

Hastings Cottage Improvement Society Limited
Directors' Report and Financial Statements
for the Year Ended 31 March 2014

Manningtons
Chartered Accountants
39 High Street
Battle
East Sussex
TN33 0EE

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Hastings Cottage Improvement Society Limited
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The following pages do not form part of the statutory financial statements:

Detailed Profit and Loss Account	14 to 15
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Hastings Cottage Improvement Society Limited
Company Information

Directors	M A Lester FCIOB R Sandford FRICS Mrs N L Sandford Mrs R E Lester
Company secretary	R Sandford FRICS
Registered office	3 Cambridge Gardens Hastings East Sussex TN34 1EH
Auditors	Manningtons Chartered Accountants 39 High Street Battle East Sussex TN33 0EE

Hastings Cottage Improvement Society Limited
Directors' Report for the Year Ended 31 March 2014

The directors present their report and the financial statements for the year ended 31 March 2014.

Directors of the company

The directors who held office during the year were as follows:

M A Lester FCIOB

R Sandford FRICS

Mrs N L Sandford (appointed 22 April 2013)

Mrs R E Lester (appointed 12 June 2013)

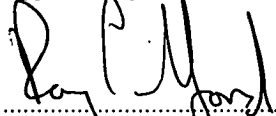
Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 22 July 2014 and signed on its behalf by:



.....
R Sandford FRICS
Company secretary

Hastings Cottage Improvement Society Limited

Statement of Directors' Responsibilities

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 and 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 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 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.

Independent Auditor's Report to the Members of Hastings Cottage Improvement Society Limited

We have audited the financial statements of Hastings Cottage Improvement Society Limited for the year ended 31 March 2014, set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

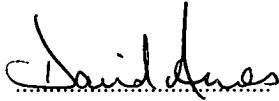
**Independent Auditor's Report to the Members of
Hastings Cottage Improvement Society Limited**

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Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 and the Directors' Report in accordance with the small companies regime.



David Ames (Senior Statutory Auditor)
For and on behalf of Manningtons, Statutory Auditor

39 High Street
Battle
East Sussex
TN33 0EE

Date: 26 August 2014

Hastings Cottage Improvement Society Limited
Profit and Loss Account for the Year Ended 31 March 2014

	Note	2014 £	2013 £
Turnover		311,434	295,854
Cost of sales		<u>(141,535)</u>	<u>(200,247)</u>
Gross profit		169,899	95,607
Administrative expenses		<u>(52,456)</u>	<u>(54,936)</u>
Operating profit	2	117,443	40,671
Interest payable and similar charges		<u>(1,845)</u>	<u>(2,117)</u>
Profit on ordinary activities before taxation		115,598	38,554
Tax on profit on ordinary activities	4	<u>(23,039)</u>	<u>(7,614)</u>
Profit for the financial year	11	<u><u>92,559</u></u>	<u><u>30,940</u></u>

Hastings Cottage Improvement Society Limited
Statement of Total Recognised Gains and Losses for the Year Ended 31 March 2014

	Note	2014 £	2013 £
Profit for the financial year		92,559	30,940
Unrealised surplus on revaluation of properties		<u>539,607</u>	<u>-</u>
Total recognised gains and losses relating to the year		<u><u>632,166</u></u>	<u><u>30,940</u></u>

Hastings Cottage Improvement Society Limited

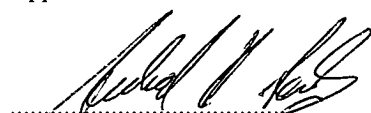
(Registration number: 00026390)

Balance Sheet at 31 March 2014

	Note	2014 £	2013 £
Fixed assets			
Tangible fixed assets	5	<u>4,156,489</u>	<u>3,616,882</u>
Current assets			
Debtors	6	11,100	17,524
Cash at bank and in hand		<u>83,742</u>	<u>8,115</u>
		94,842	25,639
Creditors: Amounts falling due within one year	7	<u>(38,672)</u>	<u>(25,322)</u>
Net current assets		<u>56,170</u>	<u>317</u>
Total assets less current liabilities		4,212,659	3,617,199
Creditors: Amounts falling due after more than one year	8	<u>(56,317)</u>	<u>(67,823)</u>
Net assets		<u>4,156,342</u>	<u>3,549,376</u>
Capital and reserves			
Called up share capital	9	15,000	15,000
Revaluation reserve	11	3,360,927	2,821,320
Profit and loss account	11	<u>780,415</u>	<u>713,056</u>
Shareholders' funds		<u>4,156,342</u>	<u>3,549,376</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2008).

Approved and authorised for issue by the Board on 22 July 2014 and signed on its behalf by:


.....
M.A. Lester FCIOB
Director

Hastings Cottage Improvement Society Limited

Notes to the Financial Statements for the Year Ended 31 March 2014

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents aggregate rentals receivable from tenants of the freehold investment properties.

