

Company Registration No. 08542859 (England and Wales)

**MRBD**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2017**

# MRBD

## COMPANY INFORMATION

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

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# MRBD

## CONTENTS

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	<b>Page</b>
Directors' report	1
Directors' responsibilities statement	2
Independent auditor's report	3 - 4
Income and expenditure account	5
Balance sheet	6
Notes to the financial statements	7 - 10

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# MRBD

## DIRECTORS' REPORT

*FOR THE YEAR ENDED 31 MARCH 2017*

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The directors present their report and financial statements for the year ended 31 March 2017.

### 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  
A Maynard

### 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 to allow payment of debts and company closure. Further information in this respect is contained within notes 8 and 9 of the accounts.

### 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. The surplus can be explained by the success of MRBD in attracting additional funds, the late starting of the projects and the intention to hold sums for funding major projects planned in the next financial year.

An explanation of the surplus and how it will be used to support the stated objects of MRBD can be found 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.

On behalf of the board

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

.....

# **MRBD**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 MARCH 2017***

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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

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We have audited the financial statements of MRBD for the year ended 31 March 2017 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 annual report 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 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 March 2017 and of its deficit 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.

#### **Opinion 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

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### 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.

**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

# MRBD

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

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	Notes	2017 £	2016 £
<b>Income</b>		597,799	672,520
Costs to improve infra-structure		(509,532)	(390,251)
Costs to increase trade & reduce cost		(90,837)	(61,159)
Costs to raise profile & reputation		(43,335)	(35,198)
Administrative expenses		(51,883)	(48,343)
CBC Levy collection costs		(14,368)	(14,087)
Renewal sum		(9,500)	(9,250)
<b>(Deficit)/surplus before taxation</b>		<u>(121,656)</u>	<u>114,232</u>
Taxation		-	-
<b>(Deficit)/surplus for the financial year</b>	<b>8</b>	<u><u>(121,656)</u></u>	<u><u>114,232</u></u>



# MRBD

## BALANCE SHEET

AS AT 31 MARCH 2017

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	Notes	2017 £	£	2016 £	£
<b>Current assets</b>					
Debtors	3	85,434		351,572	
Cash at bank and in hand		125,045		273,853	
		<u>210,479</u>		<u>625,425</u>	
<b>Creditors: amounts falling due within one year</b>	4	(50,812)		(353,603)	
<b>Net current assets</b>			159,667		271,822
<b>Provisions for liabilities</b>	5		(27,750)		(18,250)
<b>Net assets</b>			<u>131,917</u>		<u>253,572</u>
<b>Reserves</b>					
Income and expenditure account	8		<u>131,917</u>		<u>253,572</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**

# MRBD

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 MARCH 2017*

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### 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 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 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 and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

#### *Classification of financial liabilities*

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

# MRBD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

#### *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.

The company has obtained exemption from the Revenue Commissioners in respect of corporation tax, it being a company not carrying on a business for the purposes of making a profit.

#### 1.5 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 it arises.

#### 1.6 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.

#### 1.7 Retirement benefits

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

#### 1.8 Renewal Sum

The Manor Royal Business District (BID) Business Plan (2013-18), approved by BID Ballot to create a BID in May 2013, 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 (2016 - 2).

# MRBD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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<b>3 Debtors</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	40,032	339,000
Other debtors	45,402	12,572
	<u>85,434</u>	<u>351,572</u>
	<u><u>85,434</u></u>	<u><u>351,572</u></u>
<b>4 Creditors: amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade creditors	5,035	10,385
Other creditors	45,777	343,218
	<u>50,812</u>	<u>353,603</u>
	<u><u>50,812</u></u>	<u><u>353,603</u></u>
<b>5 Provisions for liabilities</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Balance at 1 April 2016	18,250	9,250
Third year of BID renewal provision	9,500	9,000
	<u>27,750</u>	<u>18,250</u>
	<u><u>27,750</u></u>	<u><u>18,250</u></u>
The provision of £27,750 set aside at 31 March 2017 represents funds set aside to support and actiona renewal of the MRBD Board should they wish to pursue a second five year BID term.		
<b>6 Deferred income</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Other deferred income	-	111,125
	<u>-</u>	<u>111,125</u>
	<u><u>-</u></u>	<u><u>111,125</u></u>
<b>7 Members' liability</b>		

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.

# MRBD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 8 Income and expenditure account

	2017 £	2016 £
At the beginning of the year	253,573	139,341
(Deficit)/surplus for the year	(121,656)	114,232
	<u>          </u>	<u>          </u>
At the end of the year	131,917	253,573
	<u>          </u>	<u>          </u>

### 9 Explanation of the Surplus

	2016 £
Total Reserves/Surplus	131,917
Allocated to Maintained reserve	(50,000)
Allocated to Renewal fund	(27,750)
	<u>          </u>
Remaining Reserve/Surplus	54,167
	<u>          </u>

This sum to be made available for projects to be delivered in Year 5.

Projects identified for delivery in Year 5 to which this sum will be allocated (costs estimated).

Digital signage (outdoor media)	170,000
Additional maintenance service	70,000
Business Rangers Service	34,716
Projects Pack and furniture audit	30,000
One-off Green Audit Maintenance actions	24,000
Gateway 1 entrance upgrade	22,000
Economic impact study	15,000
Additional one-off small area signs	14,000
Dedicated Manor Royal Jobs Board	TBC
	<u>          </u>
	744,608
	<u>          </u>

This is not an exhaustive list and project delivery depends on planning permission, licences and contracts.