

Registered number: 05910066

Arca Homes (Collingwood) Limited

Unaudited

Directors' report and financial statements

For the Year Ended 31 March 2018

Arca Homes (Collingwood) Limited

Company Information

Directors	P C De Haan S Johnson
Company secretary	S J Ghysen
Registered number	05910066
Registered office	The Woolyard 54 Bermondsey Street London SE1 3UD
Accountants	Kreston Reeves LLP Chartered Accountants 37 St Margaret's Street Canterbury Kent CT1 2TU
Bankers	Handelsbanken 5th Floor 13 Charles II Street London SW1Y 4QU
Solicitors	Druces LLP Salisbury House London Wall London EC2M 5PS

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**Directors' report
For the Year Ended 31 March 2018**

The directors present their report and the financial statements for the year ended 31 March 2018.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the company's financial statements and then apply them consistently;
- make judgments and accounting 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 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.

Principal activity

The principal activity of the company during the year was that of holding investment property for long term capital growth and the rental of these properties.

Directors

The directors who served during the year were:

P C De Haan
S Johnson

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 10 December 2018 and signed on its behalf.

S Johnson
Director

Chartered accountants' report to the board of directors on the preparation of the unaudited statutory financial statements of Arca Homes (Collingwood) Limited for the Year Ended 31 March 2018

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Arca Homes (Collingwood) Limited for the year ended 31 March 2018 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes from the company accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of Arca Homes (Collingwood) Limited, as a body, in accordance with the terms of our engagement letter dated 31 July 2017. Our work has been undertaken solely to prepare for your approval the financial statements of Arca Homes (Collingwood) Limited and state those matters that we have agreed to state to the board of directors of Arca Homes (Collingwood) Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Arca Homes (Collingwood) Limited and its board of directors, as a body, for our work or for this report.

It is your duty to ensure that Arca Homes (Collingwood) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit or loss of Arca Homes (Collingwood) Limited. You consider that Arca Homes (Collingwood) Limited is exempt from the statutory audit requirement for the year

We have not been instructed to carry out an audit or review of the financial statements of Arca Homes (Collingwood) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Kreston Reeves LLP
Chartered Accountants
Canterbury
10 December 2018

**Statement of comprehensive income
For the Year Ended 31 March 2018**

	2018 £000	2017 £000
Turnover	210	30
Cost of sales	(175)	-
Gross profit	35	30
Administrative expenses	(30)	(30)
Fair value movements	-	(12)
Operating profit/(loss)	5	(12)
Tax on profit/(loss)	-	-
Profit/(loss) for the year	5	(12)

There was no other comprehensive income for 2018 (2017: £NIL).

The notes on pages 6 to 10 form part of these financial statements.

Balance sheet
As at 31 March 2018

	Note	2018 £000	2017 £000
Fixed assets			
Investment property	5	905	1,074
Current assets			
Debtors: amounts falling due within one year	6	374	236
Cash at bank and in hand		43	14
		417	250
Creditors: amounts falling due within one year	7	(3,974)	(3,981)
Net current liabilities		(3,557)	(3,731)
Net assets		(2,652)	(2,657)
Capital and reserves			
Called up share capital	8	-	-
Investment property reserve	9	(872)	(1,187)
Profit and loss account	9	(1,780)	(1,470)
		(2,652)	(2,657)

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 December 2018.

P C De Haan
Director

S Johnson
Director

The notes on pages 6 to 10 form part of these financial statements.

**Statement of changes in equity
For the Year Ended 31 March 2018**

	non-distributable reserve £000	Profit and loss account £000	Total equity £000
At 1 April 2017	(1,187)	(1,470)	(2,657)
Comprehensive income for the year			
Profit for the year	-	5	5
Transfer to/from profit and loss account	-	(315)	(315)
Transfer between other reserves	315	-	315
At 31 March 2018	(872)	(1,780)	(2,652)

The notes on pages 6 to 10 form part of these financial statements.

