

Registered number: 05723407

BUSINESS ENVIRONMENT MINORIES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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BUSINESS ENVIRONMENT MINORIES LIMITED

COMPANY INFORMATION

DIRECTORS

S Rusk
D Saul
J Jenkins
A Emden
G Hefferman
N Gandy
A Stewart

COMPANY SECRETARY

S Rusk

REGISTERED NUMBER

05723407

REGISTERED OFFICE

10 Queen Street Place
London
EC4R 1AG

INDEPENDENT AUDITORS

haysmacintyre
Chartered Accountants & Registered Auditors
10 Queen Street Place
London
EC4R 1AG

BUSINESS ENVIRONMENT MINORIES LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 5
Profit and loss account	6
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9 - 10
Notes to the financial statements	11 - 21

BUSINESS ENVIRONMENT MINORIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

DIRECTORS

The directors who served during the year were:

S Rusk
D Saul
J Jenkins
A Emden
G Hefferman
N Gandy
A Stewart

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BUSINESS ENVIRONMENT MINORIES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

The auditors, Haysmacintyre, are deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 30 April 2007.

SMALL COMPANIES NOTE

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 28 September 2018 and signed on its behalf.



J Jenkins
Director

BUSINESS ENVIRONMENT MINORIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BUSINESS ENVIRONMENT MINORIES LIMITED

OPINION

We have audited the financial statements of Business Environment Minories Limited (the 'Company') for the year ended 31 December 2017, which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our

BUSINESS ENVIRONMENT MINORIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BUSINESS ENVIRONMENT MINORIES LIMITED (CONTINUED)

knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions 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 on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

BUSINESS ENVIRONMENT MINORIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BUSINESS ENVIRONMENT MINORIES LIMITED (CONTINUED)

AUDITORS' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

USE OF OUR REPORT

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Neil M Gillam (senior statutory auditor)

for and on behalf of
haysmacintyre, Statutory Auditor

Chartered Accountants
Registered Auditors

10 Queen Street Place
London
EC4R 1AG

28 September 2018

BUSINESS ENVIRONMENT MINORIES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017 £	2016 as restated £
Turnover	4,515,408	5,849,781
Operating expenses	(3,207,799)	(2,579,116)
OPERATING PROFIT	1,307,609	3,270,665
Interest receivable and similar income	-	13
Interest payable and similar charges	(1,241,006)	(917,864)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	66,603	2,352,814
Taxation on profit on ordinary activities	603,770	(124,498)
PROFIT FOR THE YEAR	670,373	2,228,316

The notes on pages 11 to 21 form part of these financial statements.

BUSINESS ENVIRONMENT MINORIES LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	2016
	£	£
Profit for the year	670,373	2,228,316
OTHER COMPREHENSIVE INCOME		
Unrealised surplus/(deficit) on revaluation of tangible fixed assets	2,104,906	(3,863)
Deferred taxation on revaluation	(314,547)	395,026
OTHER COMPREHENSIVE INCOME FOR THE YEAR	1,790,359	391,163
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	2,460,732	2,619,479

The notes on pages 11 to 21 form part of these financial statements.

BUSINESS ENVIRONMENT MINORIES LIMITED
REGISTERED NUMBER: 05723407

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Tangible assets	5	59,400,000	56,425,000
		<u>59,400,000</u>	<u>56,425,000</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	6	174,184	2,659,674
Cash at bank and in hand	7	48,324	109
		<u>222,508</u>	<u>2,659,783</u>
Creditors: amounts falling due within one year	8	(20,044,228)	(1,345,883)
NET CURRENT (LIABILITIES)/ASSETS		(19,821,720)	1,313,900
TOTAL ASSETS LESS CURRENT LIABILITIES		39,578,280	57,738,900
Creditors: amounts falling due after more than one year	9	(3,138,652)	(19,777,657)
PROVISIONS FOR LIABILITIES			
Deferred tax	12	(7,045,633)	(7,327,980)
		<u>(7,045,633)</u>	<u>(7,327,980)</u>
NET ASSETS		29,393,995	30,633,263
CAPITAL AND RESERVES			
Called up share capital		1	1
Revaluation reserve	13	26,737,725	24,947,366
Profit and loss account	13	2,656,269	5,685,896
		<u>29,393,995</u>	<u>30,633,263</u>

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 were approved and authorised for issue by the board and were signed on its behalf on 28 September 2018.



J Jenkins
Director

The notes on pages 11 to 21 form part of these financial statements.

