

Residential Trust Limited
Annual Report and Unaudited Financial Statements
Year Ended 31 March 2020

Registration number: 02907318

Residential Trust Limited

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Residential Trust Limited

Company Information

Directors C J Eccles
G F Eccles
L S Eccles

Company secretary L S Eccles

Registered office Northcombe Farm
Salcombe Regis
Sidmouth
EX10 0JQ

Accountants Francis Clark LLP
Blackbrook Gate 1
Blackbrook Business Park
Taunton
Somerset
TA1 2PX

Residential Trust Limited

Balance Sheet

31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>4</u>	678	541
Investment property	<u>5</u>	6,150,000	6,150,000
Investments	<u>6</u>	200	200
Other investments	<u>7</u>	32	32
		<u>6,150,910</u>	<u>6,150,773</u>
Current assets			
Debtors	<u>8</u>	2,600,884	2,620,045
Cash at bank and in hand		<u>465,656</u>	<u>326,486</u>
		3,066,540	2,946,531
Creditors: Amounts falling due within one year	<u>9</u>	<u>(144,616)</u>	<u>(121,702)</u>
Net current assets		<u>2,921,924</u>	<u>2,824,829</u>
Total assets less current liabilities		9,072,834	8,975,602
Creditors: Amounts falling due after more than one year	<u>9</u>	<u>(1,633,420)</u>	<u>(1,715,643)</u>
Provisions for liabilities		<u>(407,688)</u>	<u>(298,902)</u>
Net assets		<u>7,031,726</u>	<u>6,961,057</u>
Capital and reserves			
Called up share capital		5	5
Profit and loss account		<u>7,031,721</u>	<u>6,961,052</u>
Total equity		<u>7,031,726</u>	<u>6,961,057</u>

Residential Trust Limited

Balance Sheet

31 March 2020

For the financial year ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 14 October 2020 and signed on its behalf by:

.....

C J Eccles

Director

Company Registration Number: 02907318

Residential Trust Limited

Notes to the Financial Statements

Year Ended 31 March 2020

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Northcombe Farm
Salcombe Regis
Sidmouth
EX10 0JQ

These financial statements were authorised for issue by the Board on 14 October 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' including Section 1A and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The directors are satisfied, having considered the current financial position and performance of the company in light of the ongoing Covid-19 challenges that the going concern assessment (which is a critical accounting judgement) remains appropriate. In making this assessment, the directors have taken account (from the date of approval of these financial statements) of possible changes in income levels, in order to determine when, and to what extent any further cost management measures may need to be implemented.

Group accounts not prepared

The company is part of a small group. The company has taken advantage of the exemption provided by Section 398 of the Companies Act 2006 and has not prepared group accounts.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the rental of property in the ordinary course of the company's activities.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity.

Residential Trust Limited

Notes to the Financial Statements

Year Ended 31 March 2020

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	20% Straight Line
Other fixed assets	20% Straight Line

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by a director using observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Residential Trust Limited

Notes to the Financial Statements

Year Ended 31 March 2020

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Bank loans; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for bank loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Bank loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 4 (2019 - 4).

Residential Trust Limited

Notes to the Financial Statements

Year Ended 31 March 2020

4 Tangible assets

	Fixtures & fittings £	Other fixed assets £	Total £
Cost or valuation			
At 1 April 2019	4,682	3,839	8,521
Additions	424	-	424
At 31 March 2020	5,106	3,839	8,945
Depreciation			
At 1 April 2019	4,141	3,839	7,980
Charge for the year	287	-	287
At 31 March 2020	4,428	3,839	8,267
Carrying amount			
At 31 March 2020	678	-	678
At 31 March 2019	541	-	541

5 Investment properties

	2020 £
At 1 April 2019	6,150,000
At 31 March 2020	6,150,000

These valuations were made by a director using an open market valuation based on existing use

Included within the net book value of investment properties is £987,500 in respect of long leasehold investment properties and £5,162,500 in respect of freehold investment properties.

The historic cost for investment properties is £3,030,944 (2019: £3,030,944)

6 Investments

	2020 £	2019 £
Investments in subsidiaries	200	200

Residential Trust Limited

Notes to the Financial Statements

Year Ended 31 March 2020

Subsidiaries	£
Cost or valuation	
At 1 April 2019	<u>200</u>
Provision	
Carrying amount	
At 31 March 2020	<u><u>200</u></u>
At 31 March 2019	<u><u>200</u></u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2020	2019
Subsidiary undertakings				
Cycle Service Limited	England & Wales	Ordinary	100%	100%
Carinas Nightclub Limited	England & Wales	Ordinary	100%	100%

The principal activity of Cycle Service Limited is that of bike retail and repairs

The principal activity of Carinas Nightclub Limited is that of property management

The loss for the financial period of Cycle Service Limited was £15,092 and the aggregate amount of capital and reserves at the end of the period was £(189,820).

The loss for the financial period of Carinas Nightclub Limited was £20,200 and the aggregate amount of capital and reserves at the end of the period was £(99,445).

Residential Trust Limited

Notes to the Financial Statements

Year Ended 31 March 2020

7 Other investments

	Unlisted investments £	Total £
Cost or valuation		
At 1 April 2019	32	32
At 31 March 2020	32	32
Carrying amount		
At 31 March 2020	32	32

8 Debtors

	2020 £	2019 £
Amounts due from group undertakings	634,504	498,750
Other debtors	1,958,891	2,111,957
Prepayments	7,489	9,338
	<u>2,600,884</u>	<u>2,620,045</u>

9 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	<u>10</u>	80,280	78,338
Corporation tax		41,229	20,681
Other creditors		12,837	12,989
Accrued expenses		10,270	9,694
		<u>144,616</u>	<u>121,702</u>

Residential Trust Limited

Notes to the Financial Statements

Year Ended 31 March 2020

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	10	1,633,420	1,715,643
		2020 £	2019 £
Due after more than five years			
After more than five years by instalments		1,312,297	1,402,291

10 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Bank borrowings	80,280	78,338
	2020 £	2019 £
Loans and borrowings due after one year		
Bank borrowings	1,633,420	1,715,643

Security has been given by the company over all loans and borrowings from Lloyds Bank PLC as a fixed and floating charge over the assets to which the loans relate.

11 Share capital

Allotted, called up and fully paid shares

	No.	2020 £	No.	2019 £
Ordinary Shares of £1 each	5	5	5	5

12 Reserves

The changes to each component of equity resulting from items of other comprehensive income for the prior year were as follows:

Residential Trust Limited

Notes to the Financial Statements

Year Ended 31 March 2020

The changes to each component of equity resulting from items previously accounted for within other comprehensive income for the prior year were as follows:

As at 31 March 2020 the profit and loss account included £2,821,124 (2019: £2,821,124) of non-distributable reserves. This relates to the revaluation surplus on investment properties.

13 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of guarantees not included in the balance sheet is £990,000 (2019 - £990,000). This is the maximum guaranteed over bank borrowing of Charterbank Capital Limited.

Amounts disclosed in the balance sheet

Included in the balance sheet are financial commitments of £415,700 (2019 - £443,105). This commitment is the company's 50% share of funds borrowed to finance investment property jointly owned with a third party and is included within bank loans. The borrowing is jointly and severally secured on the assets to which this loan relates.

14 Related party transactions

Summary of transactions with other related parties

A company in which the Residential Trust Limited has a minority shareholding.

Included in other debtors is a loan to a related party of £1,898,891 (2019: £2,051,957).

Interest of £204,764 (2019: £212,038) was charged by the company on this loan.

Fees of £10,000 (2019: £10,000) were charged by the company on this loan.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.