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**CMS HOUSE ENTERPRISES LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR 1 FEBRUARY 2019 TO 31 JANUARY 2020**

TUESDAY



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**CMS HOUSE ENTERPRISES LTD**

**COMPANY INFORMATION**

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<b>DIRECTORS</b>	Peter Hyatt Jim Barker Charles Walker Thomas Mitchell Cley Crouch
<b>REGISTERED NUMBER</b>	09376700
<b>REGISTERED OFFICE</b>	CMS House Watlington Road Oxford Oxfordshire OX4 6BZ
<b>INDEPENDENT AUDITOR</b>	Crowe U.K. LLP Aquis House 49-51 Blagrove Street Reading Berkshire RG1 1PL

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# **CMS HOUSE ENTERPRISES LTD**

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**CMS HOUSE ENTERPRISES LTD**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 JANUARY 2020**

The directors present their report and the financial statements for the year from 1 February 2019 to 31 January 2020.

**PRINCIPAL ACTIVITIES**

The principal activity is the provision of conferencing and café facilities at CMS House. Related sales of books and other retail items have been substantially reduced following the decision to close the shop in the café.

**RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £44,613.

**IMPACT OF COVID-19**

During March 2020, the conference and rental income ceased as CMS House was closed to all but essential skeleton staff. The directors are aware of the implications of this and are reviewing forecasts for later in the year where the conference and rental income may restart but still consider the CMS House Enterprises Ltd as a going concern.

**DIRECTORS**

The directors who served during the year from 1 February 2019 to 31 January 2020 were:

Jim Barker  
Cley Crouch  
Peter Hyatt  
Thomas Mitchell  
Charles Walker

**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 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 judgments and accounting estimates that are reasonable and prudent; and
- 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.

**CMS HOUSE ENTERPRISES LTD**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 JANUARY 2020**

**DISCLOSURE OF INFORMATION TO AUDITOR**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**AUDITORS**

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 25<sup>th</sup> June 2020 and signed on its behalf.



Peter Hyatt - Director

## **CMS HOUSE ENTERPRISES LTD**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CMS HOUSE ENTERPRISES LIMITED**

#### **OPINION**

We have audited the financial statements of CMS House Enterprises Ltd for the year ended 31 January 2020 which comprise the statement of comprehensive income, balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **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.

## CMS HOUSE ENTERPRISES LTD

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CMS HOUSE ENTERPRISES LIMITED (CONTINUED)

#### OPINION ON MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion based on the work undertaken in the course of our 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 the 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 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 by the company; 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors report and from the requirement to prepare a strategic report.

#### RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement [set out on page 1], 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.

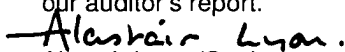
In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT FOR 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

  
Alastair Lyon (Senior statutory auditor)

for and on behalf of  
**Crowe U.K. LLP**  
Statutory Auditor

Aquis House  
49-51 Blagrove Street  
Reading  
Berkshire  
RG1 1PL

Date: 10 July 2020

# CMS HOUSE ENTERPRISES LTD

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR FROM 1 FEBRUARY 2019 TO 31 JANUARY 2020

	Note	2020 £	2019 £
Turnover	3	88,641	40,781
Cost of sales		(13,218)	(7,332)
<b>Gross profit</b>		<b>75,423</b>	<b>33,449</b>
Distribution costs		-	-
Administrative expenses		(30,711)	(22,417)
<b>Operating Profit</b>		<b>44,712</b>	<b>11,032</b>
Interest receivable and similar income		-	-
Interest payable and expenses		(99)	(115)
<b>Profit before tax</b>		<b>44,613</b>	<b>10,917</b>
Tax on Profit	12	-	-
<b>Profit after tax</b>		<b>44,613</b>	<b>10,917</b>
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>44,613</b>	<b>10,917</b>
Brought forward retained earnings		-	3,924
Gift aid donation		(44,613)	(14,841)
Profit for the year		44,613	10,917
Retained earnings at the end of the year		-	-

The notes on pages 7 to 12 form part of these financial statements.



**CMS HOUSE ENTERPRISES LTD**

**REGISTERED COMPANY NUMBER 09376700  
BALANCE SHEET  
AS AT 31 JANUARY 2020**


	Note	2020 £	2019 £
<b>Current assets</b>			
Stocks		1,354	1,956
Debtors	6	1,682	406
Cash at bank and in hand		<u>46,865</u>	<u>15,166</u>
		49,901	17,528
Creditors: amounts falling due within one year	7	<u>(49,900)</u>	<u>(17,527)</u>
<b>Net current assets</b>		<u>1</u>	<u>1</u>
<b>Total assets less current liabilities</b>		<u>1</u>	<u>1</u>
<b>Net liabilities</b>		<u><u>1</u></u>	<u><u>1</u></u>
<b>Capital and reserves</b>			
Called up share capital	8	1	1
Profit and loss account	11	<u>-</u>	<u>-</u>
		<u><u>1</u></u>	<u><u>1</u></u>

The 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 and in accordance with Section 1A of Financial Reporting Standard 102.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25<sup>th</sup> June 2020



Peter Hyatt - Director



Charles Walker - Director

The notes on pages 7 to 12 form part of these financial statements.

# **CMS HOUSE ENTERPRISES LTD**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2020**

### **1. COMPANY INFORMATION**

CMS House Enterprises Limited is a private limited company (registered number 9376700) incorporated and domiciled in the UK. The company was incorporated on 7 January 2015 and commenced trading on 1 February 2015. Its registered office is CMS House. The principal activity is income room hire of CMS House. The company is a wholly owned subsidiary of Church Mission Society, a registered charity in England (and Wales) (registered number 1131655) and a registered company (registered number 6985330) limited by guarantee. Church Mission Society is considered to be the ultimate parent undertaking of the company.

