

REGISTERED NUMBER: 07491917 (England and Wales)

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014
FOR
MERIDIAN HOME START LIMITED



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FOR THE YEAR ENDED 31 MARCH 2014

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MERIDIAN HOME START LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2014

DIRECTORS:

S J G Offord
M D Baigent
R A Evans

REGISTERED OFFICE:

3rd Floor - The Woolwich Centre
35 Wellington Street
Woolwich
LONDON
SE18 6HQ

REGISTERED NUMBER:

07491917 (England and Wales)

SENIOR STATUTORY AUDITOR:

Liam McHugh ACA

AUDITORS:

McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2014

The directors present their report with the financial statements of the company for the year ended 31 March 2014.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of renting out residential properties across the Royal Borough of Greenwich at "intermediate" discounted rent levels to working families who would otherwise find it hard to buy or rent on the open market.

FUTURE DEVELOPMENTS

After a third successful year of trading, the Directors intend to continue exploring options for growth through new development and acquisition in the coming year. Detailed delivery plans will be contingent on securing appropriate capital financing arrangements.

DIRECTORS

S J G Offord, M D Baigent and R A Evans were appointed as directors after 31 March 2014 but prior to the date of this report.

Cllr C J Roberts and C Wood ceased to be directors after 31 March 2014 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 International Financial Reporting Standards as adopted by the European Union. 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;
- 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

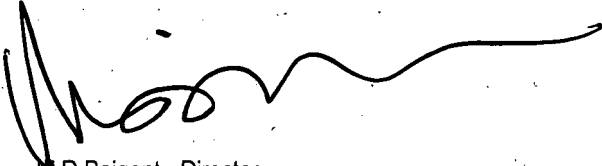
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

MERIDIAN HOME START LIMITED (REGISTERED NUMBER: 07491917)

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2014

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'M D Baigent', with a long, sweeping horizontal stroke extending to the right.

M D Baigent - Director

10 June 2014

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
MERIDIAN HOME START LIMITED

We have audited the financial statements of Meridian Home Start Limited for the year ended 31 March 2014 on pages six to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 a Report of the Auditors 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 set out on page two, 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 Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 March 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
MERIDIAN HOME START LIMITED

Matters on which we are required to report by exception

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 take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

McCabe Ford Williams

Liam McHugh ACA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE

12 June 2014

**STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	31.3.14 £	31.3.13 £
CONTINUING OPERATIONS			
Revenue		-	-
Cost of sales		(90,424)	(122,072)
GROSS LOSS		(90,424)	(122,072)
Other operating income		274,902	250,126
Administrative expenses		(10,425)	(8,171)
Other operating expenses		(3,689)	-
OPERATING PROFIT		170,364	119,883
Finance income	3	-	11
PROFIT BEFORE INCOME TAX	4	170,364	119,894
Income tax	5	(37,649)	(36,581)
PROFIT FOR THE YEAR		132,715	83,313

The notes form part of these financial statements

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014


	31.3.14 £	31.3.13 £
PROFIT FOR THE YEAR	132,715	83,313
OTHER COMPREHENSIVE INCOME		
Item that will not be reclassified to profit or loss:		
Revaluation of properties	666,326	4,324,354
Income tax relating to item of other comprehensive income	-	-
	<hr/>	<hr/>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	666,326	4,324,354
	<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	799,041	4,407,667
	<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 MARCH 2014

	Notes	31.3.14 £	31.3.13 £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	6,612,976	5,946,650
CURRENT ASSETS			
Trade and other receivables	7	68,643	27,549
Cash and cash equivalents	8	301,720	176,314
		370,363	203,863
TOTAL ASSETS		6,983,339	6,150,513
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	9	1	1
Revaluation reserve	10	6,436,870	5,770,544
Retained earnings	10	347,353	214,638
TOTAL EQUITY		6,784,224	5,985,183
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	161,466	125,786
Tax payable		37,649	39,544
		199,115	165,330
TOTAL LIABILITIES		199,115	165,330
TOTAL EQUITY AND LIABILITIES		6,983,339	6,150,513

The financial statements were approved by the Board of Directors on 10 June 2014 and were signed on its behalf by:



M D Baigent - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2014

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 April 2012	1	131,325	1,446,190	1,577,516
Changes in equity				
Total comprehensive income	-	83,313	4,324,354	4,407,667
Balance at 31 March 2013	1	214,638	5,770,544	5,985,183
Changes in equity				
Total comprehensive income	-	132,715	666,326	799,041
Balance at 31 March 2014	1	347,353	6,436,870	6,784,224

The notes form part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2014**

		31.3.14 £	31.3.13 £
Cash flows from operating activities			
Cash generated from operations	1	164,950	219,866
Tax paid		(39,544)	(43,178)
Net cash from operating activities		<u>125,406</u>	<u>176,688</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(229,373)
Interest received		-	11
Net cash from investing activities		<u>-</u>	<u>(229,362)</u>
Cash flows from financing activities			
Capital grant received		-	100,000
Net cash from financing activities		<u>-</u>	<u>100,000</u>
Increase in cash and cash equivalents		<u>125,406</u>	<u>47,326</u>
Cash and cash equivalents at beginning of year	2	<u>176,314</u>	<u>128,988</u>
Cash and cash equivalents at end of year	2	<u><u>301,720</u></u>	<u><u>176,314</u></u>

