

REGISTERED NUMBER: 14660

THE PRIORY RESIDENTS SOCIETY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2017

THE PRIORY RESIDENTS SOCIETY LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2017

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THE PRIORY RESIDENTS SOCIETY LIMITED

SOCIETY INFORMATION

Registered Number	14660R	
Chairman	Sandi McNamara	
Vice Chairman	Mike Dunn	
Committee of Management		
Treasurer	Mayank Chawla Steve Sensier	(resigned 21st January 2018) (appointed 21st January 2018)
Secretary	Lynne Devlin	
Members	Chris Brown Steve Sensier Andrea Haddad	(appointed treasurer) (elected 24th March 2017)
Registered Office	Lygon House 50 London Road Bromley Kent BR1 3RA	
Auditors	F W Berringer & Co Chartered Accountants Lygon House 50 London Road Bromley BR1 3RA	

THE PRIORY RESIDENTS SOCIETY LIMITED

COMMITTEE OF MANAGEMENT'S REPORT

30 SEPTEMBER 2017

The Committee of Management presents its report and the audited financial statements for the period ended 30 September 2017.

Principal Activity

The principal activity of the company is the upkeep and maintenance of properties at The Priory, Priory Park, Blackheath.

Committee of Management

The members of the Committee of Management during the year and their interests in the shares of the company were as follows:-

	Ordinary Shares	
	<u>30.09.17</u>	<u>24.09.16</u>
Lydia Brookes (Resigned 15 March 2016)	1	1
Mike Dunn	1	1
Mayank Chawla	1	1
Tim Heath (Resigned 15 March 2016)	1	1
Sandi McNamara	1	1
Andrew Smith (Resigned 18 April 2016)	1	1
Chris Brown	1	1
Jeremy Lefebure (Resigned 15 February 2016)	1	1
Steve Sensier (Appointed 15 March 2016)	1	1
Lynne Devlin (Appointed 18 April 2016)	1	1
Andrea Haddad (Elected 24 March 2017)	1	1

THE PRIORY RESIDENTS SOCIETY LIMITED

COMMITTEE OF MANAGEMENT'S REPORT

30 SEPTEMBER 2017

Committee of Management Statement of Responsibilities

The committee of management are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The committee of management are required to prepare financial statements for each financial year in accordance with

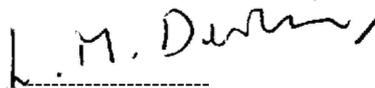
Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The financial statements are required by law to give a true and fair view of the state of affairs of the society and of its excess of income over expenditure for that period. In preparing these financial statements, the committee of management 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 society will continue in business.

The committee of management are responsible for maintaining satisfactory systems of internal control and keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are 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.

On behalf of the Committee,



Secretary - Lynne Devlin

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE PRIORY RESIDENTS SOCIETY LIMITED**

Opinion

We have audited the financial statements of The Priory Residents Society Limited (the “society”) for the period ended 30 September 2017 which comprise of the Income and Expenditure Account and 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the society’s members, as a body, in accordance with section 38 of the Friendly Societies Act 1974. 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 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 society and the society’s members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the society’s affairs as at 30 September 2017 and of its income and expenditure for the year then ended;

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Friendly Societies Act 1974

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 society 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 committee of management’s use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
the committee of management have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the society’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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE PRIORY RESIDENTS SOCIETY LIMITED**

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The committee of management are responsible for the other information. 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.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Friendly Societies Act 1974 requires us to report to you if, in our opinion:

- the society has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation;
- the revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the society's books of account; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the committee of management

As explained more fully in the committee of management's responsibilities statement [set out on page 3], the committee of management 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 they 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 committee of management are responsible for assessing the society'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 committee of management either intend to liquidate the society 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 on the Financial Reporting Council's website at: [www.frc.org.uk/apb/scope/private.cfm]. This description forms part of our auditor's report.

F W Berringer & Co
Lygon House
Bromley
BR1 3RA

Chartered Accountants
& Statutory Auditors

THE PRIORY RESIDENTS SOCIETY LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD ENDED 30 SEPTEMBER 2017

	Note	2017		2016	
		£	£	£	£
INCOME					
Maintenance Contributions Receivable			137,971		128,100
Bank Deposit Interest			144		343
Ground Rents of Flats			22		22
Garages Maintenance Contributions Receivable			4,786		7,287
			<u>142,923</u>		<u>135,752</u>
EXPENDITURE					
Repair & Maintenance of Properties	1.2(b)		22,902		56,271
Garden Expenses			32,511		23,218
B.C.E.R. Road Charges/Road Maintenance	1.2(a)		12,854		12,854
General & Window Cleaning			11,310		11,507
Lighting & Lighting Maintenance			(1,860)		9,953
Insurance			8,187		9,987
Garage Expenses:-					
Insurance		490		868	
Road Maintenance Charges		1,296		1,296	
Maintenance & Improvements		2,600		4,855	
Lighting		<u>-</u>		<u>215</u>	
			4,386		7,234
Bookkeeping			3,290		3,180
Audit, Accountancy & Taxation Services			1,350		1,398
Legal & Professional Costs			2,386		370
Printing, Postage, Stationery & Telephone			64		52
Sundry expenses			<u>80</u>		<u>80</u>
			<u>97,460</u>		<u>136,104</u>
PROFIT ON ORDINARY ACTIVITIES			45,463		(352)
Taxation	3		-		-
PROFIT FOR THE YEAR			<u>45,463</u>		<u>(352)</u>

The Notes on pages 8 - 10 form part of these accounts.

