</b>	<u>6</u>	<u>(50,563,018)</u>	<u>(50,875,162)</u>
<b>Net assets</b>		<u>2,328,199</u>	<u>1,327,488</u>
<b>Capital and reserves</b>			
Called up share capital	<u>7</u>	5,000,000	5,000,000
Cash flow hedge reserve		(1,600,000)	(2,900,000)
Profit and loss account		<u>(1,071,801)</u>	<u>(772,512)</u>
Total equity		<u>2,328,199</u>	<u>1,327,488</u>

For the financial year ending 30 September 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. In accordance with section 444 the directors have chosen not to deliver to the registrar a copy of the company's profit and loss account, or a copy of the directors' report for the year.

Approved and authorised by the Board on 29 March 2018 and signed on its behalf by:

.....

David Nelson

Director

The notes on pages 3 to 8 form an integral part of these financial statements.

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# **Bryanston (RFE) Limited**

## **Notes to the Financial Statements for the Year Ended 30 September 2017**

### **1 General information**

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office is:

22 Chancery Lane  
London  
WC2A 1LS

The principal place of business is:

Savills  
Rolfes House  
60 Milford Street  
Salisbury  
SP1 2BP

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

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 years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements were prepared in accordance with section 1A Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Going concern**

The financial statements have been prepared on a going concern basis. The directors are satisfied that the company's shareholders will provide it with the necessary support to continue trading for the foreseeable future.

#### **Revenue recognition**

Turnover comprises the fair value of the rental income receivable from the letting of land and property. Turnover is shown net of value added tax and rebates.

#### **Tax**

Tax charges consist of current and deferred tax, measured as stated below. Tax charges are recognised in the same component of total comprehensive income as the transactions to which they relate.

Deferred tax assets are recognised in respect of losses only if it is more likely than not they will be recovered in the short to medium term. Deferred tax is recognised without discounting.

#### **Investment property**

Investment property is carried at fair value. Changes in fair value are recognised in profit or loss. Unrealised gains are transferred to a separate revaluation reserve to reflect that they are non-distributable.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## **Bryanston (RFE) Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2017**

#### **Trade debtors**

Trade debtors are amounts receivable from tenants in respect of let land and property.

Trade debtors are measured where appropriate at amortised cost using the effective interest method, less provision for impairment.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and where relevant subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at the transaction price net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with interest expense recognised on the basis of the effective interest method and included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Derivative financial instruments and hedging**

##### ***Hedging***

The company has entered into interest rate swaps that are designated hedges of variable rate interest payments on bank borrowings. The swaps are measured at fair value, by reference to open market prices of comparable instruments, with the effective portion of the hedge recognised in other comprehensive income in the cash flow hedge reserve. Amounts accumulated in the cash flow hedge reserve are reclassified to profit and loss, under interest payable and similar charges, in the periods in which the hedged cash flows affect profit or loss.

## Bryanston (RFE) Limited

### Notes to the Financial Statements for the Year Ended 30 September 2017

#### 3 Investment properties

	30 September 2017 £	30 September 2016 £
At 1 October	51,385,692	-
Additions	418,705	51,385,692
Disposals	(60,000)	-
	<u>51,744,397</u>	<u>51,385,692</u>
At 30 September	<u>51,744,397</u>	<u>51,385,692</u>

There are no differences between amounts determined on a fair value and a historical cost basis. There has been no formal valuation by an independent valuer, but the determination of fair value is informed by a desktop valuation provided by the company's estate manager, Savills (UK) Limited.

#### 4 Debtors

	30 September 2017 £	30 September 2016 £
Trade debtors	82,561	72,552
Prepayments	28,773	25,073
Accrued income	23,274	24,987
	<u>134,608</u>	<u>122,612</u>
Total current trade and other debtors	<u>134,608</u>	<u>122,612</u>

#### 5 Cash and cash equivalents

	30 September 2017 £	30 September 2016 £
Cash at bank	1,548,034	1,327,934

#### Balances held by the company that are not available for use by the company

	30 September 2017 £	30 September 2016 £
Balances held by the company that are not available for use by the company	<u>1,200,000</u>	<u>1,200,000</u>

The company holds £1.2m in an account that may only be used, in limited circumstances, to meet interest payments on the company's bank borrowings.

