Fairthorne Manor Recreation Limited

Report and Financial Statements

Year Ended

31 December 2016

Company Number 02598141

Fairthorne Manor Recreation Limited

Company Information

Directors	C J Hand P J Cooper C J Laws
Company secretary	P J Spicer
Registered number	02598141
Registered office	Bugle House 53 Bugle Street Southampton SO14 2LF
Independent auditor	BDO LLP Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL
Bankers	Allied Irish Bank 20 Marlborough Place Brighton East Sussex BN1 1UB
Solicitors	Blake Morgan New Kings Court Tollgate Chandler's Ford Eastleigh Hampshire SO53 3LG

Fairthorne Manor Recreation Limited

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Fairthorne Manor Recreation Limited

Directors' Report
For the Year Ended 31 December 2016

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

Directors

The directors who served during the year were:

C J Hand
P J Cooper
C J Laws

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 24.8.17 and signed on its behalf.

P J Spicer
Secretary

Fairthorne Manor Recreation Limited

Directors' Responsibilities Statement

The directors are responsible for preparing the directors' 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 (United Kingdom accounting standards 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 accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business. As explained in note 2 to the financial statement, the directors do not believe the going concern basis to be appropriate and in consequence, these financial statements have not been prepared on that basis.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, to disclose with reasonable accuracy at any time the financial position of the company and to 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.

Fairthorne Manor Recreation Limited

Independent Auditor's Report to the Members of Fairthorne Manor Recreation Limited

We have audited the financial statements of Fairthorne Manor Recreation Limited for the year ended 31 December 2016 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity 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).

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.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss 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.

Emphasis of matter

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 2 to the financial statements concerning the company's ability to continue as a going concern and the basis on which the financial statements have been prepared. As the Directors do not foresee the company continuing to trade beyond the next twelve months, the financial statements have not been prepared on a going concern basis.

Opinion 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.

Independent Auditor's Report to the Members of Fairthorne Manor Recreation Limited

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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 directors' report.

We have nothing to report in respect of the following matters where 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 directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

Paul Bricknell (Senior statutory auditor)
for and on behalf of BDO LLP, Statutory auditor
Southampton
United Kingdom

14.9.17

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

Fairthorne Manor Recreation Limited

Profit and Loss Account
For the Year Ended 31 December 2016

	Note	2016 £	2015 £
Turnover		**56,996**	69,805
Cost of sales		**(31,501)**	(38,395)
Gross profit		**25,495**	31,410
Administrative expenses		**(25,499)**	(29,132)
Operating (loss)/profit		**(4)**	2,278
Tax on (loss)/profit		**-**	(456)
(Loss)/profit for the year		**(4)**	1,822
Total comprehensive income for the year		**(4)**	1,822

There were no recognised gains and losses for 2016 or 2015 other than those included in the profit and loss account.

All of the above activities derive from discontinued operations.

The notes on pages 8 to 14 form part of these financial statements.

Fairthorne Manor Recreation Limited
Registered number:02598141

Balance Sheet
As at 31 December 2016

	Note		2016 £		2015 £
Fixed assets					
Tangible assets	8		-		11
			-		11
Current assets					
Stocks	9	-		7,747	
Debtors: amounts falling due within one year	10	6,260		903	
Cash at bank and in hand	11	815		1,695	
		7,075		10,345	
Creditors: amounts falling due within one year	12	(2,075)		(5,352)	
Net current assets			5,000		4,993
Total assets less current liabilities			5,000		5,004
Net assets			5,000		5,004
Capital and reserves					
Called up share capital			5,000		5,000
Profit and loss account			-		4
			5,000		5,004

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
24.8.17

C J Hand
Director
The notes on pages 8 to 14 form part of these financial statements.

