

Abode Property Management Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2019

Abode Property Management Limited

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Abode Property Management Limited

(Registration number: 04437535)

Balance Sheet as at 31 May 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	<u>4</u>	115,791	52,921
Tangible assets	<u>5</u>	22,260	28,611
Investment property	<u>6</u>	-	1,305,000
Investments	<u>7</u>	102	173,788
		<u>138,153</u>	<u>1,560,320</u>
Current assets			
Debtors	<u>8</u>	1,130,668	59,491
Cash at bank and in hand		<u>315,298</u>	<u>434,280</u>
		1,445,966	493,771
Creditors: Amounts falling due within one year	<u>9</u>	<u>(585,250)</u>	<u>(529,531)</u>
Net current assets/(liabilities)		<u>860,716</u>	<u>(35,760)</u>
Total assets less current liabilities		998,869	1,524,560
Creditors: Amounts falling due after more than one year	<u>9</u>	<u>-</u>	<u>(665,228)</u>
Net assets		<u>998,869</u>	<u>859,332</u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		<u>997,869</u>	<u>858,332</u>
Total equity		<u>998,869</u>	<u>859,332</u>

The notes on pages 3 to 11 form an integral part of these financial statements.

Abode Property Management Limited

(Registration number: 04437535)

Balance Sheet as at 31 May 2019

For the financial year ending 31 May 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 27 February 2020 and signed on its behalf by:

.....

S B Harris
Director

The notes on pages 3 to 11 form an integral part of these financial statements.

Abode Property Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Freshford House
Redcliffe Way
Bristol
BS1 6NL

These financial statements were authorised for issue by the Board on 27 February 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current 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.

Abode Property Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2019

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold land and buildings	over the lease term
Plant and machinery	20% straight line
Computer equipment	33% straight line
Motor vehicles	25% reducing balance

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	3 years straight line

Abode Property Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2019

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Abode Property Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2019

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Long term employee benefits

The cost of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Client monies

The company holds client monies in properly designated client trust accounts. These bank accounts are not assets of the company. Accordingly, the client trust accounts and the corresponding liabilities are not included on the balance sheet of the company.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 43 (2018 - 42).

Abode Property Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2019

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 June 2018	1,144,192	1,144,192
Transfer on hive up	173,686	173,686
At 31 May 2019	1,317,878	1,317,878
Amortisation		
At 1 June 2018	1,091,271	1,091,271
Amortisation charge	110,816	110,816
At 31 May 2019	1,202,087	1,202,087
Carrying amount		
At 31 May 2019	115,791	115,791
At 31 May 2018	52,921	52,921

On 1 June 2018 the trade and assets of Jubilee Property (UK) Ltd were hived up to Abode Property Management Limited. The value of the investment has therefore been transferred to goodwill.

5 Tangible assets

	Leasehold land and buildings £	Plant, machinery and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 June 2018	10,048	71,028	34,343	115,419
Additions	-	6,019	-	6,019
At 31 May 2019	10,048	77,047	34,343	121,438
Depreciation				
At 1 June 2018	8,078	54,103	24,627	86,808
Charge for the year	326	9,615	2,429	12,370
At 31 May 2019	8,404	63,718	27,056	99,178
Carrying amount				
At 31 May 2019	1,644	13,329	7,287	22,260
At 31 May 2018	1,970	16,925	9,716	28,611

Abode Property Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2019

6 Investment properties

	2019 £
At 1 June 2018	1,305,000
Disposals	<u>(1,305,000)</u>
At 31 May 2019	<u><u>-</u></u>

7 Investments

	2019 £	2018 £
Investments in subsidiaries	100	173,786
Investments in associates	<u>2</u>	<u>2</u>
	<u><u>102</u></u>	<u><u>173,788</u></u>

Subsidiaries £

Cost or valuation

At 1 June 2018	173,786
Transfer on hive up	<u>(173,686)</u>
At 31 May 2019	<u>100</u>

Provision

Carrying amount

At 31 May 2019	<u><u>100</u></u>
At 31 May 2018	<u><u>173,786</u></u>

Associates £

Cost

At 1 June 2018	<u>2</u>
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Provision

Carrying amount

At 31 May 2019	<u><u>2</u></u>
At 31 May 2018	<u><u>2</u></u>

Abode Property Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2019

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2019	2018
Subsidiary undertakings				
Jubilee Property (UK) Ltd	Freshford House, Redcliffe Way, Bristol, England. BS1 6NL	Ordinary	100%	100%

The principal activity of Jubilee Property (UK) Ltd is estate agency.

