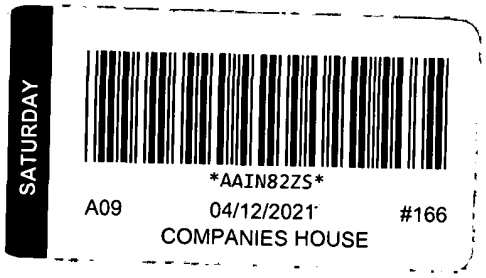
Registered number: 00650310

BLUSTON SECURITIES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021



BLUSTON SECURITIES LIMITED

COMPANY INFORMATION

Directors	M D Paisner CBE R Glatter
Company secretary	M D Paisner CBE
Registered number	00650310
Registered office	25 Moorgate London EC2R 6AY
Independent auditor	Nexia Smith & Williamson Chartered Accountants & Statutory Auditor 25 Moorgate London EC2R 6AY

BLUSTON SECURITIES LIMITED

CONTENTS

	Page
Directors' Report	1 - 2
Directors' Responsibilities Statement	3
Independent Auditor's Report	4 - 7
Consolidated Statement of Comprehensive Income	8
Consolidated Balance Sheet	9 - 10
Company Balance Sheet	11 - 12
Consolidated Statement of Changes in Equity	13
Company Statement of Changes in Equity	14
Notes to the Financial Statements	15 - 32

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The directors present their report and the financial statements for the year ended 31 March 2021.

Principal activity

The principal activity of the Group continues to be property investment and management. The consolidated financial statements present the results of the Company and its wholly owned subsidiary, Bluston Securities (Bordon) Limited.

Dividends

During the year, the directors declared and paid dividends of £400,000 *(2020 - £1,200,000).*

Business review

Turnover from rental income and service charges has decreased by 16.5% in the year, due to a number of rent concessions given to tenants to support them through the unprecedented government lock downs experienced in the year. We have been committed to supporting our tenants through this time and as lock downs have lifted, footfall in shops is increasing and trading is returning to more normal pre-COVID levels. Given this we believe we are well placed to take advantage of this going forward.

The directors performed an in-house valuation on the property portfolio taking into account their market knowledge and informal conversations with industry professionals. Overall the directors were satisfied with the performance of the Group during the year.

Going concern

The directors have prepared forecasts for a period of at least 12 months from signing of the financial statements. The forecasts, along with the future prospects of the Group and its expected cash flows have been carefully considered by the directors.

At year end the Group had cash reserves of over £1m, sufficient to cover over a year of expenditure, assuming current levels are maintained. The Company's overdraft facility of £1.2m remains in place and is secured over the £2m of the investment assets (held as fixed assets) and is not subject to an annual review or renewal but is repayable on demand. The Group shows a net current asset position of £358k.

Having taken the above into account the directors have a reasonable expectation that the Company and Group has adequate resource to continue in operational existence for the foreseeable future, being at least the next 12 months from signing of these financial statements and has prepared the financial statements on a going concern basis.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

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 and the Group'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 and the Group'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.

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 and signed on its behalf.

Robert Glatter (Nov 12, 2021 13:44 GMT)

R Glatter
Director

Date: 12/11/2021

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

The directors are responsible for preparing the Directors' Report and the consolidated 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group'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 Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLUSTON SECURITIES LIMITED

Qualified opinion

We have audited the financial statements of Bluston Securities Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Balance Sheet, the Consolidated and Parent Company Statement of Changes in Equity and the notes to the financial statements, including 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, except for the possible effects of the matter described in the Basis of qualified opinion section, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2021 and of the Group's 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 qualified opinion

With respect to the leasehold investment properties with a carrying amount of £44,200,001 as at 31 March 2021 no professional valuation had been obtained by the directors for the purposes of the financial statements. The audit evidence was limited as the directors could not supply sufficient supporting evidence for a critical assumption being the appropriate market rent. We were unable to obtain sufficient appropriate audit evidence regarding the valuation of investment properties by using other audit procedures. Consequently, we were unable to determine whether any adjustment to the carrying amount was necessary.

