

**MORSHEAD MANSIONS LIMITED**

**Annual Report**  
**for the year ended 31 December 2022**

[Company Registration Number: 02744253]

Registered office: 2 Old Court Mews 311a Chase Road London N14 6JS

**MORSHEAD MANSIONS LIMITED**

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**for the year ended 31 December 2022**

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## **MORSHEAD MANSIONS LIMITED**

### **Director's Report for the year ended 31 December 2022**

The Director presents the Annual Report and the financial statements of the Company for the year ended 31 December 2022.

#### **Principal Activity**

In accordance with its objects, the company's principal activity continues to be the administration of the freehold estate of Morshead Mansions for the benefit of the leaseholders and of the members.

#### **Director**

David Wismayer has held office throughout the period from 1 January 2022 down to the date hereof.

#### **Results for the Year**

With effect from 1 January 2012, all of the company's activities have been conducted through the Article 16 Fund. There are no transactions affecting the Profit and Loss Account. Payment of a dividend is not recommended. After taking account of all transactions affecting the Article 16 Fund, the said Fund realised a deficit for the year of £706.

#### **Statement of Director's Responsibilities**

The Director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to:

- a) select suitable accounting policies and then apply them consistently
- b) make judgements and accounting estimates that are reasonable and prudent
- c) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The Director is 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. The Director is 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.

#### **COMPANIES ACT 2006**

This Report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD



**D. L. Wismayer (Director)**

**21 November 2024**

**MORSHEAD MANSIONS LIMITED****Profit and Loss Account for the year ended 31 December 2022**

			<u>2021</u>
	Notes	£	£
<b>TURNOVER</b>	<b>2</b>	-	-
Administrative Expenses		-	-
<b>Result before taxation</b>	<b>3</b>	-	-
<b>TAXATION</b>	<b>4</b>	-	-
<b>RESULT AFTER TAXATION</b>		<b>£NIL</b>	<b>£NIL</b>

The notes on pages 5 to 7 form part of these financial statements.

**MORSHEAD MANSIONS LIMITED****Article 16 Fund - Income and Expenditure Account for the year ended 31 December 2022**

			<u>2021</u>	
	£	£	£	£
<b>Income</b>				
Contributions due from Members		832,000		312,000
Sales of roof voids		75,000		75,000
Legal costs recoverable		101,839		54,122
Interest recovered on arrears of Article 16 Fund debts		43,959		63,292
Pre 2022 Article 16 debts recovered in the year		14,048		-
Bank interest received		5		7
Sundry income		550		485
		<u>1,067,401</u>		<u>504,906</u>
<b>Expenditure</b>				
Bank charges	107		93	
5th Schedule expenses	267,718		292,641	
6th Schedule expenses	161,575		114,543	
Common parts refurbishment	556,501		28,500	
David Wismayer - Consultancy fees	60,000		60,000	
Legal expenses	2,068		1,926	
Communications and website	1,269		1,519	
Sundry expenses	1,450		1,604	
Interest payable	<u>17,419</u>		<u>4,637</u>	
		<u>1,068,107</u>		<u>505,463</u>
<b>Deficit for the year</b>		<u><b>£(706)</b></u>		<u><b>£(557)</b></u>

The notes on pages 5 to 7 form part of these financial statements.

**MORSHEAD MANSIONS LIMITED**

[Company Registration Number: 02744253]

**Balance Sheet at 31 December 2022**

		<b><u>2021</u></b>	
	Notes	£	£
<b>Fixed Assets</b>			
Tangible assets	3	42,446	42,446
<b>Current Assets:</b>			
Debtors	4	430,579	670,016
Cash at bank and in hand		<u>74,919</u>	<u>354,706</u>
		505,498	1,024,722
<b>Current Liabilities:</b>			
Creditors - Amounts falling due within one year	5	<u>485,364</u>	<u>1,003,882</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>20,134</u>	<u>20,840</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£62,580</u>	<u>£63,286</u>
<b>Financed by:-</b>			
<b>Capital and Reserves:</b>			
Called up Share Capital	6	104	104
Share Premium Account		55,153	55,153
Profit and Loss account		<u>3,550</u>	<u>3,550</u>
		58,807	58,807
Article 16 Fund	9	<u>3,773</u>	<u>4,479</u>
		<u>£62,580</u>	<u>£63,286</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

In accordance with the provisions of S476 of the Companies Act 2006, the members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022.

The Director acknowledges his responsibilities for:

- a. ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- b. preparing financial statements which give a true and fair view of the the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements were approved and authorised for issue by the Director on 21 November 2024.



