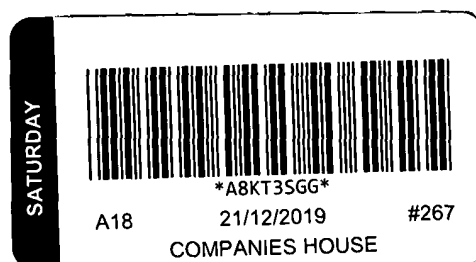


# NWES PROPERTY SERVICES LIMITED

## Financial statements

Information for filing with the registrar

For the Year Ended 31 March 2019



**NWES PROPERTY SERVICES LIMITED**  
Registered number: 05361073

**Balance Sheet**  
**As at 31 March 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	4	146,334	494,045
Investment property	5	5,385,000	8,025,000
		<u>5,531,334</u>	<u>8,519,045</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	6	392,000	469,114
Debtors: amounts falling due within one year	6	535,746	957,494
Cash at bank and in hand	7	441,406	380,293
		<u>1,369,152</u>	<u>1,806,901</u>
Creditors: amounts falling due within one year	8	(5,291,832)	(6,171,826)
<b>Net current liabilities</b>		<u>(3,922,680)</u>	<u>(4,364,925)</u>
<b>Total assets less current liabilities</b>		<u>1,608,654</u>	<u>4,154,120</u>
Creditors: amounts falling due after more than one year	9	(2,832,863)	(5,879,294)
<b>Net liabilities</b>		<u><u>(1,224,209)</u></u>	<u><u>(1,725,174)</u></u>
<b>Capital and reserves</b>			
Called up share capital		1	1
Revaluation reserve	12	460,000	-
Profit and loss account	12	(1,684,210)	(1,725,175)
		<u><u>(1,224,209)</u></u>	<u><u>(1,725,174)</u></u>

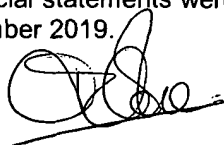
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 December 2019.

**J Clarke**  
Director



The notes on pages 2 to 18 form part of these financial statements.

# NWES PROPERTY SERVICES LIMITED

## Notes to the Financial Statements For the Year Ended 31 March 2019

### 1. Accounting policies

#### 1.1 Basis of preparation of financial statements

NWES Property Services Limited is a private company limited by shares and incorporated in the United Kingdom. The address of the registered office is given in the company information of these financial statements and this is also the place of business. The company's registration number is 05361073.

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 financial statements are presented in sterling which is the functional currency of the company and have been rounded to the nearest £1.

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

#### 1.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Norfolk and Waveney Enterprise Services as at 31 March 2019 and these financial statements may be obtained from Rouen House, Rouen Road, Norwich, England, NR1 1RB. .

## **NWES PROPERTY SERVICES LIMITED**

### **Notes to the Financial Statements For the Year Ended 31 March 2019**

#### **1. Accounting policies (continued)**

##### **1.3 Going concern**

The company continues to face demands on its working capital as insufficient profitability is being generated from continuing operations and the company has advanced funds to its parent company to provide financial support which has yet to be repaid. Furthermore, on the 30 November 2018 the company defaulted on its loan repayment of £2,750,000 to Borough Council of King's Lynn and West Norfolk (BCKLWN), in respect of funding received for the KLIC building held as one of the company's investment properties.

The company has sold certain investment properties to reduce bank borrowing levels and ease working capital demands. The KLIC building was transferred to BCKLWN in part settlement of the loan balances due. The directors continue to negotiate with BCKLWN with regard to the settlement of remaining amounts due.

The directors continue to review what other actions can be taken to alleviate the current working capital demands, including whether sufficient net equity can be realised from other investment property in due course, and thereby allow all liabilities of the company to be settled under normal terms of business.

In summary, the Directors have concluded that the company is dependent on reaching an agreed settlement in respect of the remaining loan repayments to BCKLWN; on the continuing support of its bankers (to the company and to its parent company) and other finance providers to continue to provide existing facilities. Specifically reaching an agreement with respect to the repayment of the remaining loan amount to BCKLWN, which will enable the company to meet its liabilities as they fall due, is fundamental to the going concern basis.

In the meantime the directors believe the company can continue to adopt the going concern basis in preparing the financial statements.

##### **1.4 Revenue**

Turnover principally consists of rental income, management charges and grant income.

Rental income and management charges are recognised on an accruals basis as to match the revenue earned to the period in which the services are provided.

Capital grant income is released in line with the terms and conditions of any grant or in the useful economic life of the asset to which the funding relates.

Revenue grants are recognised in the profit and loss so as to match them with the relevant expenditure for which they have been granted.

