

Britannia Village (Nine) Residents Management Company
Company Limited by Guarantee
Unaudited Financial Statements
31 December 2016



COVENEY NICHOLLS

Chartered accountant
The Old Wheelhouse
31/37 Church Street
Reigate
Surrey
RH2 0AD

Britannia Village (Nine) Residents Management Company

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2016

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Britannia Village (Nine) Residents Management Company

Company Limited by Guarantee

Directors' Report

Year ended 31 December 2016

The directors present their report and the unaudited financial statements of the company for the year ended 31 December 2016.

Directors

The directors who served the company during the year were as follows:

Dr A J Craft
Mr W A Murray
Mr B R Turner
Mr F Koodoruth
Mrs S Chaudhuri
Mr A Uddin
Dr J G Carinus

(Appointed 25 July 2016)

(Resigned 25 July 2016)

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on ^{14 September}~~31 August~~ 2017 and signed on behalf of the board by:



Mr B R Turner
Director

Registered office:
Brosnan House
175 Darkes Lane
Potters Bar
Herts
EN6 1BW

Britannia Village (Nine) Residents Management Company
Company Limited by Guarantee
Statement of Income and Retained Earnings
Year ended 31 December 2016

	Note	2016 £	2015 £
Turnover		31,843	21,821
Gross profit		31,843	21,821
Administrative expenses		32,283	4,461
Operating (loss)/profit		(440)	17,360
Other interest receivable and similar income		33	37
(Loss)/profit before taxation		(407)	17,397
Tax on (loss)/profit		5,020	3,393
(Loss)/profit for the financial year and total comprehensive income		(5,427)	14,004
Retained earnings at the start of the year		59,472	45,468
Retained earnings at the end of the year		54,045	59,472

All the activities of the company are from continuing operations.

Britannia Village (Nine) Residents Management Company

Company Limited by Guarantee

Statement of Financial Position

31 December 2016

	Note	2016 £	2015 £
Current assets			
Debtors	6	–	1,967
Cash at bank and in hand		102,067	98,900
		<u>102,067</u>	<u>100,867</u>
Creditors: amounts falling due within one year	7	<u>17,520</u>	<u>10,893</u>
Net current assets		84,547	89,974
Total assets less current liabilities		84,547	89,974
Net assets		84,547	89,974
Capital and reserves			
Other reserves		30,502	30,502
Profit and loss account		54,045	59,472
Members funds		84,547	89,974

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

For the year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

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

These financial statements were approved by the board of directors and authorised for issue on 31 August 2017, and are signed on behalf of the board by:

September



Mr B R Turner
Director

Company registration number: 04004498

Britannia Village (Nine) Residents Management Company

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2016

1. General information

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office is Brosnan House, 175 Darkes Lane, Potters Bar, EN6 1BW, Herts.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Recognition of transactions

The company was incorporated to manage and administer the premises known as Western Beach Apartments, Silvertown, London, E16. The company receives service charges from leaseholders and tenants to cover the costs of running the property. The company holds these funds on behalf of the leaseholders on a statutory trust under s42 of the Landlord and Tenant Act 1987 and therefore the company is not entitled to the income or assets arising from these transactions. Accordingly no transactions relating to the service charge activity are recorded in these accounts.

This treatment is current best practice as advocated by the Association of Residential Managing Agents (ARMA) and supported by the Institute of Chartered Accountants in England and Wales.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 9.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key judgement affecting these accounts relates to the recognition of income and expenditure regarding the service charge monies, as referred to elsewhere in this note.

Britannia Village (Nine) Residents Management Company

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

3. Accounting policies *(continued)*

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

As stated elsewhere in these accounts, the company exists to provide a legal structure for managing the properties known as Western Beach Apartments, Silvertown, and transactions relating to service charges raised for that purpose are not recognised in these accounts at all.

The company does derive some ancillary income from non-service charge sources, recorded in these accounts, which the directors can spend at their discretion. Included in this income is money received from the leaseholders (such as interest on late payments and rental for additional parking spaces). Any and all non-service charge income will be spent on the building for the benefit of the leaseholders, and to that extent it is considered that the company does not trade with leaseholders for the purposes of tax and therefore any surpluses arising from leaseholders will not be liable to corporation tax.

To the extent that the company derives income from third parties (such as leasing land) this is considered a trade and any profits will be subject to corporation tax.

Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

4. Company limited by guarantee

The company is limited by Guarantee and has no share capital. The liability of each member is Limited to £1.

Britannia Village (Nine) Residents Management Company

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

5. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to Nil (2015: Nil).

6. Debtors

	2016	2015
	£	£
Other debtors	–	<u>1,967</u>

7. Creditors: amounts falling due within one year

	2016	2015
	£	£
Corporation tax	5,020	3,393
Other creditors	<u>12,500</u>	<u>7,500</u>
	<u>17,520</u>	<u>10,893</u>

Other creditors represent amounts owed to the service charge account.

8. Related party transactions

Other than the interest payable on late service charges and parking fees rendered to leaseholders there are no other transactions with related parties such as are required to be disclosed.

The company does not have a controlling party on account of it being limited by guarantee and each member's liability being limited to £1. The directors exercise daily control over the running of the company.

9. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2015.

No transitional adjustments were required in equity or profit or loss for the year.

Britannia Village (Nine) Residents Management Company

Company Limited by Guarantee

Management Information

Year ended 31 December 2016

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The following pages do not form part of the financial statements.

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Britannia Village (Nine) Residents Management Company

Company Limited by Guarantee

Chartered Accountant's Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of Britannia Village (Nine) Residents Management Company

Year ended 31 December 2016

As described on the statement of financial position, the directors of the company are responsible for the preparation of the financial statements for the year ended 31 December 2016, which comprise the statement of income and retained earnings, statement of financial position and the related notes.

You consider that the company is exempt from an audit under the Companies Act 2006.

In accordance with your instructions we have compiled these financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and from information and explanations supplied to us.



COVENEY NICHOLLS
Chartered accountant

The Old Wheelhouse
31/37 Church Street
Reigate
Surrey
RH2 0AD

19/09/17

Britannia Village (Nine) Residents Management Company

Detailed Income and Expenditure Statement

Year ended 31 December 2016

	£	2016 £	£	2015 £
Turnover				
Other income	1,686		203	
Roof rental	25,101		16,967	
Parking space rental	1,020		1,320	
Electricity recharge	4,036		2,839	
Interest charged on late service charge	-		492	
		31,843		21,821
Expenditure				
Electricity (roof equipment)	4,036		2,839	
Electrical works	9,900		-	
Porter's cabin	17,357		-	
Printing, postage and stationery	19		-	
Legal and professional fees	971		1,622	
		32,283		4,461
Operating (loss)/profit		(440)		17,360
Other interest receivable and similar income		33		37
(Loss)/profit before taxation		(407)		17,397