

Company Registration No. 09282629 (England and Wales)

(HEART) COLLECTIVE LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017
PAGES FOR FILING WITH REGISTRAR



Tavistock House South
Tavistock Square
London
WC1H 9LG

Rayner Essex LLP
Chartered Accountants

(HEART) COLLECTIVE LTD

COMPANY INFORMATION

Directors	M Smith N Smith (nee Burrowes)	(Appointed 1 July 2017)
Secretary	N Smith (nee Burrowes)	
Company number	09282629	
Registered office	Tavistock House South Tavistock Square London WC1H 9LG	
Accountants	Rayner Essex LLP Tavistock House South Tavistock Square London WC1H 9LG	

(HEART) COLLECTIVE LTD

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(HEART) COLLECTIVE LTD

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Investment properties	3		2,666,490		2,666,490
Current assets					
Debtors	4	21,937		69,045	
Cash at bank and in hand		48,636		35,008	
		<u>70,573</u>		<u>104,053</u>	
Creditors: amounts falling due within one year	5	<u>(1,037,958)</u>		<u>(1,118,683)</u>	
Net current liabilities			(967,385)		(1,014,630)
Total assets less current liabilities			1,699,105		1,651,860
Creditors: amounts falling due after more than one year	6		(1,409,648)		(1,507,465)
Net assets			<u>289,457</u>		<u>144,395</u>
Capital and reserves					
Called up share capital	7		100		100
Profit and loss reserves			289,357		144,295
Total equity			<u>289,457</u>		<u>144,395</u>

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

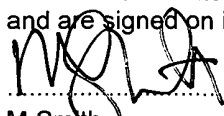
For the financial year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act 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 13/4/17 and are signed on its behalf by:


M Smith
Director

Company Registration No. 09282629

(HEART) COLLECTIVE LTD

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

1 Accounting policies

Company information

(Heart) Collective Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Tavistock House South, Tavistock Square, London, WC1H 9LG.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2017 are the first financial statements of (Heart) Collective Ltd prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The company was incorporated on 27 October 2014 and therefore FRS 102 has now been implemented from this date. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102. Endif}

1.2 Reporting period

The comparative period is for the 17 month period to 31 March 2016. This first period was lengthened in order to obtain a 31 March year end.

1.3 Turnover

Turnover represents amounts receivable for rents and service charges net of VAT.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

1.5 Cash and cash equivalents

Cash and cash equivalents 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.

1.6 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.

(HEART) COLLECTIVE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

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.

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.

1.7 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.

1.8 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.

(HEART) COLLECTIVE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was nil (2016: nil).

3 Investment property

2017
£

Fair value

At 1 April 2016 and 31 March 2017

2,666,490

The directors deem that the value of investment property is reflective of the fair value on an open market basis at the year end.

4 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	-	33,420
Other debtors	21,937	35,625
	<u>21,937</u>	<u>69,045</u>

(HEART) COLLECTIVE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

5 Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	93,981	90,997
Corporation tax	36,266	36,074
Other taxation and social security	11,667	13,368
Other creditors	896,044	978,244
	<u>1,037,958</u>	<u>1,118,683</u>

The bank loan from HSBC Bank Plc is secured by a fixed and floating charge over the assets of the company.

6 Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Bank loans and overdrafts	<u>1,409,648</u>	<u>1,507,465</u>

Amounts included above which fall due after five years are as follows:

Payable by instalments	<u>1,007,635</u>	<u>1,113,896</u>
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7 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

(HEART) COLLECTIVE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

8 Related party transactions

During the prior period (Heart) Productions Ltd provided the company with an interest free loan of £941,000. At the year end a net amount of £892,394 (2015: 976,394) was owed to (Heart) Productions Ltd.

9 Directors' transactions

Description	% Rate	Opening balance £	Amounts repaid £	Closing balance £
Directors loan account	-	12,000	(12,000)	-
		<u>12,000</u>	<u>(12,000)</u>	<u>-</u>