

ANCHOR TENANTS LIMITED

FINANCIAL STATEMENTS

For the year ended 31 January 2017

NIXON MEE LIMITED

COALVILLE

LEICESTERSHIRE

ANCHOR TENANTS LIMITED
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2017

	<u>Note</u>	2017		2016	
		£	£	£	£
INCOME :					
Rents receivable - houses and parking			295,636		271,281
Rent of hall			286		1,313
Church rent			200		200
Wayleave			50		50
Interest received			95		40
			<u>296,267</u>		<u>272,884</u>
EXPENSES :					
Management Expenses					
Salaries		50,721		57,893	
National Insurance		1,763		3,386	
Committee fees		531		516	
Printing, postage and stationery		1,297		1,102	
Telephone		720		609	
Website		338		115	
Office and workshop water charges		317		499	
Light and heat		1,472		1,568	
Cleaning and pest control		1,801		1,513	
Van expenses		1,522		1,207	
Audit and accountancy		1,350		1,320	
Professional fees		2,629		3,202	
FCA fee		195		195	
Donations		-		100	
Bank charges		149		124	
Bad debts		-		(218)	
Hall expenses		1,181			
Key deposit refunds		115		-	
Sundry expenses		360		193	
			<u>66,461</u>	<u>73,324</u>	
Estate Expenses					
Repairs - Building, roofing and skip hire		60,602		72,645	
- Damp proofing		10,474		6,472	
- Window and door replacement		14,201		14,380	
- Central heating installation and repairs		22,485		21,677	
- Electrical		6,893		11,736	
- Painting		19,008		14,813	
- Lead pipe replacement		9,780		460	
- Gas testing, servicing and connection		12,859		11,260	
- Hall		15,988		12,371	
Empty properties – rates and light & heat		2,218		2,887	
Insurance		13,882		13,813	
			<u>188,390</u>	<u>182,514</u>	
Depreciation		1,098		668	
Profit on disposal of fixed assets		-	<u>1,098</u>	<u>(500)</u>	<u>168</u>
Surplus before taxation			<u>40,318</u>	<u>16,878</u>	
Taxation	4		<u>6,514</u>	<u>-</u>	
Surplus after taxation			<u>33,804</u>	<u>16,878</u>	
Accumulated surplus at beginning of year			<u>121,191</u>	<u>104,313</u>	
Accumulated surplus at end of year			<u><u>154,995</u></u>	<u><u>121,191</u></u>	

ANCHOR TENANTS LIMITED
BALANCE SHEET AS AT 31 JANUARY 2017

	<u>Note</u>	2017		2016	
		£	£	£	£
ASSETS EMPLOYED					
Fixed assets	2		76,395		74,285
Current Assets					
Stocks		1,075		1,075	
Debtors and prepayments		2,334		3,144	
Bank - Current account		81,108		43,853	
- Business Premium account		5,053		5,051	
- Nationwide account		25,127		25,065	
Cash in hand		1,819		180	
		<u>116,516</u>		<u>78,368</u>	
Current Liabilities					
Other creditors		2,988		2,574	
Taxes and social security		1,114		1,086	
Corporation tax		6,514		-	
Tenant Bonds		9,094		9,266	
Share Capital Reserve		1,753		1,742	
		<u>21,463</u>		<u>14,668</u>	
Net Current Assets			<u>95,053</u>		<u>63,700</u>
			<u>171,448</u>		<u>137,985</u>
FINANCED BY					
Share capital	3		16,453		16,794
Reserves			154,995		121,191
			<u>171,448</u>		<u>137,985</u>

MR A GEE }
 }
 MR I PAWSON } **MEMBERS OF COMMITTEE**

MRS S SWANN } **SECRETARY** **22 March 2017**

ANCHOR TENANTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

(1) ACCOUNTING POLICIES

The Society has adopted the following accounting policies, which should be read in conjunction with the financial statements as set out on pages 1 to 4.

Basis of Accountancy

The financial statements are prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' as applied to smaller entities by the adoption of Section 1A of FRS 102 (s.1A of FRS 102). The disclosure requirements of s.1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

These financial statements are the first financial statements of Anchor Tenants Limited prepared in accordance with s.1A of FRS 102. The transition date to FRS 102 is therefore 1 February 2016. No restatement of comparative figures was necessary following the transition to FRS 102.