### **2. ACCOUNTING POLICIES**

#### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with FRS 102, with the directors having taken advantage of early adoption of the small companies exemptions provided by section 1A of FRS 102.

#### **2.2 Going concern**

The company depends on the continuing support of Church Mission Society to meet its day to day working capital requirements. The directors have reviewed the financial position in light of the impact of COVID-19, and although there has been a drop in conference and rental hire income in the early part of 2020, current forecasts indicate that the company expects to be able to operate within its agreed facilities for the foreseeable future, even with reduced conference and rental income. The Directors are not aware, of any circumstances that would cause the withdrawal of this support. Accordingly, the directors believe it is appropriate to prepare the financial statements on the going concern basis.

#### **2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### **Room hire**

Revenue from the hire of rooms is recognised after the event has occurred

##### **Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**CMS HOUSE ENTERPRISES LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2020**

**2.4 Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**2.5 Debtors**

Short term debtors are measured at transaction price, less any impairment.

**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 Creditors**

*Short term creditors are measured at the transaction price.*

**2.8 Financial instruments**

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. All basic financial instruments are held at amortised cost.

**2.9 Foreign currency translation**

**Functional and presentation currency**

The company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

**CMS HOUSE ENTERPRISES LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2020**

**2.10 Pensions**

**Defined contribution pension plan**

The parent entity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations. The employees of CMS House Enterprises Ltd are jointly employed with Church Mission Society

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.11 Taxation**

The charge for taxation is based on the profit for the year.

No provision for corporation tax has been made on the company's profit for the year due to its policy of donating all its tax adjusted profits available for distribution under gift aid to its ultimate charitable parent undertaking within nine months of each year-end date.

**2.12 Donations to parent charity**

Donations to the parent charity are recognised as an expense either when paid or at the date when the company has a legal liability to make the donation payment if earlier.

**2.13 Cash flow**

The Charity is a wholly owned subsidiary of Church Mission Society and, in accordance with paragraph 1.12(b) of FRS 102, is therefore exempt from the requirement to include a Statement of Cash Flows in its financial statements. The trustees have taken advantage of this exemption and have not presented a Statement of Cash Flows in these financial statements.

**3. TURNOVER**

Conferencing income has increased in the year from £34k to £77k as a result of a local charity requiring urgent space for a three month period at CMS House. This was a one off occurrence and is not expected to carry on into future years'.

**CMS HOUSE ENTERPRISES LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2020**

**4. EMPLOYEES AND DIRECTORS**

	2020 £	2019 £
Salaries	17,255	11,578
Social security cost	1,670	953
Employer's pension contribution	4,158	1,737
	<u>23,083</u>	<u>14,268</u>

The average number of employees of the company during the year was 0.6 (2019:0.4). These employees are jointly employed with Church Mission Society, and the company's share of the amount is recharged by Church Mission Society.

The directors, four of whom are employed and remunerated by the parent company. One director (Cley Crouch), who is jointly employed by Church Mission Society and CMS House Enterprises Ltd, received a salary and pension contributions of £6,918 (2019: 2,344).

**5. FINANCIAL INSTRUMENTS**

	2020 £	2019 £
Basic financial assets measured at amortised cost	<u>48,547</u>	<u>15,572</u>
Basic financial liabilities measured at amortised cost	<u>(49,900)</u>	<u>(17,527)</u>

Basic financial assets are debtors plus cash at bank and in hand.

Basic financial liabilities are all creditors due in less than one year (including accruals).

The entity has no gains and losses, income, or expense in respect of financial instruments.

**6. DEBTORS**

	2020 £	2019 £
Trade debtors	1,681	405
Other debtors	<u>1</u>	<u>1</u>
	<u>1,682</u>	<u>406</u>

**CMS HOUSE ENTERPRISES LTD**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2020**

**7. CREDITORS**

	2020 £	2019 £
Trade creditors	707	902
Amounts due to group undertakings	46,280	13,789
Accruals and deferred income	2,628	2,550
Other Creditors	285	285
	<u>49,900</u>	<u>17,527</u>

**8. SHARE CAPITAL**

	2020 £	2019 £
<b>Allotted and called up</b>		
1 - Ordinary shares of £1 called up share capital	<u>1</u>	<u>1</u>

**9. RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the exemptions allowed by FRS 102 not to disclose transactions with other group members. There were no related party transactions requiring disclosure during the year apart from what is disclosed in note 4.

**10. CONTROLLING PARTY**

The shares are wholly owned by parent entity Church Mission Society, which is the controlling party. Church Mission Society registered address is CMS House, Watlington Road, Oxford, OX4 6BZ.

**11. RECONCILIATION OF SHAREHOLDERS' FUNDS**

	2020 £	2019 £
Shareholders' funds brought forward	-	3,924
Gift aid payment	-	(3,924)
Gift aid creditor	(44,613)	(10,917)
Profit for the year	<u>44,613</u>	<u>10,917</u>
Shareholders' funds carried forward	<u>-</u>	<u>-</u>

**CMS HOUSE ENTERPRISES LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2020**

**12. TAXATION**

There is no difference between taxable and accounting profit and no corporation tax liability. All profits made by CMS House Enterprises Ltd are expected to be passed by way of charitable donation to The Church Mission Society, reducing taxable profits to nil.

**13. POST BALANCE SHEET EVENT**

At the time of approval of the financial statements, the COVID-19 virus continues to develop. The drop in income from conference and rental income has impacted the first six months of 2020/21. The directors have adjusted the operations accordingly and are not aware, of any circumstances that would cause the withdrawal of this support from Church Mission Society.