##### **1.5 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

## **NWES PROPERTY SERVICES LIMITED**

### **Notes to the Financial Statements For the Year Ended 31 March 2019**

#### **1. Accounting policies (continued)**

##### **1.6 Leased assets: the Company as lessor**

Where assets leased to a third party give rights approximating to ownership (finance lease), the lessor recognises as a receivable an amount equal to the net investment in the lease i.e. the minimum lease payments receivable under the lease discounted at the interest rate implicit in the lease. This receivable is reduced as the lessee makes capital payments over the term of the lease.

A finance lease gives rise to two types of income: profit or loss equivalent to the profit or loss resulting from outright sale of the asset being leased, at normal selling prices, reflecting any applicable discounts, and finance income over the lease term.

##### **1.7 Leased assets: the Company as lessee**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### **1.8 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

##### **1.9 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

##### **1.10 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### **1.11 Borrowing costs**

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

## NWES PROPERTY SERVICES LIMITED

### Notes to the Financial Statements For the Year Ended 31 March 2019

#### 1. Accounting policies (continued)

##### 1.12 Pensions

###### Defined contribution pension plan

The Company 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 payment obligations.

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.

##### 1.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

##### 1.14 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

##### 1.15 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

## NWES PROPERTY SERVICES LIMITED

### Notes to the Financial Statements For the Year Ended 31 March 2019

#### 1. Accounting policies (continued)

##### 1.16 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on the following basis:

Short-term leasehold property	- over the lease term
Fixtures and fittings	- 25% straight line
Office equipment	- 25% straight line

##### 1.17 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance Sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of Comprehensive Income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

##### 1.18 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

##### 1.19 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.

##### 1.20 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.

## **NWES PROPERTY SERVICES LIMITED**

### **Notes to the Financial Statements For the Year Ended 31 March 2019**

#### **1. Accounting policies (continued)**

##### **1.21 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.

##### **1.22 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.

##### **1.23 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

## NWES PROPERTY SERVICES LIMITED

### Notes to the Financial Statements For the Year Ended 31 March 2019

#### 1. Accounting policies (continued)

##### 1.24 Financial instruments

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

## **NWES PROPERTY SERVICES LIMITED**

### **Notes to the Financial Statements For the Year Ended 31 March 2019**

#### **2. Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Management consider the following to be significant accounting estimates:

##### **Capital grant income recognition**

Capital grants are released in line with the terms attached to the grant agreements however management judgment is necessary to ensure an appropriate recognition period in the absence of explicit terms within the grant agreements.

##### **Investment property revaluation**

The company carries its investment property at fair value, with changes in fair value being recognised in the profit and loss account. The company has engaged an independent valuation specialist to determine the fair value for properties in the past couple of years.

##### **Financial instruments**

Fair values have been estimated at the amount the company would expect to pay over the term of the interest rate swap loan based on prevailing rates of interest.

#### **3. Employees**

The average monthly number of employees, including directors, during the year was 27 (2018 - 30).

# NWES PROPERTY SERVICES LIMITED

## Notes to the Financial Statements For the Year Ended 31 March 2019

### 4. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>				
At 1 April 2018	289,553	629,500	371,356	1,290,409
Additions	23,802	53,487	995	78,284
Disposals	(15,877)	-	-	(15,877)
At 31 March 2019	<u>297,478</u>	<u>682,987</u>	<u>372,351</u>	<u>1,352,816</u>
<b>Depreciation</b>				
At 1 April 2018	-	511,595	284,769	796,364
Charge for the year on owned assets	84,747	79,397	33,243	197,387
Impairment charge	212,731	-	-	212,731
At 31 March 2019	<u>297,478</u>	<u>590,992</u>	<u>318,012</u>	<u>1,206,482</u>
<b>Net book value</b>				
At 31 March 2019	<u>-</u>	<u>91,995</u>	<u>54,339</u>	<u>146,334</u>
At 31 March 2018	<u>289,553</u>	<u>117,905</u>	<u>86,587</u>	<u>494,045</u>

The net book value of land and buildings may be further analysed as follows:

	2019 £	2018 £
Short leasehold	-	289,553
	<u>-</u>	<u>289,553</u>

# NWES PROPERTY SERVICES LIMITED

## Notes to the Financial Statements For the Year Ended 31 March 2019

### 5. Investment property

	Investment property £
<b>Valuation</b>	
At 1 April 2018	8,025,000
Disposals	(3,100,000)
Surplus on revaluation	460,000
<b>At 31 March 2019</b>	<b>5,385,000</b>

Investment properties include a property which is held on a long term lease of 102 years and has a value of £1.875m as at 31 March 2019. The remainder of properties are freehold.

One freehold property has been disposed in the period at valuation of £3,100,000.

