

Report of the Management Committee and  
Financial Statements for the Year Ended 31 March 2017  
for  
Millbank Estate Management  
Organisation Limited

Contents of the Financial Statements  
for the Year Ended 31 March 2017

	Page
Company Information	1
Report of the Management Committee	2
Report of the Independent Auditors	4
Income Statement	6
Balance Sheet	7
Notes to the Financial Statements	8
Trading and Profit and Loss Account	11

**MANAGEMENT COMMITTEE:** P Doherty Chairman  
G Bobin Vice Chairperson  
M Gouveia Treasurer  
G Morgan Secretary  
P Hayes Board Member  
C Andrews Board Member  
O Martone Board Member  
N Chitnavis Board Member  
J Crowe Co-opted Member

**PRINCIPAL STAFF:** K Carson Estate Director

**REGISTERED OFFICE:** Reynolds House  
Erasmus Street  
London  
SW1P 4HP

**REGISTERED NUMBER:** IP28193R (England and Wales)

**AUDITORS:** PJ Marks & Co Limited  
115b Drysdale Street  
Hoxton  
London  
N1 6ND

Report of the Management Committee  
for the Year Ended 31 March 2017

The Management Committee presents its report and the audited financial statements for the year ended 31 March 2017. The Income and Expenditure account for the year ended 31 March 2017 shows an excess of income over expenditure of £9,503. This shows a vast improvement on the budgeting of the account for the year and shows an increase in the control over the spend this year. There has been an overall decrease in the overhead costs this year, despite the company incurring redundancy costs during the period.

The Management Committee have further taken measures to ensure that going forward, the over-spending continues to not occur and there has been a large restructuring of the office and estate services in the last year to ensure that this continues. The restructuring is ensuring that the service provision is more effective and value for money. Costs have been incurred this year for redundancy as a result of this process. It is anticipated that the new organisational strategy will ensure that our work force has the relevant skills set to ensure that that organisation is run efficiently and provides a vast improvement in our service delivery.

**MANAGEMENT COMMITTEE**

Members of the Management Committee during the year and up to the date of this report were as follows:

P Doherty	Chairman (appointed 8 June 2017)
N Cocking	Chairman (resigned 8 June 2017)
G Bobin	Vice Chairperson
M Gouveia	Treasurer
G Morgan	Secretary
P Hayes	Board Member
C Andrews	Board Member
O Martone	Board Member
N Chitnavis	Board Member
M Landman	Board Member (resigned 8 June 2017)
J Crowe	Co-opted Member (co-opted July 2017)

All members of the Management Committee are members of the Society and subscribe to one share or, if they are a representative from another organisation, the organisation holds one share. Members of the Management Committee have no beneficial interest in the Society and are not remunerated.

**STATEMENT OF MANAGEMENT COMMITTEE'S RESPONSIBILITIES**

The Management Committee is responsible for preparing the Report of the Management Committee and the financial statements in accordance with applicable law and regulations.

The laws governing registered societies requires the Management Committee to prepare financial statements for each financial year. Under that law the Management Committee has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under the laws governing registered societies, the Management Committee must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Society as at the balance sheet date and of its incoming resources and application of resources including income and expenditure for the year then ended.

In preparing these financial statements, the Management Committee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

The Management Committee is 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 it to ensure that the financial statements comply with the Companies Act 2006. It is 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the Management Committee confirms that to the best of his/her knowledge, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a Management Committee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, PJ Marks & Co Limited, were appointed as the Society's auditors during the year and they have expressed their willingness to continue in the capacity.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

.....  
P Doherty - Management Committee

Date: .....

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Report of the Independent Auditors to the Members of  
Millbank Estate Management  
Organisation Limited

We have audited the financial statements of Millbank Estate Management Organisation Limited for the year ended 31 March 2017 on pages six to ten. 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 Financial Reporting Standard 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 a Report of the Auditors 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 Management Committee and auditors**

As explained more fully in the Statement of Management Committee's Responsibilities set out on page two, the Management Committee is 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 Management Committee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Management Committee 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 Society's affairs as at 31 March 2017 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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, based on the work undertaken in the course of our audit, the information given in the Report of the Management Committee for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Report of the Management Committee.

Report of the Independent Auditors to the Members of  
Millbank Estate Management  
Organisation 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 Management Committee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Management Committee was 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 or in preparing the Report of the Management Committee.

