

ResiManagement Limited
(formerly Assettrust Housing Management Limited)

Report and Financial Statements

31 December 2014

WEDNESDAY



A4H0Y7QW

A55

30/09/2015

#72

COMPANIES HOUSE

Directors

G P C Mackay (Chairman)

C A Hewitt

N A McAlpine-Lee

Secretary

Gravitas Company Secretarial Services Limited

Auditors

Ernst & Young LLP

400 Capability Green

Luton

LU1 3LU

Registered Office

One New Change

London

EC4M 9AF

Registered No. 08155459

Directors' report

The directors present their report and financial statements for the year ended 31 December 2014.

Change of name

On 1 September 2015 the company changed its name from Assettrust Housing Management Limited to ResiManagement Limited.

Review of the business

The company provides management and administration services to companies and investors active in the affordable housing sector. During the year, the company entered into a long term contract to procure and manage properties with an investor seeking to grow a large portfolio of affordable housing.

Future outlook

Recent government led changes to the operating environment for registered providers and a desire to increase the delivery of affordable housing creates a significant opportunity for the company's clients and the company expects to grow in line with their increased activity.

Subsequent events

Following a strategic review of its operations by the company, on 2 January 2014 it was agreed to acquire the trade, relevant assets and relevant liabilities of connected company Assettrust Housing Limited. All legal documentation in respect of this transaction was formally concluded prior to the signing of the Company's accounts. In the months leading up to the finalisation of the related legal documentation, G P C Mackay funded the payroll costs of the company in this transition period so that the balance showing as owing to the company from G P C Mackay at the balance sheet date of £465,652 had been fully settled within 9 months of the company's year-end.

Going concern

The company's business activities, together with the factors likely to affect its future development are described above.

The financial statements have been prepared on a going concern basis as the company is trading profitably and is in a financially sound position. As a consequence the directors believe the company is well placed to manage its business risks successfully.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly the going concern basis continues to be adopted in preparing the annual report and financial statements.

Directors

The directors who served the company during the year were as follows:

G P C Mackay

C A Hewitt (appointed 27 August 2014)

N A McAlpine-Lee (appointed 11 August 2014)

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, the directors have taken all the steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors' report


Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

Small company exemptions

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

On behalf of the Board



G P C Mackay
Director

28 September 2015

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

Independent auditor's report

to the members of ResiManagement Limited
(formerly Assetrust Housing Management Limited)

We have audited the financial statements of ResiManagement Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 9. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 and Financial Statements 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 the 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 December 2014 and of the Company's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report

to the members of ResiManagement Limited
(formerly Assetrust Housing Management 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report and take advantage of the small companies' exemption in preparing the directors' report.



Andrew Clewer (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Luton

28 September 2015

Profit and loss account

for the year ended 31 December 2014

	Notes	2014 £	2013 £
Turnover		1,336,571	—
Administrative expenses		(730,090)	—
Operating profit	2	606,481	—
Bank interest receivable and similar income		4	—
Profit on ordinary activities before taxation		606,485	—
Tax on profit on ordinary activities	3	130,368	—
Profit on ordinary activities after taxation		476,117	—

Registered No: 08155459


Balance sheet

at 31 December 2014

	Notes	2014 £	2013 £
Current assets			
Debtors	4	741,647	1
Cash at bank		10,692	—
		<u>752,339</u>	<u>1</u>
Creditors: amounts falling due within one year	5	275,922	—
Net current assets		<u>476,417</u>	<u>1</u>
Net assets		<u>476,417</u>	<u>1</u>
Capital and reserves			
Called up share capital	6	300	1
Profit and loss account	7	476,117	—
Shareholders' funds		<u>476,417</u>	<u>1</u>

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements have been approved by the board on 28 September 2015 and signed on its behalf by:


G P C Mackay
Director

Notes to the financial statements

at 31 December 2014

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Revenue recognition

Turnover comprises revenue recognised by the company in respect of transactional and management fees due under the agreements it has in place to provide property and administrative services.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Classification of shares as debt or equity

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Accordingly, a financial instrument is treated as equity if:

- i) there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable; and
- ii) the instrument is a non-derivative that contains no contractual obligations to deliver a variable number of shares or is a derivative that will be settled only by the company exchanging a fixed amount of cash or other assets for a fixed number of the company's own equity instruments.

When shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet; measured initially at fair value net of transaction costs and thereafter at amortised cost until extinguished on conversion or redemption. The corresponding dividends relating to the liability component are charged as interest expense in the income statement.

