

55 London

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Report and Financial Statements

Period Ended

31 March 2020

Community Benefit Society
Registration FCA number: 7884

Report and financial statements for the period ended 31 March 2020

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Report and financial statements for the period ended 31 March 2020

Board of Management

Alison Carver (resigned September 2019)

Peter Walters (appointed June 2019)

Mike Basquill

Janine Desai

Philip Insuli

Bruce Matthews

Trevor McClymont

Paul Shipley

Nicky Wilden (appointed January 2020)

Stephen Burns (appointed May 2020)

Julia Ashley (ex-officio)

Jo Teare (ex-officio)

John Richardson (resigned June 2019)

Abhishek Agrawal (resigned February 2020)

Registered office

Cecil House
266 Waterloo Road
London
SE1 8RQ

Registration number

7884

Auditors

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA

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Report of the Board of Management for the period ended 31 March 2020

The board of management present the first report together with the audited financial statements of the Society for the period ended 31 March 2020. 55 London registered as a Community Benefit Society on 24th November 2018 and financial statement are drawn up from that date to 31 March 2020.

55 London is a registered society under the Co-Operative and Community Benefits Societies Act 2014.

Purpose of the Society

The principal activities of the Association are the charitable provision and management of housing, including social housing, for those over 55's needing accommodation. 55 London exists to provide housing from C&C Housing Trust's stock at a near market or affordable rent level for people aged 55 and over who might find renting on the open market in London beyond their financial means.

Results and dividends

The statement of comprehensive income is set out on page 9 and shows the surplus for the period.

No dividends have been proposed or paid in the period.

Report of the Board of Management for the period ended 31 March 2020 (continued)

Board responsibilities

The Board are responsible for preparing the Board report and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law requires the Board to prepare financial statements for each financial year. Under that law the Board has elected to prepare the Society financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing these financial statements, the Board are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 Society will continue in business.

The Board are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The Board have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Society for the purposes of their audit and to establish that the auditors are aware of that information. The Board are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to reappoint BDO LLP as auditors will be proposed at the next general meeting.

By order of the Board


Julia Ashley (Sep 25, 2020 06:49 GMT+1)

Julia Ashley
Board Member

Date: 23rd September 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 55 LONDON

Opinion

We have audited the financial statements of 55 London (“the Society”) for the period ended 31 March 2020 which comprise the Society Statement of Comprehensive Income, the Society Statement of Financial Position, the Society statement of changes in equity, 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 Financial Reporting Standard 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 Society’s affairs as at 31 March 2020 and of the Society’s surplus for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014.

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 Society 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 board members use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the board members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Society’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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 55 LONDON

Other information

The board are responsible for the other information. 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required by the Co-operative or Community Benefit Societies Act 2014 to report to you if, in our opinion:

- the information given in the Report of the Board for the financial period for which the financial statements are prepared is not consistent with the financial statements;
- adequate accounting records have not been kept by the Society; or
- a satisfactory system of control has not been maintained over transactions; or
- the Society financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the board

As explained more fully in the board members responsibilities statement set out on page 5, the board is 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 board members 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 board are responsible for assessing the Society'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 board either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 55 LONDON

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the members of the Society, as a body, in accordance with the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Society'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 Society and the members as a body, for our audit work, for this report, or for the opinions we have formed.

Philip Cliftlands
Philip Cliftlands (Sep 25, 2020 16:58 GMT+1)

Philip Cliftlands (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Gatwick, UK

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

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Statement of Comprehensive Income for the period ended 31 March 2020

	Note	2020 £
Turnover		85,287
Cost of sales		(76,758)
Surplus before tax	2	<u>8,529</u>
Taxation		(1,620)
Total comprehensive surplus for the period		<u><u>6,909</u></u>

All amounts relate to continuing activities

The notes on pages 12 to 14 form part of these financial statements.

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Statement of Financial Position as at 31 March 2020

	Note	2020 £
Current assets		
Trade and other debtors	4	8,529
Cash and cash equivalents		-
Less: Creditors: amounts falling due within one year	5	(1,620)
Net current assets		<u>6,909</u>
Net assets		<u><u>6,909</u></u>
Capital and reserves		
Called up share capital		-
Income and expenditure reserve	7	<u>6,909</u>
		<u><u>6,909</u></u>

The financial statements were approved and authorised for issue by the Board on 23rd September 2020.

Julia Ashley
Julia Ashley (Sep 25, 2020 06:49 GMT+1)

Julia Ashley
Board Member

The notes on pages 12-14 form part of these financial statements.

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Statement of changes in reserves for the period ended 31 March 2020

	Income and expenditure reserve	Total
	£	£
Balance at 24 November 2018	-	-
Surplus for the period	6,909	6,909
Balance at 31 March 2020	<u>6,909</u>	<u>6,909</u>

The notes on pages 12-14 form part of these financial statements.

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Notes forming part of the financial statements for the period ended 31 March 2020

1 Accounting policies

General information

55 London is a community benefit society registered on 24 November 2018 under the Co-operative and Community Benefit Societies Act 2014. The Society's address of the registered office is given on the contents page and the nature of the Society's operations and its principal activities are disclosed in the board of management report.

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Society's accounting policies as explained in note 1. The following accounting policies have been applied:

Going concern

The financial statements have been prepared on the going concern basis. The board of management remain confident that the society will continue as a going concern and be able to settle its liabilities as they fall due for the next twelve months.

Taxation

UK tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax balances are recognised in respect of all timing differences that have originated but not yet reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the Company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlining timing differences.

Financial instruments

The society only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans from Group companies.

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.

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Notes forming part of the financial statements for the period ended 31 March 2020 (continued)

Significant judgements and estimates

Preparation of the financial statements may require management to make judgements and estimates.

Within the financial statements for 55 London for the year ended 31 March 2020 the Board do not consider that there are any significant judgements or key estimations that materially affect the financial statements.

2 Operating surplus

In the current first period of trading the audit fee of £1,700 has been borne by the society's parent.

3 Staff costs

The society has no employees and no board member received any remuneration during the period.

4 Debtors

	2020 £
Trade debtors	6,917
Amounts owed by parent	1,612
	<u>8,529</u>

The amount owed by the parent arises from ordinary trading activities between the two organisations.

5 Creditors: amounts falling due within one year

	2020 £
Taxation	1,620
	<u>1,620</u>

Notes forming part of the financial statements for the period ended 31 March 2020 (continued)

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6 Operating leases

55 London has 22 properties under lease to tenants at 31 March 2020. Payments are due to the parent company in respect these leases at 80% of the rental value plus a 10% management charge. This commitment is recognised as follows:

Amounts payable as Lessee

	Lease	Management Fee	Total
	£	£	£
Within 1 year	189,359	23,670	213,029
Over 1 Year	-	-	-
Total	<u>189,359</u>	<u>23,670</u>	<u>213,029</u>

7 Reserves

The Society's reserves are as follows:

	2020 £
Income and expenditure reserve	<u>6,909</u>

8 Related party transactions

The society has taken advantage of the exemption conferred by FRS 102 section 33 "Related Party Disclosures" and has therefore not disclosed transactions or balances with entities which form part of Central and Cecil Housing Trust or other wholly owned subsidiaries within the group. The consolidated financial statements of Central and Cecil Housing Trust can be obtained from the Registered Office.

9 Controlling party

The Society is a wholly owned subsidiary of Central and Cecil Housing Trust.