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 Group and Parent 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 qualified opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLUSTON SECURITIES 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 contained within the Directors' Report and financial statements. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Qualified Opinions on other matters prescribed by the Companies Act 2006
Except for the possible effects of the matter described in the basis for qualified opinion section of our report, 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
Except for the matter described in the basis for qualified opinion section of our report, in the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

Arising solely from the limitation on the scope of our work relating to investment property, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were not able to determine whether adequate accounting records have been kept.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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
- 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 3, 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 Group's and the Parent 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 Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLUSTON SECURITIES 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

We obtained a general understanding of the Group and Parent's legal and regulatory framework through enquiry of management in respect of their understanding of the relevant laws and regulations. We obtained an understanding of the Group and Parent's policies and procedures in relation to compliance with relevant laws and regulations. We also drew on our existing understanding of the Group and Parent's industry and regulation.

We understand that the Group and Parent complies with requirements of the framework through:
- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary.
- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change.
- Outsourcing statutory accounts preparation, management accounts preparation and tax compliance to external experts.
- The directors' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the group's ability to conduct operations and where failure to comply could result in material penalties. We have identified the following laws and regulations as being of significance in the context of the association:
- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements;
- Health and safety regulations, including those relating to fire safey.

To gain evidence about compliance with the significant laws and regulations above we reviewed board meeting minutes, enquired with the Company's management as to the existence of litigation and no material items were identified, made enquires of the directors and obtained written management representations regarding the adequacy of procedures in place.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. The key area identified as part of the discussion was the risk of manipulation of the financial statements through manual journal entries, incorrect recognition of revenue and management bias in areas of estimation uncertainty.

The procedures carried out to gain evidence in the above areas included:
- Testing of a sample of manual journal entries, selected through applying specific risk assessments applied based on the association's processes and controls surrounding manual journal entries;
- reviewing and challenging estimates made by management; and
- substantive work on revenue transactions.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent 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

Chartered Accountants
Statutory Auditor

25 Moorgate
London
EC2R 6AY
Date: 15/11/2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Turnover	4	**2,364,634**	*2,869,683*
Cost of sales		**(561,303)**	*(724,959)*
Gross profit		**1,803,331**	*2,144,724*
Administrative expenses		**(624,265)**	*(316,044)*
Other operating income	5	**10,000**	*-*
Fair value movements on investment property	15	**418,000**	*(10,633,000)*
Fair value movements on fixed asset investments	14	**357,714**	*(141,434)*
Operating profit/(loss)	6	**1,964,780**	*(8,945,754)*
Income from fixed assets investments	8	**26,073**	*27,601*
Interest receivable and similar income	9	**439**	*5,712*
Interest payable and similar expenses	10	**(26,172)**	*(30,210)*
Profit/(loss) before taxation		**1,965,120**	*(8,942,651)*
Tax on profit/(loss)	11	**(317,370)**	*609,619*
Profit/(loss) for the financial year		**1,647,750**	*(8,333,032)*

There was no other comprehensive income for 2021 *(2020 - £Nil)*.

The notes on pages 15 to 32 form part of these financial statements.

BLUSTON SECURITIES LIMITED
REGISTERED NUMBER:00650310

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		*2020 £*
Fixed assets					
Tangible assets	13		**1,550**		*2,066*
Investments	14		**2,046,156**		*1,679,981*
Investment property	15		**56,285,001**		*55,867,001*
			58,332,707		*57,549,048*
Current assets					
Debtors: amounts falling due within one year	16	**1,173,327**		*819,647*	
Cash at bank and in hand		**1,334,990**		*1,016,722*	
		2,508,317		*1,836,369*	
Creditors: amounts falling due within one year	17	**(2,150,355)**		*(2,021,918)*	
Net current assets/(liabilities)			**357,962**		*(185,549)*
Total assets less current liabilities			**58,690,669**		*57,363,499*
Provisions for liabilities					
Deferred taxation	19		**(6,832,303)**		*(6,752,883)*
Net assets			**51,858,366**		*50,610,616*
Capital and reserves					
Called up share capital	20		**401,850**		*401,850*
Revaluation reserve	21		**36,432,512**		*36,093,932*
Other reserves	21		**12,832,279**		*12,832,279*
Profit and loss account	21		**2,191,725**		*1,282,555*
Shareholders' funds			**51,858,366**		*50,610,616*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

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 by:

Robert Glatter (Nov 12, 2021 13:44 GMT)

R Glatter
Director

Date: 12/11/2021

martin paisner (Nov 12, 2021 18:28 GMT)

M D Paisner CBE
Director

12/11/2021

The notes on pages 15 to 32 form part of these financial statements.