Notes to the financial statements

at 31 December 2014

2. Operating profit

This is stated after charging:

	2014 £	2013 £
Auditors' remuneration	12,000	—

3. Tax

The tax charge is made up as follows:

	2014 £	2013 £
Current tax:		
UK corporation tax on the profit for the year	130,368	—

4. Debtors

	2014 £	2013 £
Other debtors and accrued income	741,647	1
	<u>741,647</u>	<u>1</u>

During the year a loan of £990,000 (2013 - £nil) was advanced to G P C Mackay. G P C Mackay made repayments and funded the payroll costs of the company which left a debtor of £465,652 (2013 - £nil) at the year-end. This balance is included in 'Other debtors and accrued income' and additional detail is provided in 'Subsequent events' (note 9).

5. Creditors: amounts falling due within one year

	2014 £	2013 £
Trade creditors	23,338	—
Corporation tax	130,368	—
Other creditors	5,529	—
Accruals and deferred income	116,687	—
	<u>275,922</u>	<u>—</u>

Notes to the financial statements

at 31 December 2014

6. Issued share capital

<i>Allotted, called up but unpaid</i>	<i>No.</i>	<i>2014</i>	<i>No.</i>	<i>2013</i>
		<i>£</i>		<i>£</i>
'A' ordinary shares of £0.01 each	–	–	100	1
		<u>–</u>		<u>1</u>

<i>Allotted, called up and fully paid</i>	<i>No.</i>	<i>2014</i>	<i>No.</i>	<i>2013</i>
		<i>£</i>		<i>£</i>
'A' ordinary shares of £0.01 each	10,000	100	–	–
Convertible shares of £0.01 each	10,000	100	–	–
Preference shares of £0.01 each	10,000	100	–	–
		<u>300</u>		<u>–</u>

The share allotments in the year as shown above were all issued at par.

The preference shares carry no voting or redemption rights. The shares have preferential rights to dividends and on capital distribution. Dividends may be paid for each six month period at the discretion of the directors.

The 'A' ordinary shares carry voting and capital distribution rights. There are no redemption rights.

Decisions are taken at meetings of the Board by a simple majority of the votes of the directors. Where there is equality of votes the Chairman of the Board has the casting vote. Certain strategic and operational Board and Shareholder matters require approval by ordinary shareholders holding at least 72% of the ordinary shares in issue. These include changes to dividend policy, lending arrangements and share issues.

The convertible shares carry no voting or redemption rights. The shares have capital distribution rights after payment to preference shareholders.

Dividends on the 'A' ordinary and convertible shares will be paid using all remaining distributable profits unless otherwise determined by the directors and must be paid 93% to ordinary shareholders and 7% to convertible shareholders. If there are no convertible shares in issue 100% is paid to the ordinary shareholders.

Each convertible share will convert to one deferred share on the conversion date of 17 December 2034. The deferred shares may then be redeemed by the company at any time for £0.01 for all the deferred shares registered in the name of each holder.

7. Reconciliation of shareholders' funds and movements on reserves

	<i>Share capital</i>	<i>Profit and loss account</i>	<i>Total share-holders' funds</i>
	<i>£</i>	<i>£</i>	<i>£</i>
At 1 January 2014	1	–	1
Shares issued	299	–	299
Profit for the year	–	476,117	476,117
At 31 December 2014	<u>300</u>	<u>476,117</u>	<u>476,417</u>

Notes to the financial statements

at 31 December 2014

8. Transactions with directors

	<i>Consultancy fees</i>	<i>Payable at 31 December 2014</i>	<i>Consultancy fees</i>	<i>Payable at 31 December 2013</i>
	£	£	£	£
C A Hewitt	56,760	—	—	—
N A McAlpine-Lee	84,300	—	—	—

During the year the following shares were issued to directors at par:

	<i>'A' ordinary shares of £0.01</i>	<i>Preference shares of £0.01</i>	<i>Convertible shares of £0.01</i>
	No	No	No
G P C Mackay	6,100	10,000	10,000
C A Hewitt	1,000	—	—
N A McAlpine-Lee	2,000	—	—

9. Subsequent events

Following a strategic review of its operations by the company, on 2 January 2014 it was agreed to acquire the trade, relevant assets and relevant liabilities of connected company Assettrust Housing Limited. All legal documentation in respect of this transaction was formally concluded prior to the signing of the Company's accounts. In the months leading up to the finalisation of the related legal documentation, G P C Mackay funded the payroll costs of the company in this transition period so that the balance showing as owing to the company from G P C Mackay at the balance sheet date of £465,652 had been fully settled within 9 months of the company's year-end.