BUSINESS ENVIRONMENT MINORIES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2017	1	24,947,366	5,685,896	30,633,263
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	670,373	670,373
Surplus on revaluation of freehold property	-	2,104,906	-	2,104,906
Deferred taxation on revaluation	-	(314,547)	-	(314,547)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	1,790,359	670,373	2,460,732
CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS				
Dividends: Equity capital	-	-	(3,700,000)	(3,700,000)
TOTAL TRANSACTIONS WITH OWNERS	-	-	(3,700,000)	(3,700,000)
AT 31 DECEMBER 2017	1	26,737,725	2,656,269	29,393,995

BUSINESS ENVIRONMENT MINORIES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2016	1	24,556,203	3,457,580	28,013,784
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	2,228,316	2,228,316
Deficit on revaluation of freehold property	-	(3,863)	-	(3,863)
Deferred taxation on revaluation	-	395,026	-	395,026
OTHER COMPREHENSIVE INCOME FOR THE YEAR	-	391,163	-	391,163
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	391,163	2,228,316	2,619,479
AT 31 DECEMBER 2016	1	24,947,366	5,685,896	30,633,263

The notes on pages 11 to 21 form part of these financial statements.

BUSINESS ENVIRONMENT MINORIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES

1.1 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 following principal accounting policies have been applied:

1.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of BE Offices Limited (formerly Business Environment Holding Limited) as at 31 December 2017 and these financial statements may be obtained from the Registrar at Companies House.

1.3 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:

Revenue represents occupancy fees receivable from the provision of serviced offices and associated services. Revenue is recognised when the amount of revenue can be measured reliably and when it is probable that the company will receive the consideration due under the contract.

1.4 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.

BUSINESS ENVIRONMENT MINORIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.4 Tangible fixed assets (continued)

Land is not depreciated. Depreciation on other assets 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:

Freehold land and buildings	-	2% 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 profit and loss account.

1.5 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the profit and loss account unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

Alternatively fair values are determined by the directors after discussions with and advice from independent experts.

1.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.7 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.

BUSINESS ENVIRONMENT MINORIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.8 Financial instruments

The Company only enters into basic financial instrument 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, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 the profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

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.

1.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.10 Finance costs

Finance costs are charged to the profit and loss account 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.

BUSINESS ENVIRONMENT MINORITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.11 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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

1.12 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.13 Interest income

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

1.14 Borrowing costs

All borrowing costs are recognised in the profit and loss account in the year in which they are incurred.

1.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company 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 the profit and loss account in the year that the Company 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.

BUSINESS ENVIRONMENT MINORIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, 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 operates and generates 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; 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 balance sheet date.

1.17 Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the company's financial statements.

2. GENERAL INFORMATION

Business Environment Minories Limited is a company domiciled in England and Wales, registration number 05723407. The registered office is 10 Queen Street Place London EC4R 1AG and its principal place of business is 150 Minories London EC3N 1LS.

The company's principal activity is the provision of serviced offices and related services.

The company's functional currency and reporting currency is pounds sterling.

3. AUDITORS' REMUNERATION

Fees payable to the company's auditor for the audit of the company's annual accounts have been charged to the ultimate parent undertaking, BE Offices Limited (formerly Business Environment Holding Limited).

BUSINESS ENVIRONMENT MINORIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

4. EMPLOYEES

The directors of the company are paid by fellow group undertakings and no specific recharge for directors' remuneration is made to the company. Details of directors' remuneration are disclosed in the notes to the accounts of BE Offices Limited (formerly Business Environment Holding Limited).

The Company has no employees other than the directors, who did not receive any remuneration (2016 - £NIL).

5. TANGIBLE FIXED ASSETS

	Land and buildings £
Cost or valuation	
At 1 January 2017	56,471,058
Additions	870,094
Revaluations	2,104,906
At 31 December 2017	<u>59,446,058</u>
Depreciation	
At 1 January 2017	<u>46,058</u>
At 31 December 2017	<u>46,058</u>
Net book value	
At 31 December 2017	<u><u>59,400,000</u></u>
At 31 December 2016	<u><u>56,425,000</u></u>

The net book value of land and buildings may be further analysed as follows:

	2017 £	2016 £
Freehold	<u><u>59,400,000</u></u>	<u><u>56,425,000</u></u>

BUSINESS ENVIRONMENT MINORIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

The company's property has been valued at fair value 31 December 2017. The valuation was provided as at 31 December 2017 by the company's independent external valuer, GVA. The valuation was carried out by RICS qualified chartered surveyors and registered valuers and was prepared in accordance with the RICS Valuation – Professional Standards January 2014 ("the Red Book").