D. L. Wismayer

**Director**

## **Morshead Mansions Limited**

### **Notes to the Financial Statements for the year ended 31 December 2022**

#### **1 ACCOUNTING POLICIES**

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

The financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements do not reflect the income and expenses relating to the service charge costs for the property. Conversely, Funds established pursuant to the provisions of Article 16 of the company's Articles of Association and the income and expenditure relating thereto are reflected in these financial statements.

##### **(b) Depreciation**

Tangible fixed assets are stated at cost.

The Company's freehold interest in land is subject to long leases in Morshead Mansions which include full repairing covenants. The cost of acquisition therefore relates to the reversionary interest in the land alone, excluding the value of the buildings. No depreciation is provided on this freehold interest.

##### **(c) Financial instruments**

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

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

##### **(d) Going concern**

The financial statements of the company have been prepared on the going concern basis as the director believes that adequate cash resources will be available to cover the company's requirements for working capital and capital expenditure for at least the next twelve months.

#### **2 TURNOVER**

Turnover represents income derived from the Company's principal activity wholly undertaken in the United Kingdom.

#### **3 TANGIBLE FIXED ASSETS**

Freehold land -			
at cost at 31 December 2022 and at cost 2021	<u>£42,446</u>	<u>£42,446</u>	

## **Morshead Mansions Limited**

### **Notes to the Financial Statements for the year ended 31 December 2022**

<b>4</b>	<b>DEBTORS</b>		<b><u>2021</u></b>
	Sundry debtors and prepayments	426,853	475,219
	Members' contributions due to the Article 16 Fund	4,000	44,000
	Legal costs recoverable	-	150,797
		<b><u>£430,579</u></b>	<b><u>£670,016</u></b>

<b>5</b>	<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		<b><u>2021</u></b>
	Creditors and Accruals	229,364	631,882
	Article 16 Fund contributions received in advance	256,000	372,000
		<b><u>£485,364</u></b>	<b><u>£1,003,882</u></b>

<b>6</b>	<b>CALLED UP SHARE CAPITAL</b>				
	<b>Authorised</b>				
	<b>Number</b>	<b>Class</b>	<b>Nominal Value</b>		<b><u>2021</u></b>
	104	Ordinary	£1	<b><u>£104</u></b>	<b><u>£104</u></b>
	<b>Allotted, issued and fully paid</b>				
	<b>Number</b>	<b>Class</b>	<b>Nominal Value</b>		<b><u>2021</u></b>
	104	Ordinary	£1	<b><u>£104</u></b>	<b><u>£104</u></b>

**7 RELATED PARTY TRANSACTIONS**

As in previous years, the company's sole Director, David Wismayer, an accountant and property consultant, provides consultancy services to the company. During the year the fees charged in respect of the performance of these services amounted to £60,000, (2021: £60,000). In addition, a sum of £43,680 (2021: £43,680) accrued due in respect of management services performed in relation to the company's estate.

Both the performance of the relevant services and the related fees have been assigned by Mr Wismayer to companies under his control. Mr Wismayer and his companies have advanced credit to the company in the course of the year under review on which interest at 4% above Barclays Bank base rate is charged. Reflecting the increase in base rates and the greater value of the sums advanced, the amount charged in 2022 was £17,419 (2020: £4,637). Inclusive of fees accrued but not paid and of cash advances, as at 31 December 2022, the aggregate balance outstanding to Mr Wismayer and/or his companies was £188,167 (2021: £590,637).

<b>8</b>	<b>THE ARTICLE 16 FUND</b>		
	<b>MOVEMENT IN THE YEAR</b>		<b><u>2021</u></b>
	Opening balance	4,479	5,036
	Net deficit for the year	706	557
		<b><u>£3,773</u></b>	<b><u>£4,479</u></b>

The transactions for the Article 16 Fund in 2022 are set out on page 3 of these financial statements.



## **Morshead Mansions Limited**

### **Notes to the Financial Statements for the year ended 31 December 2022**

#### **9 CONTINGENT LIABILITY**

In the course of recent financial years, the company has realised sales of roof voids which have generated revenue which the company has brought into account in the year in which each such sale was concluded.

There is a possibility that the company may be liable to Corporation on a small proportion of the revenues so generated. It is the company's position that the costs incurred in the performance of its objects may be set off against the proceeds of sale of the said roof voids.

In the event that the company's assessment is found to be incorrect, it will be necessary to provide for a liability to Corporation Tax in the amount of approximately £35,000.