The remaining freehold properties have all been revalued in the year by Roche Chartered Surveyors which has resulted in a surplus on revaluation of £460,000. The valuations included within the accounts are the higher of either vacant possession or existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2019 £	2018 £
Historic cost	7,366,789	10,561,511
	<u>7,366,789</u>	<u>10,561,511</u>

# NWES PROPERTY SERVICES LIMITED

## Notes to the Financial Statements For the Year Ended 31 March 2019

### 6. Debtors

	2019 £	2018 £
<b>Due after more than one year</b>		
Other debtors	392,000	469,114
	<u>392,000</u>	<u>469,114</u>

	2019 £	2018 £
<b>Due within one year</b>		
Trade debtors	124,301	305,080
Amounts owed by group undertakings	-	323,097
Other debtors	102,592	103,585
Prepayments and accrued income	290,038	225,732
Deferred taxation	18,815	-
	<u>535,746</u>	<u>957,494</u>

### 7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	441,406	380,293
Less: bank overdrafts	-	(313,359)
	<u>441,406</u>	<u>66,934</u>

Included within cash at bank and in hand are amounts of £366,942 (2018: £378,970) relating to monies administered by the client in respect of properties owned by third parties. An equal and opposite creditor is included within other creditors.

Omitted from cash and other creditors are amounts of £206,190 (2018: £1,235,811) in respect of monies held in a designated client account which is not under the direct control of NWES Property but the company has custody of that money. This has been transferred to the beneficial owner, in full, subsequent to the year-end.

# NWES PROPERTY SERVICES LIMITED

## Notes to the Financial Statements For the Year Ended 31 March 2019

### 8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Debenture loans	2,750,000	2,750,000
Bank overdrafts	-	313,359
Bank loans	185,765	231,173
Trade creditors	620,268	1,026,314
Amounts owed to group undertakings	-	173,639
Corporation tax	34,772	-
Other taxation and social security	91,337	116,359
Obligations under finance lease and hire purchase contracts	5,379	32,274
Other creditors	885,975	701,934
Accruals and deferred income	718,336	803,725
Financial instruments	-	23,049
	<u>5,291,832</u>	<u>6,171,826</u>

The following liabilities were secured:

	2019 £	2018 £
Debenture loans	2,750,000	2,750,000
Bank overdrafts	-	313,359
Bank loans	185,765	231,173
Obligations under finance lease and hire purchase contracts	5,379	32,274
	<u>2,941,144</u>	<u>3,326,806</u>

Details of security provided:

Debenture loans, bank overdrafts and bank loans are secured by way of fixed charges over certain freehold investment properties.

Obligations under hire purchase contracts are secured against the assets to which they relate.

# NWES PROPERTY SERVICES LIMITED

## Notes to the Financial Statements For the Year Ended 31 March 2019

### 9. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Bank loans	743,061	2,765,590
Net obligations under finance leases and hire purchase contracts	-	5,379
Accruals and deferred income	2,089,802	3,108,325
	<u>2,832,863</u>	<u>5,879,294</u>

The following liabilities were secured:

	2019 £	2018 £
Bank loans	743,061	2,765,590
Net obligations under finance leases and hire purchase contracts	-	5,379
	<u>743,061</u>	<u>2,770,969</u>

Details of security provided:

Debenture loans and bank loans are secured by way of fixed charges over certain freehold investment properties.

Obligations under hire purchase contracts are secured against the assets to which they relate.

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	2019 £	2018 £
Loans repayable by instalments	185,765	285,725
Deferred income to be released in over five years	83,544	1,747,335
	<u>269,309</u>	<u>2,033,060</u>

Deferred income to be released in over five years includes capital grant income of £nil (2018: £1,586,677) and deferred income in relation to a lease agreement with a tenant of Rouen House repayable over the lease term totalling £83,544 (2018: £160,658).

# NWES PROPERTY SERVICES LIMITED

## Notes to the Financial Statements For the Year Ended 31 March 2019

### 10. Loans

Analysis of the maturity of loans is given below:

	2019 £	2018 £
<b>Amounts falling due within one year</b>		
Bank loans	185,765	231,173
Debenture loans	2,750,000	2,750,000
	<u>2,935,765</u>	<u>2,981,173</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	185,766	1,982,544
	<u>185,766</u>	<u>1,982,544</u>
<b>Amounts falling due 2-5 years</b>		
Bank loans	557,295	497,321
	<u>557,295</u>	<u>497,321</u>
<b>Amounts falling due after more than 5 years</b>		
Bank loans	-	285,725
	<u>-</u>	<u>285,725</u>
	<u>3,678,826</u>	<u>5,746,763</u>

### 11. Financial instruments

The company has entered into an interest rate swap to pay interest at a fixed rate of 4.97% per annum. The swap is based on a notional amount of £4,200,000, reducing each quarter in line with anticipated loan repayments, instead of floating rates based on LIBOR.