BLUSTON SECURITIES LIMITED
REGISTERED NUMBER:00650310

COMPANY BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		*2020* *£*
Fixed assets					
Tangible assets	13		**1,550**		*2,066*
Investments	14		**2,046,158**		*1,679,983*
Investment property	15		**53,907,501**		*53,489,501*
			55,955,209		*55,171,550*
Current assets					
Debtors: amounts falling due within one year	16	**3,444,108**		*3,246,931*	
Cash at bank and in hand		**1,314,990**		*996,722*	
		4,759,098		*4,243,653*	
Creditors: amounts falling due within one year	17	**(2,036,332)**		*(1,906,284)*	
Net current assets			**2,722,766**		*2,337,369*
Total assets less current liabilities			**58,677,975**		*57,508,919*
Provisions for liabilities					
Deferred taxation	19		**(6,832,303)**		*(6,752,883)*
Net assets			**51,845,672**		*50,756,036*
Capital and reserves					
Called up share capital	20		**401,850**		*401,850*
Revaluation reserve	21		**37,626,539**		*37,287,959*
Other reserves	21		**12,832,279**		*12,832,279*
Profit and loss account			**985,004**		*233,948*
Shareholders' funds			**51,845,672**		*50,756,036*

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

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 Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the Company for the year was £1,489,636 *(2020 - loss of £7,452,441).*

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

Robert Glatter (Nov 12, 2021 13:44 GMT)

R Glatter
Director

Date: 12/11/2021

martin paisner (Nov 12, 2021 18:28 GMT)

M D Paisner CBE
Director

12/11/2021

The notes on pages 15 to 32 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

	Called up share capital	Revaluation reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2019	**401,850**	**45,764,712**	**12,832,279**	**1,144,807**	**60,143,648**
Comprehensive income for the year					
Loss for the year	-	-	-	(8,333,032)	(8,333,032)
Total comprehensive income for the year	-	-	-	(8,333,032)	(8,333,032)
Dividends: Equity capital	-	-	-	(1,200,000)	(1,200,000)
Transfer to/from profit and loss account	-	(9,670,780)	-	9,670,780	-
Total transactions with owners	-	(9,670,780)	-	8,470,780	(1,200,000)
At 1 April 2020	**401,850**	**36,093,932**	**12,832,279**	**1,282,555**	**50,610,616**
Comprehensive income for the year					
Profit for the year	-	-	-	1,647,750	1,647,750
Total comprehensive income for the year	-	-	-	1,647,750	1,647,750
Dividends: Equity capital	-	-	-	(400,000)	(400,000)
Transfer to/from profit and loss account	-	338,580	-	(338,580)	-
Total transactions with owners	-	338,580	-	(738,580)	(400,000)
At 31 March 2021	**401,850**	**36,432,512**	**12,832,279**	**2,191,725**	**51,858,366**

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

	Called up share capital	Revaluation reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2019	**401,850**	**46,166,239**	**12,832,279**	**8,109**	**59,408,477**
Comprehensive income for the year					
Loss for the year	-	-	-	(7,452,441)	(7,452,441)
Total comprehensive income for the year	-	-	-	(7,452,441)	(7,452,441)
Dividends: Equity capital	-	-	-	(1,200,000)	(1,200,000)
Transfer to/from profit and loss account	-	(8,878,280)	-	8,878,280	-
Total transactions with owners	-	(8,878,280)	-	7,678,280	(1,200,000)
At 1 April 2020	**401,850**	**37,287,959**	**12,832,279**	**233,948**	**50,756,036**
Comprehensive income for the year					
Profit for the year	-	-	-	1,489,636	1,489,636
Total comprehensive income for the year	-	-	-	1,489,636	1,489,636
Dividends: Equity capital	-	-	-	(400,000)	(400,000)
Transfer to/from profit and loss account	-	338,580	-	(338,580)	-
Total transactions with owners	-	338,580	-	(738,580)	(400,000)
At 31 March 2021	**401,850**	**37,626,539**	**12,832,279**	**985,004**	**51,845,672**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

Bluston Securities Limited is a private company, limited by shares, domiciled and incorporated in England and Wales (registered number: 00650310). The registered address is 25 Moorgate, London, EC2R 6AY.