**Statement of changes in equity
For the Year Ended 31 March 2017**

	non-distributable reserve £000	Profit and loss account £000	Total equity £000
At 1 April 2016	(1,175)	(1,470)	(2,645)
Comprehensive income for the year			
Loss for the year	-	(12)	(12)
Transfer to/from profit and loss account	-	12	12
Transfer between other reserves	(12)	-	(12)
At 31 March 2017	(1,187)	(1,470)	(2,657)

The notes on pages 6 to 10 form part of these financial statements.

**Notes to the financial statements
For the Year Ended 31 March 2018**

1. General information

Arca Homes (Collingwood) Limited is a limited liability company incorporated in England and Wales.

The company's registered office is Woolyard, 54 Bermondsey Street, London, SE1 3UD.

The company number is 05910066.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The company's functional and presentational currency is Pound Sterling.

The company's financial statements are presented to the nearest thousand.

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

The following principal accounting policies have been applied:

2.2 Going concern

In order to meet its day to day working capital requirements the company will rely upon support provided by fellow group companies, as and when the need arises.

After making enquiries, the directors believe that the company will have adequate resources together with the continued support of fellow group companies to continue in operational existence for the foreseeable future. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis.

2.3 Turnover

Turnover comprises property sales from its property development operations and rental income receivable by the company, exclusive of Value Added Tax.

2.4 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the statement of comprehensive income.

2.5 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.

**Notes to the financial statements
For the Year Ended 31 March 2018**

2. Accounting policies (continued)

2.6 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.

2.7 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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 statement of comprehensive income.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the financial statements
For the Year Ended 31 March 2018

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

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such though that actual outcomes could differ significantly from those estimates.

The following are the company's key sources of estimation uncertainty:

Investment properties

The company holds investment property with fair value of £905,000 at the year end (see note 5). In order to determine the fair value of investment property the company has engaged independent valuation specialists with experience in the location and nature of the property being valued. They have used a valuation technique based on comparable market data. The determined fair value of the investment property is most sensitive to fluctuations in the property market.

4. Employees

The company has no employees other than the directors, who did not receive any remuneration (2017 - £NIL).

The directors are remunerated by other group companies, as their services to Arca Homes (Collingwood) Limited are considered incidental.

5. Investment property

	Freehold investment property £000
Valuation	
At 1 April 2017	1,074
Disposals	(169)
At 31 March 2018	<u>905</u>

The 2018 valuations were made by the directors, informed by the company's external valuers and advisers, on a fair value basis.

Notes to the financial statements
For the Year Ended 31 March 2018

6. Debtors

	2018	2017
	£000	£000
Amounts owed by group undertakings	370	220
Other debtors	1	7
Prepayments and accrued income	3	9
	<u>374</u>	<u>236</u>

7. Creditors: Amounts falling due within one year

	2018	2017
	£000	£000
Trade creditors	5	6
Amounts owed to group undertakings	3,791	3,791
Other creditors	-	5
Accruals and deferred income	178	179
	<u>3,974</u>	<u>3,981</u>

8. Share capital

	2018	2017
	£000	£000
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>-</u>	<u>-</u>

9. Reserves

Profit & loss account

This reserve comprises all current and prior period retained profits and losses after deducting any distributions made to the company's shareholders.

Non-distributable reserve

To assist with the identification of profits available for distribution this reserve represents changes in the fair value of the company's investment properties to the extent that they are not considered to be distributable to the company's shareholders, less any related provision for current or deferred tax.

10. Related party transactions

The company is exempt from disclosing related party transactions with other companies that are wholly owned within the group. The company is also exempt from disclosing related party transactions that are conducted under normal market conditions.

**Notes to the financial statements
For the Year Ended 31 March 2018**

11. Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary undertaking of Opus Property Finance Limited, a company incorporated in England and Wales.

The ultimate parent undertaking is Opus Trust Investments Limited, a company incorporated in England and Wales.

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.