

STRAND SERVICES (WHITCHURCH) LIMITED

Financial Statements

for the

year ended 31 October 2020

Company Registration Number 2645753

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STRAND SERVICES (WHITCHURCH) LIMITED

Financial Statements

For the Year Ended 31 October 2020

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Strand Services (Whitchurch) Limited

General information

For the year ended 31 October 2020

Directors:

The directors who served from 1 November 2019 up to the date of approval of these financial statements were as follows:

Directors	Position	Appointed/Retired from Board
Sarah Elizabeth Beal	Director	
Darren Gibson	Executive Director	Retired from Board 31 March 2021
Ben Taylor	Director	Appointed 31 March 2021
Company Secretary		
Sarah Elizabeth Beal	Company Secretary	

None of the directors had a beneficial interest in the share capital of the company during the years ended 31 October 2019 and 31 October 2020.

Registered office:

1 Exchange Court,
Brabourne Avenue,
Wolverhampton Business Park,
Wolverhampton,
WV10 6AU.

Strand Services (Whitchurch) Limited

The Directors' Report For the year end 31 October 2020

The directors of Strand Services (Whitchurch) Limited are pleased to present their annual report and financial statements for the year ended 31 October 2020.

Principal activities

The principal activity of the company throughout the year was to manage and maintain the development known as Riverside Mews, Fordbridge Road, Kingshurst, Birmingham, West Midlands, for the benefit of the lessees, who are all members of the company.

Going concern

The directors, after reviewing the company budgets for 2020/21 and changes arising from the Covid-19 pandemic, is of the opinion that, taking account of severe but plausible downsides, the company has adequate resources to continue in business for the foreseeable future. The directors therefore continue to adopt the going concern basis in preparing the annual financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Information for auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- So far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- They have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Strand Services (Whitchurch) Limited

**The Directors' Report
For the year end 31 October 2020**

Appointment of Auditors

In 2020, Beever and Struthers, were appointed as Strand Services (Whitchurch) Limited's external auditors.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and the FRS 102 1A *The Financial Reporting Standard applicable to the small entities' regime*.

This report was approved for issue by the Board of Directors on 20 July 2021 and signed on its behalf by:



Sarah Beal
Director

Strand Services (Whitchurch) Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRAND SERVICES (WHITCHURCH) LIMITED

Opinion

We have audited the financial statements of Strand Services (Whitchurch) Limited (the 'company') for the year ended 31 October 2020 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2020 and of its result 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.

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 company 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Board with respect to going concern are described in the relevant sections of this report.

Other information

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

Strand Services (Whitchurch) Limited

Opinions 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 have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 in relation to which 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.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 2, the directors 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 the directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company 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/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the Company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Companies Act 2006 and tax legislation.

Strand Services (Whitchurch) Limited

- We enquired of the directors and reviewed correspondence and directors meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the directors have in place to prevent and detect fraud. We enquired of the directors about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the directors about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

Use of the audit report

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.



Lee Cartwright (Senior Statutory Auditor)

For and on behalf of Beever and Struthers Chartered Accountants, Statutory Auditor

St Georges House
215 Chester Road
Manchester
M15 4JE

27 July 2021

Strand Services (Whitchurch) Limited

**Statement of Income and Retained Earnings
For the year ended 31 October 2020**

	Notes	2020 £	2019 £
Turnover		11,085	10,847
Administrative expenses		(9,135)	(9,851)
Operating profit		<u>1,950</u>	<u>996</u>
Interest receivable		4	4
Profit on ordinary activities before taxation	2	<u>1,954</u>	<u>1,000</u>
Taxation on profit on ordinary activities		-	-
Profit for the year after taxation		<u>1,954</u>	<u>1,000</u>
Total comprehensive income for the year		1,954	1,000
Balance brought forward		4,832	3,832
Balance carried forward		<u>6,786</u>	<u>4,832</u>

The company's results relate wholly to continuing activities.

The notes on pages 9 to 11 form an integral part of these financial statements

Strand Services (Whitchurch) Limited

**Statement of Financial Position
For the year ended 31 October 2020**

	Notes	2020 £	2019 £
Current Assets			
Debtors	3	-	6,123
Cash and cash equivalents		<u>50,232</u>	<u>32,300</u>
		50,232	38,423
 Creditors: Amounts falling due within one year	 4	 <u>(9,753)</u>	 <u>(2,516)</u>
 Net current liabilities		 40,479	 35,907
 Provisions			
Cyclical repairs and maintenance provision	5	(33,681)	(31,063)
 Total net assets		 <u>6,798</u>	 <u>4,844</u>
 Capital and reserves			
Called up share capital	7	12	12
Income and expenditure reserve		6,786	4,832
 Shareholders' funds		 <u>6,798</u>	 <u>4,844</u>

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

These financial statements were approved by the Board of Directors and authorised for issue on 20 July 2021, and are signed on behalf of the Board by



Sarah Beal
Director

Company Registration number 2645753

The notes on pages 9 to 11 form an integral part of these financial statements

Strand Services (Whitchurch) Limited

Notes to the financial statements For the year ended 31 October 2020

Legal status

Strand Services (Whitchurch) Limited is incorporated in England under the Companies Act 2006 company number 2645753. The registered office is 1 Exchange Court, Brabourne Avenue, Wolverhampton Business Park, Wolverhampton, WV10 6AU.