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 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 Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Parent Company disclosure exemptions

In preparing the separate financial statements of the Parent Company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the year has been presented as the reconciliation for the Company and the Parent Company would be identical;
- Disclosures in respect of the Parent Company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole; and
- No disclosures have been given for the aggregate remuneration of the key management personnel of the Parent Company as their remuneration is included in the totals for the Company as a whole.

2.3 Cash flow exemptions

In preparing the separate financial statements of the Group and the Parent Company, the following disclosure exemptions in FRS 102 have adopted:

- In accordance with 7.1B of FRS 102 as a small entity, the requirements of Section 7 to prepare a statement of cash flows have not been applied.

2.4 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2. Accounting policies (continued)

2.5 Going concern

The directors have prepared forecasts for a period of at least 12 months from signing of the financial statements. The forecasts, along with the future prospects of the Group and its expected cash flows have been carefully considered by the directors.

At year end the Group had cash reserves of over £1m, sufficient to cover over a year of expenditure, assuming current levels are maintained. The Company's overdraft facility of £1.2m remains in place and is secured over the £2m of the investment assets (held as fixed assets) and is not subject to an annual review or renewal but is repayable on demand. The Group shows a net current asset position of £358k.

Having taken the above into account the directors have a reasonable expectation that the Company and Group has adequate resource to continue in operational existence for the foreseeable future, being at least the next 12 months from signing of these financial statements and has prepared the financial statements on a going concern basis.

2.6 Revenue

Revenue represents the amounts receivable for rental income, service charges 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 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.

Rents received in advance are shown as deferred income in the Balance Sheet.

2.7 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss 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.

2.8 Government grants

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

2. Accounting policies (continued)

2.9 Interest income

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

2.10 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, 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, on a reducing balance basis.

Depreciation is provided on the following basis:

Fixtures & fittings	- 25% reducing balance

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 profit or loss.

2.11 Investment property

Investment property is carried at fair value determined annually 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 profit or loss for the period.

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, 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 Consolidated Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

2. Accounting policies (continued)

2.13 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.

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2. Accounting policies (continued)

2.15 Financial instruments

Financial assets and financial liabilities are recognised when the Group 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.

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. Accounting policies (continued)

2.16 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.

Non-financial assets

Non- financial assets comprise tangible fixed assets.

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired 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. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro- rata basis and then to any goodwill allocated to that CGU.

Financial assets

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.

Financial assets comprise trade and other debtors.

2.17 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. Accounting policies (continued)

2.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 balance sheet date.

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

In the application of the Group'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

Lease incentives

Judgement is required to assess whether the rent-free period on lease incentives is recoverable. This assessment is more subjective in light of COVID-19. 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 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 consider 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 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.

Details of the amounts in respect to investment properties are disclosed in note 14.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

4. Turnover

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

	2021 £	*2020 £*
Rental income and service charge income	**2,332,199**	*2,792,907*
Recovered expenses	**32,435**	*31,276*
Dilapidation settlement	**-**	*45,500*
	2,364,634	*2,869,683*

All turnover arose within the United Kingdom.

5. Other operating income

	2021 £	*2020 £*
Government grant	**10,000**	*-*

6. Operating loss

The operating loss is stated after charging:

	2021 £	*2020 £*
Other operating lease rentals	**49,029**	*48,653*

7. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	*2020 No.*
Office	**2**	*2*

8. Income from investments

	2021 £	2020 £
Dividend from fixed asset investments	**26,073**	*27,601*

9. Interest receivable

	2021 £	2020 £
Other interest receivable	**439**	*5,712*

10. Interest payable and similar expenses

	2021 £	2020 £
Bank interest payable	**26,172**	*30,210*

11. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	**237,641**	*343,300*
Adjustments in respect of previous periods	**309**	*9,301*
Total current tax	**237,950**	*352,601*
Deferred tax		
Origination and reversal of timing differences	**79,420**	*(962,220)*
Total deferred tax	**79,420**	*(962,220)*
Taxation on profit/(loss) on ordinary activities	**317,370**	*(609,619)*