THE PRIORY RESIDENTS SOCIETY LIMITED
BALANCE SHEET
AS AT 30 SEPTEMBER 2017

	Note	2017		2016	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	5		6,134		6,134
CURRENT ASSETS					
Sundry Debtors and Prepayments	6	16,027		17,756	
Cash at Bank		99,896		42,012	
Investment at Cost:-					
30 Shares, Blackheath Cator Estate		150		150	
		<u>116,073</u>		<u>59,918</u>	
Less: CURRENT LIABILITIES					
Sundry Creditors and Accrued Charges	7		17,044		6,352
			<u>17,044</u>		<u>6,352</u>
NET CURRENT ASSETS			99,029		53,566
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>105,163</u>		<u>59,700</u>
SHAREHOLDERS' FUNDS:-					
Share Capital					
Authorised, Issued and Fully Paid:					
61 Shares of £10 each			610		610
Reserve for Maintenance of Properties					
Balance at 25 September 2016		59,090		59,442	
(Deficit)/Surplus for the Year		45,463		(352)	
Balance at 30 September 2017			104,553		59,090
			<u>105,163</u>		<u>59,700</u>

The financial statements have been prepared in accordance with Section 1A "Small Entities" of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The financial statements were formally approved by the Committee on behalf by

and signed on its





Members of the Committee

The Notes on pages 8 - 10 form part of these accounts.

THE PRIORY RESIDENTS SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2017

1 Accounting Policies

The following accounting policies have been used consistently in relation to items which are considered material in the Society's Accounts:-

Accounting convention

The accounts are prepared under the historical cost convention, and in accordance with Section 1A "Small Entities" of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenditures during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Management do not consider that there is a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

Turnover

Turnover represents maintenance contributions receivable.

Fixed Assets

Fixed assets other than freehold property are capitalised and depreciated at a rate calculated to write off the cost over their useful life. The rates in use are as follows:-

Garden and Storage Equipment	- 25% of cost per annum
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Depreciation is not provided in respect of freehold property as the value of the Society's reversionary interest is expected to appreciate with the effluxion of time.

Investments

The shares held as investments are in The Blackheath Cator Estate Residents Limited. The Company is not for profit and therefore the investments are held at historical cost.

Taxation

The club is treated for corporation tax purposes as being mutually trading and is not liable to UK corporation tax on its trading profits. The charge for taxation is based on investment income for that year. In accordance with a letter received from HM Revenue and Customs, no corporation tax returns are due for five years from 12 January 2013, unless there is a tax liability in excess of £100 on interest.

Going concern

It is the members' opinion that the society is a going concern for the foreseeable future.

Debtors

Short term debtors are measured at transaction price.

Creditors

Short term creditors are measured at transaction price.

THE PRIORY RESIDENTS SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2017

2 Operating (deficit)/surplus

The overall deficit for the year is stated after charging:

	2017	2016
	£	£
Auditor's remuneration	1,350	1,398

3 Taxation

	2017	2016
	£	£
UK Corporation Tax at 19.5% (2016: 20%) on interest received	-	-

4 Employees and Directors

There were no employees during the year or the proceeding year.

5 Fixed Assets

	<u>Freehold Property</u>	<u>Garden & Storage Equipment</u>	<u>Total</u>
Cost			
At 25 September 2016	*	6,134	319
At 30 September 2017	6,134	319	6,453
Depreciation			
At 25 September 2016	-	319	319
At 30 September 2017	-	319	319
Net Book Value			
At 24 September 2016	6,134	-	6,134
At 30 September 2017	6,134	-	6,134

*The cost of Freehold Property is net of the amount apportioned to the grant of long leases.

The market value of Freehold Property appearing in the Balance Sheet at £6,134 is believed to be in excess of this figure but it is not considered practical or cost effective to assess the value in prevailing market conditions.

6 Debtors

	2017	2016
	£	£
Trade debtors	15,719	17,470
Ground rent due from Flat 20	308	286
	16,027	17,756

THE PRIORY RESIDENTS SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2017

7 Creditors

	2017	2016
	£	£
Audit & bookkeeping	2,125	1,350
Road maintenance	-	3,537
Accrued expenses	4,814	1,465
Deferred income	10,105	-
	<u>17,044</u>	<u>6,352</u>

8 Remuneration of Committee

No remuneration was payable to any officer or member of the Management Committee.

9 Cash Balance

The cash balance representing service charge monies received by a residential management company in accordance with the terms of the lease agreement, are held in a statutory trust under Section 42 of the Landlord and Tenant Act 1987. It is not an asset of the company, however, until the overall correct treatment of residential management companies has been finalised via FRED50, draft FRC Abstract 1, it remains in the balance sheet.

12 First Year Adoption

The accounts have been prepared in accordance with the provisions of Section 1A "Smaller Entities" of FRS Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. This transition has nil effect on the net assets and retained reserves for both the current and prior years.