Fairthorne Manor Recreation Limited

Statement of Changes in Equity
For the Year Ended 31 December 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	5,000	(1,818)	3,182
Comprehensive income for the year			
Profit for the year	-	1,822	1,822
Total comprehensive income for the year	-	1,822	1,822
At 1 January 2016	5,000	4	5,004
Comprehensive income for the year			
Loss for the year	-	(4)	(4)
Total comprehensive income for the year	-	(4)	(4)
At 31 December 2016	5,000	-	5,000

1. General information

Fairthorne Manor Recreation Limited is a private company, limited by shares, incorporated in England & Wales under the Companies Act with Company Number 02598141. The address of the registered office is given on the contents page and the nature of the company's operations are set out in the directors' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of YMCA Fairthorne Group as at 31 December 2016 and these financial statements may be obtained from Bugle House, 53 Bugle Street, Southampton, SO14 2LF.

2.3 Going concern

Following the transfer of operations to the parent company YMCA Fairthorne Group on 31 December 2016, the company has ceased to trade. Therefore the directors do not consider that the company is a going concern, and have not adopted a going concern basis of preparation in these financial statements. However, due to the nature of the assets and liabilities at the year end, this will have no impact on the book values.

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised from the sale of goods from its tuck shop and family park operation in the period in which the transaction takes place. Revenue is measured as the fair value of the retail price of the goods excluding discounts and value added tax.

2.5 Gift aid

Taxable profits transferred to the parent company, a registered charity, are now recognised as distributions from equity when the the company has made an irrevocable commitment to the parent to pay the taxable profit. The comparatives have not been restated as the change in policy has no material impact on the previous year.

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Plant and machinery	- 3 - 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and Loss Account.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2. Accounting policies (continued)

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like amounts owed to group undertakings and trade creditors.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

2.12 Creditors

Short term creditors are measured at the transaction price.

2.13 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Taxation

Tax is recognised in the Profit and Loss Account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current corporation tax charge is calculated on the basis of UK tax rates and laws that have been enacted or substantively enacted by the balance sheet.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The directors have made no significant judgements or estimates in preparing these financial statements.

Fairthorne Manor Recreation Limited

Notes to the Financial Statements
For the Year Ended 31 December 2016

4. Turnover

All turnover arose within the United Kingdom.

5. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	11	-
Operating lease rentals	1,098	1,098
Defined contribution pension cost	1,011	944

6. Auditor's remuneration

	2016 £	2015 £
Fees payable to the Company's auditor and its associates in respect of:		
The audit of the Company's annual accounts	750	2,500
All other services	-	1,901
	750	4,401

7. Employees

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	21,184	18,114
Social security costs	624	538
Cost of defined contribution scheme	1,011	944
	22,819	19,596

The average monthly number of employees, including the directors, during the year was as follows:

	2016 No.	2015 No.
Staff	4	4

8. Tangible fixed assets

	Plant and machinery £
At 1 January 2016	15,625
Disposals	(15,625)
At 31 December 2016	-
At 1 January 2016	15,614
Charge for the period on owned assets	11
Disposals	(15,625)
At 31 December 2016	-
Net book value	
At 31 December 2016	-
At 31 December 2015	11

9. Stocks

	2016 £	2015 £
Finished goods and goods for resale	-	7,747
	-	7,747

10. Debtors

	2016	2015
	£	£
Amounts owed by group undertakings	**6,260**	903
	6,260	903

11. Cash and cash equivalents

	2016	2015
	£	£
Cash at bank and in hand	**815**	1,695
	815	1,695

12. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	-	12
Corporation tax	-	456
Accruals and deferred income	**2,075**	4,884
	2,075	5,352

13. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £1,011 (2015 - £944). There were no contributions payable to the fund at the balance sheet date.

14. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	-	1,098
Total	-	1,098

15. Related party transactions

The company is a wholly owned subsidiary of YMCA Fairthorne Group and has taken advantage of the exemption conferred by section 33.1A of FRS 102 not to disclose transactions with group members due to consolidated accounts being publicly available.

16. Controlling party

The company is controlled by YMCA Fairthorne Group, its parent company.

The consolidated accounts of YMCA Fairthorne Group are available to the public and may be obtained from YMCA Fairthorne Group, Bugle House, 53 Bugle Street, Southampton, Hampshire, SO14 2LF.