The notes form part of these financial statements

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2014**

1. RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	31.3.14	31.3.13
	£	£
Profit before income tax	170,364	119,894
Loss on revaluation of new property	-	53,267
Finance income	-	(11)
	<hr/>	<hr/>
	170,364	173,150
(Increase)/decrease in trade and other receivables	(41,094)	50,935
Increase/(decrease) in trade and other payables	35,680	(4,219)
	<hr/>	<hr/>
Cash generated from operations	<u>164,950</u>	<u>219,866</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the statement of cash flow in respect of cash and cash equivalents are in respect of these statement of financial position amounts:

Year ended 31 March 2014

	31.3.14	1.4.13
	£	£
Cash and cash equivalents	<u>301,720</u>	<u>176,314</u>

Year ended 31 March 2013

	31.3.13	1.4.12
	£	£
Cash and cash equivalents	<u>176,314</u>	<u>128,988</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

1. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The company meets its day to day working capital requirements largely through its own activities but also through financial and grant support from the Boroughs for which it operates facilities. The Directors expect this financial support to continue for the foreseeable future and therefore consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the withdrawal of its financial support by the local authority.

Property, plant and equipment

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Property - straight line basis over 40 years

No depreciation is provided in the year of acquisition.

Properties are valued using the fair value model. They are valued by an independent valuer on the basis of their value with vacant possession using the beacon method of valuation.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

2. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 March 2014 nor for the year ended 31 March 2013.

	31.3.14	31.3.13
	£	£
Directors' remuneration	==	==

3. NET FINANCE INCOME

	31.3.14	31.3.13
	£	£
Finance income:		
Sundry interest	==	11

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014**

4. PROFIT BEFORE INCOME TAX

The profit before income tax is stated after charging:

	31.3.14	31.3.13
	£	£
Cost of inventories recognised as expense	90,424	122,072
Auditors remuneration	3,710	3,600
All other services	1,850	1,800
	<u> </u>	<u> </u>

5. INCOME TAX

Analysis of tax expense

	31.3.14	31.3.13
	£	£
Current tax:		
Taxation	37,649	39,544
Overprovision previous year	-	(2,963)
	<u> </u>	<u> </u>
Total tax expense in income statement	<u>37,649</u>	<u>36,581</u>

Factors affecting the tax expense

The tax assessed for the year is lower (2013 - higher) than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.14	31.3.13
	£	£
Profit on ordinary activities before income tax	<u>170,364</u>	<u>119,894</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23% (2013 - 24%)	39,184	28,775
Effects of:		
Impairment of assets	-	12,783
Over provision previous year	-	(2,963)
Expenses not allowable for tax	-	4
Marginal rate relief	(1,535)	(2,018)
	<u> </u>	<u> </u>
Tax expense	<u>37,649</u>	<u>36,581</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

5. INCOME TAX - continued

Tax effects relating to effects of other comprehensive income

	Gross £	31.3.14 Tax £	Net £
Revaluation of properties	666,326	-	666,326
	<u>666,326</u>	<u>-</u>	<u>666,326</u>

	Gross £	31.3.13 Tax £	Net £
Revaluation of properties	4,324,354	-	4,324,354
	<u>4,324,354</u>	<u>-</u>	<u>4,324,354</u>

6. PROPERTY, PLANT AND EQUIPMENT

	Freehold property £
COST OR VALUATION	
At 1 April 2013	5,946,650
Revaluations	666,326
At 31 March 2014	<u>6,612,976</u>
NET BOOK VALUE	
At 31 March 2014	<u>6,612,976</u>
At 31 March 2013	<u>5,946,650</u>

Cost or valuation at 31 March 2014 is represented by:

	Freehold property £
Valuation in 2013	5,717,277
Valuation in 2014	666,326
Cost	229,373
	<u>6,612,976</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014**

7. TRADE AND OTHER RECEIVABLES

	31.3.14 £	31.3.13 £
Current:		
Trade debtors	11,767	6,035
Amounts owed by group undertakings	36,250	1,127
Other debtors	20,626	20,387
	<u>68,643</u>	<u>27,549</u>

8. CASH AND CASH EQUIVALENTS

	31.3.14 £	31.3.13 £
Bank accounts	<u>301,720</u>	<u>176,314</u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			31.3.14	31.3.13
Number:	Class:	Nominal value:	£	£
1	Ordinary	1	<u>1</u>	<u>1</u>

10. RESERVES

	Retained earnings £	Revaluation reserve £	Totals £
At 1 April 2013	214,638	5,770,544	5,985,182
Profit for the year	132,715		132,715
Revaluation reserve		666,326	666,326
	<u>347,353</u>	<u>6,436,870</u>	<u>6,784,223</u>
At 31 March 2014			

11. TRADE AND OTHER PAYABLES

	31.3.14 £	31.3.13 £
Current:		
Trade creditors	1	-
Other creditors	20,626	20,386
Accruals and deferred income	140,839	105,400
	<u>161,466</u>	<u>125,786</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

12. ULTIMATE PARENT COMPANY

The ultimate parent company is the Royal Borough of Greenwich.

13. RELATED PARTY DISCLOSURES

During the year the Royal Borough of Greenwich received £251,269 (2013: £240,324) on behalf of the company for the rental of the investment properties. The company was also charged management fees totalling £37,273 (2013: £55,082) (inclusive of VAT) by the Royal Borough of Greenwich.

In this year the company received a capital grant of £nil (2013: £100,000) from the Royal Borough of Greenwich.

Professional fees totalling £1,236 and advertising costs totalling £1,032 (2013: £nil and £nil) were reimbursed to the Royal Borough of Greenwich.

Legal fees totalling £18,348 (2013: £nil) were recharged to the Royal Borough of Greenwich and this was outstanding at the balance sheet date.

The remainder of the balance of £36,250 due to the company, being £17,902 (2013: £1,127), was in respect of rents collected but not yet paid over to the company.