## Bryanston (RFE) Limited

### Notes to the Financial Statements for the Year Ended 30 September 2017

#### 6 Creditors

	Note	30 September 2017 £	30 September 2016 £
<b>Due within one year</b>			
Trade creditors		48,407	122,778
Social security and other taxes		40	8,421
Other payables		499	500
Accrued expenses		166,556	179,619
Current derivative financial liabilities	<u>9</u>	260,000	260,000
Deferred income		60,320	62,270
		<u>535,822</u>	<u>633,588</u>
<b>Due after one year</b>			
Loans and borrowings	<u>8</u>	49,223,018	48,235,162
Non-current derivative financial liabilities	<u>9</u>	1,340,000	2,640,000
		<u>50,563,018</u>	<u>50,875,162</u>

#### 7 Share capital

##### Allotted, called up and fully paid shares

	30 September 2017		30 September 2016	
	No.	£	No.	£
Ordinary A of £1 each	1,270,000	1,270,000	1,270,000	1,270,000
Ordinary B of £1 each	3,730,000	3,730,000	3,730,000	3,730,000
	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>

## Bryanston (RFE) Limited

### Notes to the Financial Statements for the Year Ended 30 September 2017

#### 8 Loans and borrowings

	30 September 2017 £	30 September 2016 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	19,684,293	19,656,437
Other borrowings	29,538,725	28,578,725
	<u>49,223,018</u>	<u>48,235,162</u>

#### Bank borrowings

Bank borrowings are denominated in GBP with a nominal interest rate of 3 month Libor + 1.8%, and the final maturity date is 29 September 2035. The amount outstanding at the year end is £20,000,000 (2016 - £20,000,000).

The company's real property assets are pledged as security for bank borrowings. In addition £1.2m of cash at bank is held in a restricted account.

The company may be required to use a proportion of the proceeds of disposals of material assets to reduce borrowings. £10 million is repayable by 29 September 2025, the balance by 29 September 2035.

#### Other borrowings

Shareholder loans with a carrying amount of £29,538,725 (2016 - £28,578,725) are denominated in GBP with a nominal interest rate of o/n Libor + 1.9%. The final maturity date is 29 September 2035.

Shareholder loans are unsecured and subordinated to bank loans.

Shareholder loans are for an initial committed term of 20 years. Interest is charged only if the lender notifies the company in advance

## Bryanston (RFE) Limited

### Notes to the Financial Statements for the Year Ended 30 September 2017

#### 9 Financial instruments

##### Categorisation of financial instruments

	30 September 2017 £	30 September 2016 £
Financial liabilities measured at amortised cost	49,223,018	48,235,162
Derivative liabilities measured at fair value designated as hedging instruments in cash flow hedges	<u>1,600,000</u>	<u>2,900,000</u>

##### Cash flow hedges

The company has floating rate bank borrowings of £10 million for 10 years and £10 million for 20 years. The company has effectively hedged the variability of interest rate payments on the 20 year loan and 50% of the 10 year loan by entering into floating to fixed interest rate swaps. These comprise a £5 million notional 10 year swap and a £10 million notional 20 year swap. Payments on the swaps are made, and floating rates reset, quarterly.

The amount of the change in fair value of the hedging instrument that was recognised in other comprehensive income during the period is £ (1,300,000) (2016 - £2,900,000) .

The amount reclassified from equity to profit or loss for the period is £ 275,137 (2016 - £237,618) .

The amount of ineffectiveness of cash flow hedges recognised in profit or loss is £ Nil (2016 - £Nil) .

#### 10 Control

The company is a joint venture between trusts held for the benefit of members of the Rothermere family. The immediate shareholders are Bryanston Estate Holding 1 Limited and Bryanston Estate Holding 2 Limited, both incorporated in Jersey.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.