Turnover

The Society's turnover represents rent receivable during the year.

Fixed Assets and Depreciation

Fixed assets are stated at cost, less depreciation and amounts written off. Depreciation is calculated to write off tangible fixed assets over their estimated useful lives at the following annual rates:

Estate	-	nil
Plant	-	10% of cost
Office equipment	-	10% of cost
Van	-	20% of cost
Computer equipment	-	25% of cost

Stocks

Stocks are stated at the lower of cost and net realisable value.

(2) FIXED ASSETS

	<u>Estate</u>	<u>Plant</u>	<u>Fixtures and equipment</u>	<u>Van</u>	<u>Total</u>
COST					
At 1 February 2016	70,150	5,359	3,101	4,500	83,110
Additions	-	-	3,208	-	3,208
Disposals	-	-	(1,644)	-	(1,644)
and at 31 January 2017	<u>70,150</u>	<u>5,359</u>	<u>4,665</u>	<u>4,500</u>	<u>84,674</u>
DEPRECIATION					
At 1 February 2016	-	5,359	2,866	600	8,825
Charge for the year	-	-	198	900	1,098
Eliminated on disposal	-	-	(1,644)	-	(1,644)
At 31 January 2017	<u>-</u>	<u>5,359</u>	<u>1,420</u>	<u>1,500</u>	<u>8,279</u>
NET BOOK VALUE					
At 31 January 2017	<u>70,150</u>	<u>-</u>	<u>3,245</u>	<u>3,000</u>	<u>76,395</u>
At 31 January 2016	<u>70,150</u>	<u>-</u>	<u>235</u>	<u>3,900</u>	<u>74,285</u>

The committee are of the opinion that the cost of obtaining a fair value of the Estate would outweigh the benefit and accordingly the Estate is classified as property. Depreciation should be provided on this, but has not been done, which is not in accordance with the requirements of Financial Reporting Standard 102.

ANCHOR TENANTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

(3) SHARE CAPITAL

	£
At 1 February 2016	16,794
Additions	-
Withdrawals	(341)
At 31 January 2017	<u>16,453</u>

(4) TAXATION

Corporation tax is charged at 20% on the result for the year.

**STATEMENT OF RESPONSIBILITIES OF THE
MANAGEMENT COMMITTEE FOR THE FINANCIAL STATEMENTS**

The purpose of this statement is to distinguish the Management Committee's responsibilities for the financial statements from those of the auditor as stated in their report.

The Management Committee is responsible for preparing the financial statements in accordance with applicable law and regulations.

The Co-operative and Community Benefit Societies Act 2014 requires the Management Committee to prepare financial statements for each financial period. Under this Act the Management Committee have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the Society's state of affairs at the end of the period and of its income and expenditure for that period.

In preparing those financial statements the Management Committee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the financial statements on the going concern basis unless it is in appropriate to assume that the Society will continue in business.

The Management Committee is also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and enables it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Management Committee is aware:

- there is no relevant audit information of which the Society's auditor is unaware; and
- the Management Committee has taken all steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the auditor is aware of that information.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANCHOR TENANTS LIMITED

We have audited the financial statements of Anchor Tenants Limited for the year ended 31 January 2017 which comprise the Income and Expenditure Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice applicable to smaller entities), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Society's members, as a body, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditors' 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 Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Management Committee & the Auditor

As explained more fully in the Statement of the Management Committee's Responsibilities, the Management Committee is responsible for the preparation of the financial statements which 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 Society's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Management Committee; and the overall presentation of the financial statements.

Basis for qualified opinion on financial statements

As disclosed in note 2 to these financial statements depreciation is not provided on the freehold property, which practice, in our opinion, is not in accordance with the requirements of Financial Reporting Standard 102.

Qualified opinion on financial statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the Society's affairs at 31 January 2017 and of its income and expenditure for the period then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities and with the Co-operative and Community Benefit Societies Act 2014.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- proper books of account have not been kept by the Society in accordance with the requirements of the legislation,
- a satisfactory system of control over transactions has not been maintained by the Society in accordance with the requirements of the legislation,
- the financial statements are not in agreement with the books of account of the Society,
- we have not obtained all the information and explanations necessary for the purposes of our audit