

MRBD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

MRBD

COMPANY INFORMATION

| | | |
|---------------------------------|---|-----------------------------|
| Directors | T Williams P Searle Z Wright K Pordum M Wood M Deacon-Jackson P Smith A Maynard P Roe | (Appointed 14 October 2018) |
| Company number | 08542859 | |
| Registered office | 1-7 Station Road Crawley West Sussex RH10 1HT | |
| Senior Statutory Auditor | Darren Harding ACA, FCCA, DChA | |
| Auditor | Richard Place Dobson Services Limited 1-7 Station Road Crawley West Sussex RH10 1HT | |
| Business address | Unit 38 Basepoint Business Centre Metcalf Way Manor Royal Business District Crawley West Sussex RH11 7XX | |

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DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present their report and financial statements for the year ended 31 March 2019.

Principal activities

The principal activity of the company is to provide improvements to the Manor Royal as a place to trade and work.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

T Williams

P Searle

Z Wright

K Pordum

M Wood

M Deacon-Jackson

P Smith

J Taylor

(Retired 14 October 2018)

A Maynard

P Roe

(Appointed 14 October 2018)

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Reserves Policy

MRBD has adopted good practice in its management and operation to allow for unpredictable events that might lead to the closure of the Company. Should this event occur it is the policy of MRBD Limited to hold a reserve of between three and six months operational costs, in cash at the bank.

During the final year of the previous bid term the reserve was used to meet additional unexpected costs associated with achieving acceptable design and planning consent for projects to be delivered in a future year, significantly reducing the available reserve at year end. The reserve will be restored in line with the stated policy from future years income.

Financial Review

MRBD, as per its Memorandum and Articles of Association, is a not for profit organisation expressly set up for the purpose of operating the Manor Royal Business Improvements District (BID). It is not the intention of MRBD to generate a surplus but to invest any funds it generates into Manor Royal as per its objects.

Following successful renewal of MRBD at its renewal ballot of 1st March 2018, an explanation of key projects and services to be delivered in the next financial year is provided in the notes appended to these accounts.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

On behalf of the board

.....
T Williams
Director
.....

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

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 surplus or deficit 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.

MRBD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MRBD

Opinion

We have audited the financial statements of MRBD (the 'company') for the year ended 31 March 2019 which comprise the income and expenditure account, the 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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.

Opinions on other matters 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 has been prepared in accordance with applicable legal requirements.

MRBD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MRBD

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 the directors' report.

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 in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 of 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

Darren Harding ACA FCCA DChA (Senior Statutory Auditor)
for and on behalf of Richard Place Dobson Services Limited
Chartered Accountants
Statutory Auditor

.....
1-7 Station Road
Crawley
West Sussex
RH10 1HT

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

| | Notes | 2019 £ | 2018 £ |
|---|----------|-----------|-----------|
| Income | | 723,161 | 451,344 |
| Promote & influence costs (objective 1) | | (56,401) | (65,872) |
| Trade & save costs (objective 2) | | (134,217) | (113,584) |
| Infrastructure & facilities costs (objective 3) | | (271,267) | (320,996) |
| Manage and maintain costs (objective 4) | | (177,387) | - |
| Administrative expenses | | (56,820) | (51,703) |
| CBC Levy collection costs | | (15,000) | (14,656) |
| Renewal sum | | - | (9,074) |
| Surplus/(deficit) before taxation | | 12,069 | (124,541) |
| Taxation | | - | - |
| Surplus/(deficit) for the financial year | 9 | 12,069 | (124,541) |

MRBD**BALANCE SHEET***AS AT 31 MARCH 2019*

| | Notes | 2019 £ | £ | 2018 £ | £ |
|--|-------|------------------|----------------------|-----------------|---------------------|
| Fixed assets | | | | | |
| Tangible assets | 3 | | 145,350 | | - |
| Current assets | | | | | |
| Debtors | 4 | 472 | | 32,990 | |
| Cash at bank and in hand | | 123,109 | | 45,128 | |
| | | <u>123,581</u> | | <u>78,118</u> | |
| Creditors: amounts falling due within one year | 5 | <u>(169,485)</u> | | <u>(70,742)</u> | |
| Net current (liabilities)/assets | | | <u>(45,904)</u> | | <u>7,376</u> |
| Total assets less current liabilities | | | <u>99,446</u> | | <u>7,376</u> |
| Creditors: amounts falling due after more than one year | 6 | | <u>(80,000)</u> | | <u>-</u> |
| Net assets | | | <u><u>19,446</u></u> | | <u><u>7,376</u></u> |
| Reserves | | | | | |
| Income and expenditure account | 9 | | <u>19,446</u> | | <u>7,376</u> |

