

OCEAN VILLAGE MARINA MANAGEMENT COMPANY LIMITED

Report and Financial Statements

24 March 2018

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**DIRECTORS REPORT**

The directors present their report and financial statements for the year ended 24 March 2018.

**PRINCIPAL ACTIVITY**

The company provides the management of the property known as Ocean Village Marina for the tenants, in accordance with the terms of a management agreement dated 14 May 1987 and is non-profit making.

**REVIEW OF THE BUSINESS**

The results for the year are set on page 6. The directors consider the results for the period and current state of affairs of the company to be satisfactory.

**DIRECTORS AND THEIR INTERESTS**

The current directors and others who served during the year ended 24 March 2018 and to the date of this report are as follows:

J L Robinson (resigned 19/01/18)  
D T Smith (resigned 11/10/18)  
R A Broadribb (appointed 09/11/17)

None of the directors had any interest in the share capital of the company.

**SMALL COMPANY RULES**

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

The company has taken advantage of the exemption available to small companies not to prepare a strategic report for the financial year.

**STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS**

The directors confirm that, as at the date this report was approved, as far as each director is aware, there is no relevant information of which the auditors are unaware, and they have taken all the steps that they ought to have taken as directors in order to make themselves aware of that information.

**AUDITORS**

A resolution to re-appoint BDO LLP as auditors will be proposed at the Annual General Meeting.

By order of the Board



R A Broadribb  
Director

Date: 23<sup>rd</sup> November 2018

Registered Office:  
Outlook House  
Hamble Point  
School Lane  
Hamble  
Southampton SO31 4NB

Ocean Village Marina Management Company Limited  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the annual 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 (Financial Reporting Standard 102 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 then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 proper 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 OCEAN VILLAGE MARINA MANAGEMENT COMPANY LIMITED**

### **Opinion**

We have audited the financial statements of Ocean Village Marina Management Company Limited ("the Company") for the year ended 24 March 2018 which comprise the Income and Expenditure Account, Statement of Other Comprehensive Income, the Statement of Financial Position and notes to the financial statements, 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 24 March 2018 and of its result 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 Auditor's 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 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 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 auditor's 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 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OCEAN VILLAGE MARINA MANAGEMENT COMPANY LIMITED - CONTINUED**

We have nothing to report in this regard.

### **Opinions 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 Director's 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 Respective responsibilities of directors and auditors, 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.

### **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.

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OCEAN VILLAGE MARINA  
MANAGEMENT COMPANY LIMITED - CONTINUED**

**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 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.



Kier White (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
Southampton

29/11/18

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**INCOME AND EXPENDITURE ACCOUNT**  
for the year ended 24 March 2018

	<i>Notes</i>	<i>2018</i> £	<i>2017</i> £
<b>SERVICE CHARGE INCOME</b>	2	2,679,741	745,334
Operating expenses		(2,680,235)	(748,563)
<b>OPERATING DEFICIT</b>		(494)	(3,226)
Bank interest receivable		617	4,033
<b>SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	123	807
Tax on surplus on ordinary activities	5	(123)	(807)
<b>RESULT FOR THE YEAR AFTER TAXATION</b>		-	-

All amounts relate to continuing activities

**STATEMENT OF OTHER COMPREHENSIVE INCOME**

For the year ended 24 March 2018.

There are no other recognised gains or losses in the year ended 24 March 2018 or in the year ended 24 March 2017.

STATEMENT OF FINANCIAL POSITION  
as at 24 March 2018

	Notes	2018 £	2017 £
<b>CURRENT ASSETS</b>			
Debtors due within one year	6	230,915	314,111
Debtors due after one year	7	240,964	-
Cash at bank and in hand		1,524,035	1,765,241
		<u>1,995,914</u>	<u>2,079,352</u>
<b>CREDITORS: amounts falling due within one year</b>	8	(200,341)	(1,918,716)
<b>CREDITORS: amounts falling due after one year</b>	9	(1,795,570)	(160,633)
<b>NET ASSETS</b>		<u>3</u>	<u>3</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	3	3
		<u>3</u>	<u>3</u>

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

Approved by the Board on ... 23<sup>rd</sup> November ... 2018 and signed on its behalf by:



**R A Broadribb**  
Director



NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 24 March 2018

1. ACCOUNTING POLICIES

*Statutory information*

Ocean Village Marina Management Company Limited is a private company domiciled in England and Wales, registration number 2090317. The registered office is Outlook House, School Lane, Hamble Point, Hamble, Southampton, SO31 4NB.