The 2016 valuations were prepared by Colliers.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2017 £	2016 £
Cost	24,130,654	23,260,560
Accumulated depreciation	(46,058)	(46,058)
NET BOOK VALUE	24,084,596	23,214,502

6. DEBTORS

	2017 £	2016 £
Trade debtors	147,731	237,659
Amounts owed by group undertakings	-	2,336,869
Other debtors	3,295	51,174
Prepayments and accrued income	23,158	33,972
	174,184	2,659,674

7. CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash at bank and in hand	48,324	109
Less: bank overdrafts	-	(153,565)
	48,324	(153,456)

BUSINESS ENVIRONMENT MINORIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

8. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	-	153,565
Trade creditors	58,572	121,011
Amounts owed to group undertakings	19,221,523	-
Corporation tax	-	213,939
Other taxation and social security	157,415	205,903
Obligations under finance lease and hire purchase contracts	10,513	10,513
Other creditors	93,915	87,417
Accruals and deferred income	502,290	553,535
	<u>20,044,228</u>	<u>1,345,883</u>

9. CREDITORS: Amounts falling due after more than one year

	2017 £	2016 £
Bank loans	-	16,628,491
Net obligations under finance leases and hire purchase contracts	2,628	13,142
Amounts owed to group undertakings	3,136,024	3,136,024
	<u>3,138,652</u>	<u>19,777,657</u>

Secured loans

Bank loans totalling £ Nil (2016: £16,628,491) are secured over the company's freehold land and buildings and by way of a floating charge over the company's assets. The loan was repaid in February 2017.

Obligations under finance leases and hire purchase contracts are secured over the assets to which they relate.

BUSINESS ENVIRONMENT MINORIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

10. LOANS

Analysis of the maturity of loans is given below:

	2017 £	2016 £
AMOUNTS FALLING DUE 1-2 YEARS		
Bank loans	-	16,628,491
	<u>-</u>	<u>16,628,491</u>

The interest rate on the loan varies throughout the 5 year term of the loan between LIBOR + 1.1% and LIBOR + 5%. The loan was repaid in full in February 2017.

11. HIRE PURCHASE AND FINANCE LEASES

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	12,253	12,253
Between 1-5 years	3,063	15,316
	<u>15,316</u>	<u>27,569</u>

12. DEFERRED TAXATION

	2017 £	2016 £
At beginning of year	(7,327,980)	(7,812,447)
Released to the profit or loss	596,894	89,441
Charged to other comprehensive income	(314,547)	395,026
AT END OF YEAR	<u>(7,045,633)</u>	<u>(7,327,980)</u>

BUSINESS ENVIRONMENT MINORIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

12. DEFERRED TAXATION (CONTINUED)

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	278,992	(317,562)
Other short term timing differences	340	-
Capital gains	(7,324,965)	(7,010,418)
	<u>(7,045,633)</u>	<u>(7,327,980)</u>

13. RESERVES

Revaluation reserve

The reserve records the difference between the depreciated acquisition cost of fixed assets and their fair values.

Profit & loss account

Profit and loss account includes all current and prior period retained profits and losses.

14. PRIOR YEAR ADJUSTMENT

The prior year adjustment relates to the non-recognition of the interest charge arising on the unwinding of the inter-company loan discount and the non-recognition of inter company loan waiver equal to the unwinding of the inter-company loan discount. The net result to the balance sheet and profit and loss account is nil.

15. OTHER FINANCIAL COMMITMENTS

The company has cross-guaranteed group bank borrowings totalling £69,722,207 (2016: £89,924,491).

BUSINESS ENVIRONMENT MINORIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

16. RELATED PARTY TRANSACTIONS

Advantage has been taken by the company of the exemptions provided by section 33.1A of FRS 102 not to disclose group transactions because it is a wholly owned subsidiary of a company preparing consolidated accounts.

The following transactions are with non-group entities in which the directors and shareholders of the parent company are interested. There were no balances due from these entities at the Balance Sheet date.

	2017 £	2016 £
Security services	161,250	126,072
Cleaning services	240,766	239,998
Income from related parties	4,691	-

17. CONTROLLING PARTY

The ultimate parent undertaking and controlling party is considered to be BE Offices Limited (formerly Business Environment Holding Limited), which heads the largest and smallest group for which consolidated accounts are prepared.

The consolidated accounts are available to the public and may be obtained from Companies House. No other group accounts include the results of the company.