Albie Turner FCCA (Senior Statutory Auditor)  
for and on behalf of PJ Marks & Co Limited  
115b Drysdale Street  
Hoxton  
London  
N1 6ND

Date: .....

Millbank Estate Management  
Organisation Limited

Income Statement  
for the Year Ended 31 March 2017

	Notes	31.3.17 £	31.3.16 £
<b>TURNOVER</b>		<b>603,528</b>	628,666
Cost of sales		<u>283,795</u>	<u>272,980</u>
<b>GROSS PROFIT</b>		<b>319,733</b>	355,686
Administrative expenses		<u>310,230</u>	<u>359,371</u>
<b>OPERATING PROFIT/(LOSS)</b>	4	<b>9,503</b>	(3,685)
Interest receivable and similar income		<u>-</u>	<u>325</u>
		<b>9,503</b>	(3,360)
Interest payable and similar expenses		<u>-</u>	<u>29</u>
<b>SURPLUS/(DEFICIT) BEFORE TAXATION</b>		<b>9,503</b>	(3,389)
Tax on profit/(loss)		<u>-</u>	<u>109</u>
<b>SURPLUS/(DEFICIT) AFTER TAXATION</b>		<b>9,503</b>	(3,498)
Transfer to the general fund		<u>(9,503)</u>	<u>3,498</u>
<b>SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR</b>		<u><u>-</u></u>	<u><u>-</u></u>

The notes form part of these financial statements



Balance Sheet  
 31 March 2017

	Notes	31.3.17 £	£	31.3.16 £	£
<b>FIXED ASSETS</b>					
Tangible assets	5		13,757		10,866
<b>CURRENT ASSETS</b>					
Debtors	6	53,353		32,836	
Cash at bank and in hand		<u>150,443</u>		<u>158,916</u>	
		203,796		191,752	
<b>CREDITORS</b>					
Amounts falling due within one year	7	<u>135,707</u>		<u>130,275</u>	
<b>NET CURRENT ASSETS</b>			<u>68,089</u>		<u>61,477</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>81,846</u>		<u>72,343</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			25		25
Contingency fund			36,611		36,611
General fund			<u>45,210</u>		<u>35,707</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>81,846</u>		<u>72,343</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Management Committee on ..... and were signed by:

.....  
 P Doherty - Chairman

.....  
 G Morgan - Secretary

.....  
 - Board Member

1. **STATUTORY INFORMATION**

Millbank Estate Management Organisation Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Turnover**

Maintenance allowances, management and sundry income are treated as income in the year in which it is receivable. They are shown excluding (net of) vat.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 25% on reducing balance

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2017

2. ACCOUNTING POLICIES - continued

**Funds**

The general fund represents funds available to Millbank Estate Management Organisation Limited after all transfers to other funds.

The contingency fund represents allowances which have not yet been spent during the year to be shown as a reserve fund in accordance with the Management Agreement.

**Tangible fixed assets**

During the year, the depreciation rates for tangible fixed assets changed as follows, 25% on cost to 15% on reducing balance for fixtures and fittings and 25% on cost to 25% on reducing balance for computer equipment. This has resulted in the total depreciation charge for the period being £6,948 rather than £10,171. This change is due to the Management Committees believing that the new rate is a better reflection on the value in use of the assets.

3. EMPLOYEES AND MANAGEMENT COMMITTEES

	31.3.17	31.3.16
	£	£
Wages and salaries	240,190	209,948
Social security costs	<u>80,039</u>	<u>74,905</u>
	<u><u>320,229</u></u>	<u><u>284,853</u></u>

The average monthly number of employees during the year was as follows:

	31.3.17	31.3.16
Administration, estate and cleaning	<u>9</u>	<u>9</u>
	<u><u>9</u></u>	<u><u>9</u></u>

4. OPERATING PROFIT/(LOSS)

The operating profit (2016 - operating loss) is stated after charging:

	31.3.17	31.3.16
	£	£
Depreciation - owned assets	6,948	7,711
Hire of equipment	7,863	9,303
Management committee members' reimbursed expenses	-	333
Rent	<u>7,063</u>	<u>5,650</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2017

5. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 April 2016	18,724	12,120	30,844
Additions	<u>-</u>	<u>9,839</u>	<u>9,839</u>
At 31 March 2017	<u>18,724</u>	<u>21,959</u>	<u>40,683</u>
<b>DEPRECIATION</b>			
At 1 April 2016	11,847	8,131	19,978
Charge for year	<u>1,031</u>	<u>5,917</u>	<u>6,948</u>
At 31 March 2017	<u>12,878</u>	<u>14,048</u>	<u>26,926</u>
<b>NET BOOK VALUE</b>			
At 31 March 2017	<u>5,846</u>	<u>7,911</u>	<u>13,757</u>
At 31 March 2016	<u>6,877</u>	<u>3,989</u>	<u>10,866</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17	31.3.16
	£	£
Trade debtors	45,337	22,162
Other debtors	<u>8,016</u>	<u>10,674</u>
	<u>53,353</u>	<u>32,836</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17	31.3.16
	£	£
Trade creditors	-	10,595
Bank overdrafts	3,176	-
Taxation and social security	24,231	29,755
Other creditors	<u>108,300</u>	<u>89,925</u>
	<u>135,707</u>	<u>130,275</u>

Trading and Profit and Loss Account  
for the Year Ended 31 March 2017

	31.3.17		31.3.16	
	£	£	£	£
<b>Turnover</b>				
Management and maintenance allowance	584,415		605,102	
Income from residents	-		540	
Other income	408		4,761	
Grant income	-		2,295	
Management fees on major voids	<u>18,705</u>		<u>15,968</u>	
		<b>603,528</b>		628,666
<b>Cost of sales</b>				
Voids costs	25,106		2,190	
Flat costs	80,126		81,317	
Block costs	21,815		22,129	
Estate and PPM costs	25,124		15,785	
Contractors and materials	-		14,810	
Maintenance consumables	937		9,881	
Wages - maintenance	76,037		75,380	
Wages - cleaning	<u>54,650</u>		<u>51,488</u>	
		<u>283,795</u>		<u>272,980</u>
<b>GROSS PROFIT</b>		<b>319,733</b>		355,686
<b>Other income</b>				
Bank interest receivable		<u>-</u>		<u>325</u>
		<b>319,733</b>		356,011
<b>Expenditure</b>				
Rent and rates	7,429		6,040	
Insurance	5,453		6,025	
Light and heat	1,802		4,830	
Training and recruitment	5,419		6,339	
Salaries	164,153		134,568	
Employers NI	25,389		23,417	
Redundancy costs	1,445		-	
Hire of plant and machinery	9,752		9,303	
Other operating leases	-		31,555	
Board and administration costs	4,648		7,871	
Telephone, fax and internet	8,404		8,045	
Printing, postage and stationery	867		16,895	
Advertising	-		299	
Motor and travel expenses	5,738		865	
Computer maintenance, website costs and computer expenses	17,333		13,702	
Office repairs and maintenance and equipment hire	475		3,821	
Grant funded activities	-		2,263	
Subscriptions	270		367	
Projects and activities	-		1,754	
	<u>257,959</u>	<u>319,733</u>	<u>277,959</u>	<u>356,011</u>
Carried forward				

Millbank Estate Management  
Organisation Limited

Trading and Profit and Loss Account  
for the Year Ended 31 March 2017

	31.3.17		31.3.16	
	£	£	£	£
Brought forward	257,959	319,733	277,959	356,011
Sanitary expenses	-		651	
Cleaning materials and cleaning expenses	2,702		4,853	
Gardening expenses	166		305	
Accountancy	10,827		28,014	
Payroll processing costs	-		1,022	
Legal and professional fees	1,350		3,596	
Human resources fees	4,504		8,125	
Staff review costs	8,529		6,480	
Compensation, refunds and goodwill gesture	3,528		73	
Staff welfare	721		1,594	
Sundry expenses	5,630		3,282	
Entertainment	894		-	
Office refreshments and canteen	73		861	
Protective clothing	-		957	
Conferences	108		3,024	
Provision for doubtful debts	-		4,611	
Auditors' remuneration	5,400		5,400	
		<u>302,844</u>		<u>350,807</u>
		16,889		5,204
<b>Finance costs</b>				
Bank charges	437		850	
Credit card	-		3	
Interest on late payment of PAYE/NI	-		29	
		<u>437</u>		<u>882</u>
		16,452		4,322
<b>Depreciation</b>				
Fixtures and fittings	1,032		4,681	
Computer equipment	5,917		3,030	
		<u>6,949</u>		<u>7,711</u>
<b>NET SURPLUS/(DEFICIT)</b>		<u>9,503</u>		<u>(3,389)</u>

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