Depreciation

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life as follows:

Asset class	Depreciation method and rate
Land and buildings	Nil

Investment properties

In accordance with the Financial Reporting Standard for Smaller Entities no depreciation is provided on freehold properties as they are considered to be investments, and thus are included in the accounts at open market value. This represents a departure from the Companies Act 2006, in order to give a true and fair view.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

2 Operating profit

Operating profit is stated after charging:

	2014 £	2013 £
Auditor's remuneration - The audit of the company's annual accounts	<u>2,400</u>	<u>4,200</u>

3 Directors' remuneration

The directors' remuneration for the year was as follows:

	2014 £	2013 £
Remuneration	<u>39,351</u>	<u>39,287</u>

Hastings Cottage Improvement Society Limited

Notes to the Financial Statements for the Year Ended 31 March 2014

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During the year the number of directors who were receiving benefits and share incentives was as follows:

	2014 No.	2013 No.
Accruing benefits under money purchase pension scheme	<u>1</u>	<u>1</u>

4 Taxation

Tax on profit on ordinary activities

	2014 £	2013 £
Current tax		
Corporation tax charge	<u>23,039</u>	<u>7,614</u>

5 Tangible fixed assets

	Freehold land and buildings £	Total £
Cost or valuation		
At 1 April 2013	3,616,882	3,616,882
Revaluation	<u>539,607</u>	<u>539,607</u>
At 31 March 2014	<u>4,156,489</u>	<u>4,156,489</u>
Net book value		
At 31 March 2014	<u>4,156,489</u>	<u>4,156,489</u>
At 31 March 2013	<u>3,616,882</u>	<u>3,616,882</u>

Land and buildings comprise investment properties, which have been valued by the directors on the basis of the open market value with current use, as at 31 March 2014. No provision for deferred tax has been made on the revaluation surplus. If these assets were sold for their revalued amounts these would be a tax liability of £482,004.

Hastings Cottage Improvement Society Limited

Notes to the Financial Statements for the Year Ended 31 March 2014

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6 Debtors

	2014 £	2013 £
Trade debtors	11,100	14,079
Other debtors	-	3,445
	<u>11,100</u>	<u>17,524</u>

7 Creditors: Amounts falling due within one year

	2014 £	2013 £
Bank loans and overdrafts	11,300	10,950
Corporation tax	23,040	7,613
Other taxes and social security	-	2,070
Other creditors	4,332	4,689
	<u>38,672</u>	<u>25,322</u>

8 Creditors: Amounts falling due after more than one year

	2014 £	2013 £
Bank loans and overdrafts	<u>56,317</u>	<u>67,823</u>

Creditors includes the following liabilities, on which security has been given by the company:

	2014 £	2013 £
Bank loan	<u>67,617</u>	<u>78,773</u>

Included in the creditors are the following amounts due after more than five years:

	2014 £	2013 £
After more than five years by instalments	<u>11,117</u>	<u>24,023</u>

Hastings Cottage Improvement Society Limited

Notes to the Financial Statements for the Year Ended 31 March 2014

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9 Share capital

Allotted, called up and fully paid shares

	2014		2013	
	No.	£	No.	£
Ordinary shares of £25.00 each	<u>600</u>	<u>15,000</u>	<u>600</u>	<u>15,000</u>

10 Dividends

	2014 £	2013 £
Dividends paid		
Prior year final dividend paid	<u>25,200</u>	<u>24,600</u>

11 Reserves

	Revaluation reserve £	Profit and loss account £	Total £
At 1 April 2013	2,821,320	713,056	3,534,376
Profit for the year	-	92,559	92,559
Dividends	-	(25,200)	(25,200)
Surplus on property revaluation	<u>539,607</u>	<u>-</u>	<u>539,607</u>
At 31 March 2014	<u>3,360,927</u>	<u>780,415</u>	<u>4,141,342</u>

12 Related party transactions

Other related party transactions

During the year the company made the following related party transactions:

W A Bryan & Co LLP

(Chartered Surveyors whose principal is the director, R Sandford FRICS)

During the year the company purchased goods and services from W A Bryan & Co LLP to the value of £32,084 (2013 - £30,659). At the balance sheet date the amount due to W A Bryan & Co LLP was £nil (2013 - £nil).

M A Lester, R Sandford, Mrs N L Sandford and Mrs R E Lester

(Directors of the company)

During the year dividends totalling £8,904 were paid to these directors. At the balance sheet date the amount due to M A Lester, R Sandford, Mrs N L Sandford and Mrs R E Lester was £nil (2013 - £nil).

Hastings Cottage Improvement Society Limited
Notes to the Financial Statements for the Year Ended 31 March 2014

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13 Control

The company is controlled by no one party.