

V22 Foundation

(A company limited by guarantee)

Annual Report and Unaudited Financial Statements
for the Period from 1 January 2022 to 30 June 2023

V22 Foundation

Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u>
Notes to the Unaudited Financial Statements	<u>3 to 8</u>

V22 Foundation

Company Information

Directors	K T Cranswick S R N Higgs
Registered office	10 - 16 Ashwin Street London E8 3DL

V22 Foundation

(Registration number: 07590502) Balance Sheet as at 30 June 2023

	Note	30 June 2023	31 December 2021
		£	£
Fixed assets			
Tangible assets	<u>5</u>	346,248	377,933
Current assets			
Debtors	<u>6</u>	339,224	223,662
Cash at bank and in hand		<u>4,445</u>	<u>11,633</u>
		343,669	235,295
Creditors: Amounts falling due within one year	<u>7</u>	<u>(444,935)</u>	<u>(249,291)</u>
Net current liabilities		<u>(101,266)</u>	<u>(13,996)</u>
Total assets less current liabilities		244,982	363,937
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(3,423)</u>	<u>(66,183)</u>
Net assets		<u><u>241,559</u></u>	<u><u>297,754</u></u>

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.

For the financial period ending 30 June 2023 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 period 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 delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Statement of Comprehensive Income has been taken.

Approved and authorised by the Board on 27 March 2024 and signed on its behalf by:

K T Cranswick
Director

V22 Foundation

Notes to the Unaudited Financial Statements for the Period from 1 January 2022 to 30 June 2023

1 General information

The company is a company limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

The address of its registered office is:

10 - 16 Ashwin Street

London

E8 3DL

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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.

The presentation currency of the financial statements is pound sterling (£).

Disclosure of long or short period

The company has extended its year end to 30 June 2023 and the accounts for 2023 therefore cover an 18 month period. As such, the comparative amounts presented in the financial statements are not entirely comparable. The company has changed its year end to align with the other organisations that are related to V22 Foundation by virtue of common directorship.

Going concern

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

V22 Foundation

Notes to the Unaudited Financial Statements for the Period from 1 January 2022 to 30 June 2023 (continued)

2 Accounting policies (continued)

Revenue recognition

Turnover represents net invoiced sales of goods and services, excluding value added tax.

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

Rental income:

Rental income from the letting of studios under licence is recognised on a straight-line basis over the term of the hire period.

Management services:

The company provides management services on a not for profit making basis which are recognised by reference to agreed contract sums and stage of completion.

Grants

Grants relating to revenue costs are credited to income in line with the relevant cost and are included in other income. Grants to be matched with expected future costs are carried forward as deferred income.

Grants received as a contribution towards expenditure on fixed assets are recognised in income when the grant is received or receivable subject to there being no performance related conditions. Where performance related conditions exist, income is recognised in income only when the conditions are met.

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

Land and buildings

Furniture, fittings and equipment

Depreciation method and rate

Long leasehold premium over the term of the lease; Long leasehold improvements
2% on cost or term of the lease if shorter;
short term lease improvements over the
term of the lease

33 1/3% on cost per annum

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.

V22 Foundation

Notes to the Unaudited Financial Statements for the Period from 1 January 2022 to 30 June 2023 (continued)

2 Accounting policies (continued)

Trade debtors

Trade debtors are amounts due from customers for rental income and 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 statement of comprehensive income 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, except where another systematic basis is more representative of the time pattern in which economic benefits from the lease assets are consumed.

In the event lease incentives are received to enter into the operating lease, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

V22 Foundation

Notes to the Unaudited Financial Statements for the Period from 1 January 2022 to 30 June 2023 (continued)

2 Accounting policies (continued)

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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the period, was 9 (2021 - 5).

4 Loss/profit before tax

Arrived at after charging/(crediting)

	2023 £	2021 £
Depreciation expense	32,193	21,206

5 Tangible assets

	Long leasehold land and buildings £	Short leasehold land and buildings £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2022	346,149	89,056	3,245	438,450
Additions	-	-	509	509
At 30 June 2023	346,149	89,056	3,754	438,959
Depreciation				
At 1 January 2022	30,619	26,653	3,245	60,517
Charge for the period	8,769	23,301	124	32,194
At 30 June 2023	39,388	49,954	3,369	92,711
Carrying amount				
At 30 June 2023	306,761	39,102	385	346,248
At 31 December 2021	315,530	62,403	-	377,933

V22 Foundation

Notes to the Unaudited Financial Statements for the Period from 1 January 2022 to 30 June 2023 (continued)

6 Debtors

	30 June 2023 £	31 December 2021 £
Trade debtors	66,660	30,167
Other debtors	175,431	143,111
Prepayments	97,133	50,384
	<u>339,224</u>	<u>223,662</u>

7 Creditors

Creditors: amounts falling due within one year

	30 June 2023 £	31 December 2021 £
Due within one year		
Trade creditors	202,696	29,816
Taxation and social security	716	-
Other creditors	109,077	126,673
Accruals and deferred income	132,446	92,802
	<u>444,935</u>	<u>249,291</u>

Creditors include other creditors which are secured over the company's long leasehold property of £45,378 (2021: £40,353).

Creditors: amounts falling due after more than one year

	30 June 2023 £	31 December 2021 £
Due after one year		
Loans and borrowings	<u>3,423</u>	<u>66,183</u>

Creditors include other creditors which are secured over the company's long leasehold property of £3,423 (2021: £66,183).

V22 Foundation

Notes to the Unaudited Financial Statements for the Period from 1 January 2022 to 30 June 2023 (continued)

8 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 £1,792,748 (2021 - £2,034,000).

9 Related party transactions

The following balances are included within debtors due within one year:

- Amount receivable from V22 Ltd (incorporated in the Isle of Man) £74,129 (2021: £43,805)
- Amount receivable from V22 London Ltd £21,319 (2021: £31,430)
- Amount receivable from V22 Ltd £36,833 (2021: £14,000)
- Amount receivable from V22 Communities £31,514 (2021: £11,181)

These comprise short term funding loans, repayable on demand and non-interest bearing. The companies are related by virtue of common directorship.

Management fees of £57,537 were receivable at a commercial rate from V22 London Limited. In 2021, management fees of £72,363 were payable to V22 London Limited.

Directors' fees were paid to the directors for their services to the company during the year of £28,608 (2021: £18,750).

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.