Its financial year end is 31 March 2019. The aggregate amount of capital and reserves at the end of that year was £(3,397).

8 Debtors

	Note	2019 £	2018 £
Trade debtors		39,757	41,118
Amounts owed by group undertakings	<u>12</u>	621,783	-
Other debtors		458,942	2,395
Prepayments and accrued income		10,186	15,978
		<u>1,130,668</u>	<u>59,491</u>

9 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Bank loans and overdrafts	<u>10</u>	-	74,444
Trade creditors		7,575	3,526
Amounts owed to related parties	<u>12</u>	160,004	81,571
Taxation and social security		402,022	350,958
Other creditors		3,473	2,681
Accruals and deferred income		12,176	16,351
		<u>585,250</u>	<u>529,531</u>

A joint and several guarantee from the directors of E N Gordon and S B Harris exists for a principal amount of £500,000 plus interest and other costs in respect of the debts and liabilities in favour of Lloyds Bank. The bank has additional security by means of a debenture over all fixed and current assets of the company.

Abode Property Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2019

Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
Due after one year			
Loans and borrowings	10	-	665,228
		2019 £	2018 £
Due after more than five years			
After more than five years by instalments		-	439,593
		-	439,593

10 Loans and borrowings

	2019 £	2018 £
Non-current loans and borrowings		
Bank borrowings	-	665,228
	2019 £	2018 £
Current loans and borrowings		
Bank borrowings	-	74,444

11 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £282,022 (2018 - £322,065). Of these, £39,561 (2018 - £39,561) are due within one year, £138,880 (2018 - £143,721) and due between two and five years and £103,581 (2018 - £138,783) are due greater than 5 years.

Together with a company under common ownership, the company is subject to an Omnibus Guarantee and Set Off Agreement in favour of the company's bankers. Under this agreement each company has provided a guarantee to settle the total net amounts due to the bank from each company. At the year end the total amount guaranteed was £1,335,805.

Amounts disclosed in the balance sheet

Included in the balance sheet are pension liabilities totalling £3,548 (2018 - £2,889).

Abode Property Management Limited

Notes to the Financial Statements for the Year Ended 31 May 2019

12 Related party transactions

The company has taken advantage of the exemption under FRS 102 1A to not disclose related party transactions with wholly owned members of the group.

Loans to related parties

	Key management £
2019	
At start of period	79,616
Advanced	928,000
Repaid	<u>(848,000)</u>
At end of period	<u><u>159,616</u></u>
	Key management £
2018	
At start of period	79,616
Advanced	352,000
Repaid	<u>(352,000)</u>
At end of period	<u><u>79,616</u></u>

Terms of loans to related parties

Loans to key management are interest free and repayable on demand.

13 Ultimate controlling party

On 21 December 2018 the company became a wholly owned subsidiary of Abode Property Management (Holdings) Limited. The directors are of the opinion that there is no ultimate controlling party.

14 Post balance sheet events

On 6 June 2019 the company acquired Kingsley Thomas Limited. From this date, Kingsley Thomas Limited, became a wholly owned subsidiary of Abode Property Management Limited.

15 Client monies

The company holds client monies in properly designated client trust accounts. These bank accounts are not the assets of the company. Accordingly, the client trust accounts and the corresponding liabilities are not included on the balance sheet of the company. The total client monies held in trust bank accounts on behalf of clients at the year end amounted to £5,607,217 (2018 - £5,745,793).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.