The purpose of the instrument is to hedge against exposure to interest rate fluctuations on the Natwest loan facility. The arrangement fixes the total interest payable on the loan at 4.97%. The fair value of the interest rate swap is a liability of £nil (2018: £23,049) which is held in creditors.

The change in fair value of the instrument of £23,049 (2018: £112,412) has been recognised in the Statement of comprehensive income.

The instrument expired in March 2019.

## NWES PROPERTY SERVICES LIMITED

### Notes to the Financial Statements For the Year Ended 31 March 2019

#### 12. Reserves

##### Revaluation reserve

This reserve includes investment property revaluation gains.

##### Profit and loss account

The profit and loss account represents cumulative profits and losses, net of dividends.

#### 13. Contingent liabilities

The company has a guarantee relating to a performance bond with Harlow Council. The maximum value of the guarantee is £135,000 and no liability is expected to arise in respect of this.

#### 14. Capital commitments

At 31 March 2019 the Company had capital commitments as follows:

	2019 £	2018 £
Contracted for but not provided in these financial statements	-	12,389
	<u>-</u>	<u>12,389</u>

#### 15. Pension commitments

The company operates a defined contribution pension scheme for the benefit of employees who wish to make provisions for pensions. The pension cost charge in the year represents contributions payable by the company to the scheme and amounted to £16,965 (2018: £13,403).

Contributions totalling £6,599 (2018: £5,014) were payable to the scheme at the end of the year.

## NWES PROPERTY SERVICES LIMITED

### Notes to the Financial Statements For the Year Ended 31 March 2019

#### 16. Related party transactions

The company has taken advantage of the exemption under FRS 102 Section 1A to not disclose particulars of transactions with its parent and also in relation to key management personnel disclosure.

The following transactions occurred in the year and certain previously reported amounts in respect of comparative information have been restated.

##### **A company which is an associated undertaking of the parent company:**

NWES Property Services loaned monies to the company totalling £38,106 (2018: £38,106) at the year end. No interest accrued on these amounts which were fully provided against in both years.

##### **A company in which the directors have significant influence or control:**

Other debtors contains a loan balance of £32,950 due from the related company (2018: £40,000 creditor due to the related company) which is non-interest bearing. The movement in the year has resulted from £109,000 of payments to the related company and £36,050 of receipts banked on behalf of the related company. The related company is in liquidation and therefore the current year debt has been fully written off in the year.

##### **A company in which directors who resigned in the year have significant influence or control:**

As at the year end this company is no longer a related party and therefore no year end balances have been disclosed. In the prior year NWES Property Services purchased services from the company amounting to £183,180 and in the current year up to the date of resignation of the director, there were purchase credits amounting to £113,960. Sales were made to the company up to the resignation date of the director of £292 (2018: £3,553). As at 31 March 2018 trade creditors included amounts due of £155,652.

##### **A company in which directors who resigned in the year have significant influence or control:**

As at the year end this company is no longer a related party and it has been confirmed that there were no transactions between the parties between the start of the year and the directors' resignation date. There was a prepayment for rent covering the period 1 April 2014 to 31 December 2024 totalling £81,000 at the prior year end.

##### **A company in which directors who resigned in the year have significant influence or control:**

As at the year end this company is no longer a related party and it has been confirmed that there were no transactions between the parties between the start of the year and the directors' resignation date. In the prior year purchases from the company amounted to £20,250. At 31 March 2018 there was a balance of £nil owing to this company.

#### 17. Post balance sheet events

Subsequent to the year end the company has surrendered one of its investment properties for £1.875m which is the value held in the balance sheet as at 31 March 2019.

## **NWES PROPERTY SERVICES LIMITED**

### **Notes to the Financial Statements For the Year Ended 31 March 2019**

#### **18. Auditors' information**

The auditors' report on the financial statements for the year ended 31 March 2019 was unqualified.

In their report, the auditors drew attention to the following matter without qualifying their report:

In forming our opinion on the financial statements, which is not modified, we draw attention to the disclosure made in Note 1.3 to the financial statements concerning the company's ability to continue as a going concern. As stated in Note 1.3, certain events or conditions pertain which indicate a material uncertainty exists that casts a doubt on the company's ability to continue as a going concern.

The financial statements do not contain any adjustments that would result if the company was unable to continue as a going concern. Our opinion is not modified in respect of this matter.

The audit report was signed on 19 December 2019 by Sarah Flear (Senior Statutory Auditor) on behalf of Smith Cooper Audit Limited.