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than *(2020 - higher than)* the standard rate of corporation tax in the UK of 19% *(2020 - 19%)*. The differences are explained below:

	2021 £	*2020* *£*
Profit/(loss) on ordinary activities before tax	**1,965,120**	*(8,942,651)*
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% *(2020 - 19%)*	**373,373**	*(1,699,104)*
Effects of:		
Expenses not deductible for tax purposes	**14,827**	*172,651*
Adjustments to tax charge in respect of prior periods	**309**	*9,301*
Non-taxable income	**(149,337)**	*(3,558)*
Exempt ABGH distributions	**(1,662)**	-
Change in tax rates	**-**	*907,972*
Movement in deferred tax not recognised	**440**	*115*
Chargeable gains	**79,420**	*3,004*
Total tax charge for the year	**317,370**	*(609,619)*

Factors that may affect future tax charges

The March 2021 Budget announced a further increase to the main rate of corporation tax to 25% from April 2023. This rate has not been substantively enacted at the statement of financial position date, as a result deferred tax balances as at 31 March 2021 continue to be measured at 19%.

12. Dividends

	2021 £	*2020* *£*
Dividends paid on ordinary shares	**400,000**	*1,200,000*

13. Tangible fixed assets

Group and Company

	Fixtures & fittings £
Cost	
At 1 April 2020	**36,925**
At 31 March 2021	**36,925**
Depreciation	
At 1 April 2020	**34,859**
Charge for the year	**516**
At 31 March 2021	**35,375**
Net book value	
At 31 March 2021	**1,550**
At 31 March 2020	*2,066*

14. Fixed asset investments

Group

	Listed investments £
Valuation	
At 1 April 2020	**1,679,981**
Additions	**1,459,701**
Disposals	**(1,451,240)**
Revaluations	**357,714**
At 31 March 2021	**2,046,156**

14. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £	Listed investments £	Total £
Valuation			
At 1 April 2020	**2**	**1,679,981**	**1,679,983**
Additions	**-**	**1,459,701**	**1,459,701**
Disposals	**-**	**(1,451,240)**	**(1,451,240)**
Revaluations	**-**	**357,714**	**357,714**
At 31 March 2021	**2**	**2,046,156**	**2,046,158**

Listed investments represent investments in non-puttable ordinary shares. The fair value of listed investments was determined with reference to the quoted market price at the reporting date. The cost of the shares on acquisition was £1,610,435 *(2020 - £1,786,648).*

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Bluston Securities (Bordon) Limited	25 Moorgate London EC2R 6AY	Ordinary	100%

15. Investment property

Group

	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 April 2020	**11,667,000**	**44,200,001**	**55,867,001**
Surplus on revaluation	**418,000**	**-**	**418,000**
At 31 March 2021	**12,085,000**	**44,200,001**	**56,285,001**

The investment property portfolio of the Company and the Group comprises a mix of residential, commercial and retail properties.

The key assumptions in arriving at the director's valuation are the yields and market rent The valuation represents a yield of between 2.4% and 9.6% across the portfolio on estimated market rents of £2.7m.

The largest asset in the portfolio is the Royal Arcade located in London and represents the entire Long term leasehold investment property category of £44m. In relation to the Royal Arcade a 0.1% change in yield assumption or a 2.6% change in rent assumption would result in a material change in valuation.

Company

	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 April 2020	**9,289,500**	**44,200,001**	**53,489,501**
Surplus on revaluation	**418,000**	**-**	**418,000**
At 31 March 2021	**9,707,500**	**44,200,001**	**53,907,501**

The 2021 valuations of the Company and the Group were made by the directors, on an open market value for existing use basis.