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

The financial statements were approved by the board of directors and authorised for issue on and are signed on its behalf by:

.....
T Williams
Director

Company Registration No. 08542859

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

MRBD is a private company limited by guarantee incorporated in England and Wales. The registered office is 1-7 Station Road, Crawley, West Sussex, RH10 1HT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Income and expenditure

Levy income is received from local businesses, which are collected on MRBD's behalf by the local council. Levies are recognised in the period to which they relate.

Grant income received by MRBD for projects is recognised in the period to which it relates and when the work it relates to has been carried out.

Expenses exclude VAT where applicable as the company can reclaim it.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---------------|-------------------------|
| Digital Signs | In line with bid period |
|---------------|-------------------------|

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities

Basic financial liabilities, including creditors, that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.5 Taxation

The company is exempt from corporation tax, it being a company not carrying on a business for the purposes of making a profit.

1.6 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in surplus or deficit in the period in which it arises.

1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.9 Renewal Sum

The Manor Royal Business District (BID) Business Plan (2018-2023), approved by BID Ballot to create a BID in May 2018, makes provision for a sum to be set aside each year from year two of the BID as a provision for funding the renewal of the BID. Should the board decide not to renew the BID the accumulated sums will be used in accordance with its Memorandum of Association concerning dissolution.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2018 - 2).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**FOR THE YEAR ENDED 31 MARCH 2019****3 Tangible fixed assets****Digital Signs**
£**Cost**

At 1 April 2018

-

Additions

145,350

At 31 March 2019

145,350

Depreciation and impairment

At 1 April 2018 and 31 March 2019

-

Carrying amount

At 31 March 2019

145,350

At 31 March 2018

-

4 Debtors**2019****2018****Amounts falling due within one year:**

£

£

Other debtors

472

32,990

5 Creditors: amounts falling due within one year**2019****2018**

£

£

Trade creditors

6,300

9,980

Taxation and social security

17,426

-

Other creditors

145,759

60,762

169,485

70,742

6 Creditors: amounts falling due after more than one year**2019****2018**

£

£

Other creditors

80,000

-

7 Provisions for liabilities

There are no provisions currently. From year 2 of the current BID cycle an amount will be set aside each year to fund the costs of reapplying for the BID for another term.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**FOR THE YEAR ENDED 31 MARCH 2019****8 Members' liability**

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

9 Income and expenditure account

| | 2019 £ | 2018 £ |
|--------------------------------|----------------------|---------------------|
| At the beginning of the year | 7,377 | 131,918 |
| Surplus/(deficit) for the year | 12,069 | (124,541) |
| | <u>19,446</u> | <u>7,377</u> |
| At the end of the year | <u><u>19,446</u></u> | <u><u>7,377</u></u> |

10 Explanation of the Surplus

Following the successful renewal of MRBD, it is the intention to restore the reserve to between three and six months operational costs and, in addition, to deliver the following projects and services (costs estimated). This does not constitute a full and comprehensive list of MRBD activities in the next financial year but provides an illustration of some of the key projects and services MRBD is committed to delivering.

| | |
|---|-----------------------|
| Manor Royal Heritage and Arts Trail (phase 1 - R&D) | 28,376 |
| Additional grounds maintenance service | 72,000 |
| Business Rangers Service | 77,850 |
| Subsidised travel scheme | 36,000 |
| Dedicated Manor Royal Jobs Board | 30,000 |
| Dedicated training programme | 10,000 |
| | <u>254,226</u> |
| | <u><u>254,226</u></u> |

This is not an exhaustive list. In some cases delivery will be dependent on obtaining the required planning, licences and other consents.