*Basis of preparation*

The financial statements are prepared under the historical cost convention. The financial statements have been prepared in accordance with FRS 102 section 1A Small Entities. There were no material departures from that standard. The presentational currency is £ sterling.

*Cash flow statement*

The company has not prepared a cash flow statement as the company has taken advantage of the exemption available as it is a member of a group where the parent prepares publically available financial statements.

The following principal accounting policies have been applied:

*Financial instruments*

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

The company's cash at bank and in hand and trade and other debtors and its trade and other creditors and bank overdrafts are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

*Cash and cash equivalents*

Cash and cash equivalents include cash at bank and in hand.

*Reserve Fund*

The reserve fund represents amounts held by the company on behalf of the lessees. These funds will be used to offset future costs of supplying the services required by the lease and reducing future annual contributions from the lessees.

2. SERVICE CHARGE INCOME

Service charge income represents amounts derived from the provision of services to tenants during the year. Service charge income is recognised to match expenditure in the year in accordance with the terms of the lease.

3. SURPLUS BEFORE TAX

	2018	2017
	£	£
Surplus before tax is stated after charging:		
Wages, Salaries and Staff Costs	200,744	212,865
Audit fees	<u>1,833</u>	<u>1,780</u>

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 24 March 2018

4. **DIRECTORS' EMOLUMENTS**

The company had no employees during the year other than its directors but is recharged salary costs from another group company. No directors' emoluments were paid during the year (2017 : £nil).

5. **TAX ON SURPLUS ON ORDINARY ACTIVITIES**

The tax charge for the year comprises tax on interest receivable at 20% (2017 : 20%):

	2018	2017
	£	£
Total Current Tax	123	807

6. **DEBTORS:** amounts falling due within one year

	2018	2017
	£	£
Trade debtors	170,282	519
Amounts owed by group undertakings	-	287,390
Other debtors	-	19,757
VAT	-	5,794
Prepayments and accrued income	60,633	651
	230,915	314,111

7. **DEBTORS:** amounts falling after one year

	2018	2017
	£	£
Prepayments and accrued income	240,964	-
	240,964	-

8. **CREDITORS:** amounts falling due within one year

	2018	2017
	£	£
Trade creditors	11,285	24,768
Amounts owed to group undertakings	75,252	-
Reserve fund	-	1,881,195
Accruals and deferred income	47,377	11,946
Surplus payable to leaseholders	22,471	-
VAT	43,833	-
Taxation	123	807
	200,341	1,918,716

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 24 March 2018

9. **CREDITORS:** amounts falling due after one year

	2018	2017
	£	£
Reserve fund	1,795,570	160,633
	<u>1,795,570</u>	<u>160,633</u>

*Reserve Fund*

	2018	2017
	£	£
Balance at the start of the year	2,041,828	1,831,343
Transfer (to)/from Income & Expenditure for the year	(246,258)	210,485
Balance at the end of the year	<u>1,795,570</u>	<u>2,041,828</u>

	2018	2017
	£	£
Due within 1 year	-	1,881,195
Due in more than 1 year	1,795,570	160,633
Balance at the end of the year	<u>1,795,570</u>	<u>2,041,828</u>

10. **SHARE CAPITAL**

	2018	2017
	£	£
<i>Allotted, called up and fully paid:</i>		
3 ordinary shares of £1 each	3	3
	<u>3</u>	<u>3</u>

11. **RELATED PARTY TRANSACTIONS**

The company's parent undertaking is MDL Developments Limited and its ultimate parent is Yattendon Group plc. The company has taken advantage of the exemption not to disclose transactions with other wholly owned entities of the Yattendon Group plc group. The directors believe there to be no ultimate controlling party.

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 24 March 2018

**12. LEASEHOLD DISPUTE**

The service charge costs incurred in respect of a major works project are currently being disputed. An application has been submitted to the First Tier Tribunal (Property Chamber) in respect of the obligation for the residential lessees to contribute to the capital works of the water based assets, along with the adequacy of the consultation procedures required under the Landlord & Tenant Act. This case is due to be heard in the near future. Should the contribution due from the residential lessees be amended as a result of the hearing, or any costs be found not to be recoverable as a result of any errors with the consultation procedures, then these amounts will become due from the commercial lessees or landlord.