16. Debtors

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Trade debtors	**1,114,724**	*790,910*	**1,045,054**	*714,011*
Amounts owed by group undertakings	**-**	*-*	**2,342,266**	*2,505,718*
Other debtors	**13,530**	*13,530*	**13,530**	*13,530*
Prepayments and accrued income	**45,073**	*15,207*	**43,258**	*13,672*
	1,173,327	*819,647*	**3,444,108**	*3,246,931*

17. Creditors: Amounts falling due within one year

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Bank overdrafts	**1,200,000**	*1,200,000*	**1,200,000**	*1,200,000*
Trade creditors	**10,400**	*16,493*	**10,400**	*16,493*
Corporation tax	**95,142**	*125,473*	**58,052**	*87,498*
Other taxation and social security	**219,852**	*171,344*	**210,249**	*160,934*
Other creditors	**23,560**	*-*	**23,560**	*-*
Accruals and deferred income	**601,401**	*508,608*	**534,071**	*441,359*
	2,150,355	*2,021,918*	**2,036,332**	*1,906,284*

The bank overdraft is secured over the listed investments portfolio.

18. Financial instruments

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Financial assets				
Financial assets measured at fair value through profit or loss	**2,046,156**	*1,679,981*	**2,046,156**	*1,679,981*

Financial assets measured at fair value through profit or loss comprise listed investments.

19. Deferred taxation

Group

	2021 £	*2020* *£*
At beginning of year	**6,752,883**	*7,715,103*
Charged to profit or loss	**79,420**	*(962,220)*
At end of year	**6,832,303**	*6,752,883*

Company

	2021 £	*2020* *£*
At beginning of year	**6,752,883**	*7,715,103*
Charged to profit or loss	**79,420**	*(962,220)*
At end of year	**6,832,303**	*6,752,883*

	Group 2021 £	*Group* *2020* *£*	Company 2021 £	*Company* *2020* *£*
Deferred tax on investment property revaluation	**6,832,303**	*6,752,883*	**6,832,303**	*6,752,883*

20. Share capital

	2021 £	*2020* *£*
Allotted, called up and fully paid		
1,607,400 Ordinary shares of £0.25 each	**401,850**	*401,850*

21. Reserves

Revaluation reserve

This reserve relates to the cumulative unrealised gains/(deficits) recognised on the Group's investment properties net of any associated deferred tax movements.

Non-distributable reserve

Under the Group's Memorandum of Association, any surplus arising net of tax from the disposal of its investment properties are not available for distribution, and therefore are transferred to a separate non-distributable reserve. The reserve represents the cumulative surplus in respect of disposals previously made.

Profit & loss account

This reserve relates to the cumulative profits and losses earned by the Group less amounts distributed to shareholders.

22. Amounts receivable and payable under operating leases

At 31 March 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	*Group 2020* £	**Company 2021** £	*Company 2020* £
Not later than 1 year	**2,842,487**	*2,893,489*	**2,607,487**	*2,658,489*
Later than 1 year and not later than 5 years	**8,332,730**	*8,362,251*	**7,578,045**	*7,532,566*
Later than 5 years	**8,689,543**	*9,593,892*	**8,301,160**	*9,045,509*
	19,864,760	*20,849,632*	**18,486,692**	*19,236,564*

At 31 March 2021 the Group and the Company had future minimum lease amounts payable under non-cancellable operating leases as follows:

	Group 2021 £	*Group 2020* £	**Company 2021** £	*Company 2020* £
Not later than 1 year	**35,600**	*49,760*	**35,600**	*49,760*
Later than 1 year and not later than 5 years	**-**	*39,160*	**-**	*39,160*
	35,600	*88,920*	**35,600**	*88,920*

23. Related party transactions

M D Paisner is a partner of Payne Hicks Beach who during the year charged the Company £40,433 *(2020: £Nil)* in relation to property transactions, debt recovery and general legal advice. There was £4,134 outstanding at the year-end *(2020: £Nil)*.

M D Paisner was a partner of Bryan Cave Leighton Paisner who during the year charged the Company £4,373 *(2020: £44,926)* in relation to property transactions, debt recovery and general legal advice. There were no outstanding at the year-end *(2020: £Nil)*.

The total remuneration for key management personnel for the period totalled £189,648 *(2020: £145,059)*.

The Company has taken advantage of the exemption in FRS 102 Section 33.1A to not disclose transactions with wholly owned group entities.

24. Controlling party

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