

**KINGSGATE FLATS MANAGEMENT COMPANY LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

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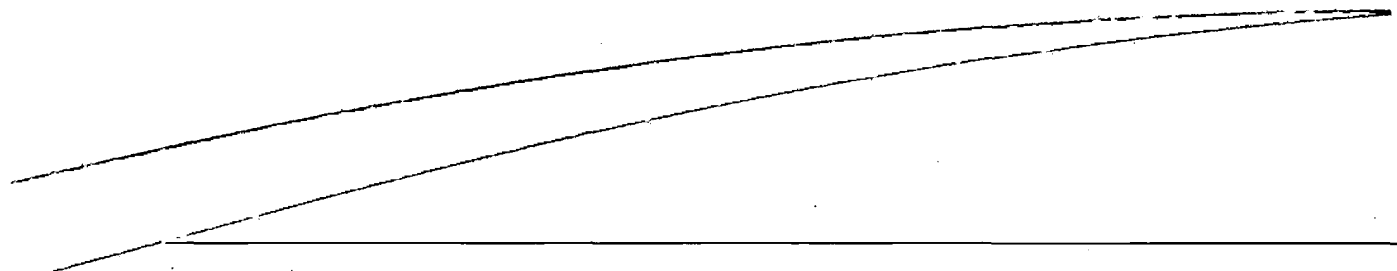
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# KINGSGATE FLATS MANAGEMENT COMPANY LIMITED

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# KINGSGATE FLATS MANAGEMENT COMPANY LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
<b>Current assets</b>					
Debtors	4	86,292		45,512	
Cash at bank and in hand		49,591		79,223	
		<u>135,883</u>		<u>124,735</u>	
<b>Creditors: amounts falling due within one year</b>	5	(16,834)		(23,090)	
<b>Net current assets</b>			<u>119,049</u>		<u>101,645</u>
<b>Capital and reserves</b>					
Called up share capital	6		150		150
Profit and loss reserves			<u>118,899</u>		<u>101,495</u>
<b>Total equity</b>			<u>119,049</u>		<u>101,645</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.


For the financial year ended 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 27/11/18 and are signed on its behalf by:



Mr N S Toyas  
Director

Company Registration No. 01247933

# KINGSGATE FLATS MANAGEMENT COMPANY LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2016	150	84,911	85,061
Year ended 31 March 2017:			
Profit and total comprehensive income for the year	-	16,584	16,584
Balance at 31 March 2017	150	101,495	101,645
Year ended 31 March 2018:			
Profit and total comprehensive income for the year	-	17,404	17,404
Balance at 31 March 2018	150	118,899	119,049

# KINGSGATE FLATS MANAGEMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

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### 1 Accounting policies

#### Company information

Kingsgate Flats Management Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is 66 Prescott Street, London, E1 8NN.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### 1.3 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

#### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# KINGSGATE FLATS MANAGEMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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### 1 Accounting policies

(Continued)

#### **Classification of financial liabilities**

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.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **1.5 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.6 Derivatives**

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

#### **1.7 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# KINGSGATE FLATS MANAGEMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

### 1.8 Main objects

Principal activity: The sole activity of the company is the management of the block of flats known as Kingsgate, 33 Red Lion Square, London WC1R 4RB, for the benefit of the residents. It is a non-trading and non-profit making company.

### 2 Taxation

	2018	2017
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	-	32
	<u>          </u>	<u>          </u>

### 3 Cash at bank

The company has no bank account of its own and moneys relating to service charge income and expenditure are held by the managing agents, Stiles Harold Williams, under a Statutory Trust in respect of section 42 of the Landlord and Tenant Act 1985.

### 4 Debtors

	2018	2017
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	61,613	22,992
Other debtors	6,640	5,514
Prepayments and accrued income	18,039	17,006
	<u>86,292</u>	<u>45,512</u>

Trade debtors comprise the following amounts due from tenants at 31 March 2018:

Service charges invoiced in year	£4,977
Capital expenditure contributions	<u>£56,636</u>
Total	<u>£61,613</u>

# KINGSGATE FLATS MANAGEMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

### 5 Creditors: amounts falling due within one year

	2018 £	2017 £
Other creditors	16,834	23,090

### 6 Called up share capital

	2018 £	2017 £
Ordinary share capital Issued and fully paid 15 Ordinary shares of £10 each	150	150

Under the Articles of Association each Member holds one ordinary share in the company, directly related to each of the fifteen flats.

### 7 Related party transactions

An amount of £6,639 (2017: £5,019 ) was owed to Kingsgate Flats Management Company Limited from Invertask Limited at the year end. Kingsgate Flat Management Company Limited and Invertask Limited are related through common control.

The company is a mutual organisation where the tenants are all shareholders and the income is derived from those shareholders and used for the exclusive benefit of the shareholders. Therefore all the "sales income" is derived from related parties.

### 8 Control

There is no ultimate controlling party due to the nature of the company.