1. Principal accounting policies

Basis of accounting

The company's financial statements have been prepared in accordance with applicable United Kingdom Accounting Generally Accepted Accounting Practice (UK GAAP).

The financial statements comply with the Companies Act 2006. The accounts are prepared on the historical cost basis of accounting as modified by the revaluation of investment properties and are presented in sterling £.

The company's financial statements have been prepared in compliance with FRS 102 1A Financial Reporting standard applicable to small entities.

Turnover

Turnover represents rental income receivable and amounts invoiced in respect of the provision of services and other income.

Provisions

Provisions are made for anticipated and future expenditure on redecoration of and repairs to the buildings, according to a planned schedule of maintenance.

Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that where a tax change arises as a result of an item recognised as other comprehensive income or recognised directly in equity, that tax charge is also recognised in other comprehensive income or directly in equity as appropriate.

Both the current and deferred income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

2. Surplus on ordinary activities

The surplus on ordinary activities is stated after charging	2020 £	2019 £
Directors' remuneration	-	-
Current auditor's remuneration		
- Audit of financial statements	<u>1,000</u>	<u>1,250</u>

Strand Services (Whitchurch) Limited

Notes to the financial statements For the year ended 31 October 2020

3. Trade and other debtors	2020	2019
	£	£
Amounts falling due within one year		
Amounts due from another group company	-	5,459
Prepayments	-	664
	<u>-</u>	<u>6,123</u>

4. Creditors: amounts falling due within one year	2020	2019
	£	£
Accruals and deferred income	1,000	2,480
Amounts due to another group company	8,717	-
Service charges in advance	36	36
	<u>9,753</u>	<u>2,516</u>

5. Cyclical repairs and maintenance provision	2020	2019
	£	£
Balance at 1 November	31,063	28,570
Utilised in year	-	-
Transferred from profit and loss account	2,618	2,493
Balance at 31 October	<u>33,681</u>	<u>31,063</u>

6. Related party transactions

The company was under the control of Bromford Housing Group (United Kingdom Registered Society Number 29996R) throughout the current and previous year. 75% (2019: 75%) of the shares are held by Bromford Housing Association Limited (United Kingdom Registered Society Number 31418R) which is a subsidiary of Bromford Housing Group. The Association owns all but three of the properties, and transactions charged by the Association to Strand Services (Whitchurch) Limited in the year amounted to £6,107 which related to Management fees, Gardening Services and Insurance (2019: £6,034).

Strand Services (Whitchurch) Limited manages, and owns the freehold to, the properties owned by Bromford Housing Association Limited and charged £7,684 (2019: £7,505) for management services and £630 (2019: £630) in respect of ground rent.

Bromford Housing Group Limited and its subsidiaries has indemnified its Board Members, Executive Team, directors and employees for insurance cover no longer provided within its current directors' and officers' liability insurance for the year ending 31 March 2022 which was previously included in its previous policy. The maximum exposure across the group for this indemnity is £10million and expires on 31 March 2022. This is described in more detail in note 10.

Strand Services (Whitchurch) Limited

Notes to the financial statements For the year ended 31 October 2020

7. Share capital

Called up and fully paid

	2020		2019	
	No	£	No	£
Ordinary shares of £1 each	12	12	12	12

8. Taxation

The company carries out mutual trading activities with its members in the provision of services to The Strand, Pearl Yard, Greenend, Whitchurch, Shropshire. The mutual trading activities do not give rise to a corporation taxation liability per the Corporation Tax Act 2010 with tax liable on its investment and other income only.

9. Employee information

The company does not employ any colleagues.

10. Contingent liability

For the financial year 31 March 2021, Bromford Housing Group Limited and its subsidiaries purchased directors' and officers' liability insurance for the Board Members, the Executive team and its employees through the National Housing Federation. Similar insurance provision with relevant cover was not available for the financial year 31 March 2022 with the insurance policies obtained containing exclusions previously covered in the previous financial year. Therefore, a deed has been entered into by the Board Members of Bromford Housing Group Limited to indemnify its Board Members, Executive Team, directors and employees across Bromford Housing Group Limited and its subsidiaries against the exclusions previously covered in the previous insurance provision. Any claim made would be against the relevant entity with ultimate responsibility for reimbursement being through Bromford Housing Group Limited where required. The maximum exposure across the group for this indemnity is £10million and expires on 31 March 2022.

Strand Services (Whitchurch) Limited

**Management information
For the year ended 31 October 2020**

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

Strand Services (Whitchurch) Limited

**Detailed income and expenditure account
For the year ended 31 October 2020**

	2020	2019
	£	£
TURNOVER		
Service charge	10,245	10,007
Ground rent	<u>840</u>	<u>840</u>
	<u>11,085</u>	<u>10,847</u>
 OVERHEADS		
Administrative expenses	(9,135)	(9,851)
 Operating profit	<u>1,950</u>	<u>996</u>
 Bank interest receivable	4	4
 Profit on ordinary activities	<u>1,954</u>	<u>1,000</u>