



COMPANY REGISTRATION NUMBER 02279323

**POSOL RESIDENTS MANAGEMENT COMPANY  
LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31st MARCH 2012**

taylorcocks | chartered accountants  
chartered tax advisers

**3 Acorn Business Centre  
Northarbour Road  
Cosham  
Portsmouth  
PO6 3TH**

**POSOL RESIDENTS MANAGEMENT COMPANY LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

	<b>PAGES</b>
<b>CONTENTS</b>	
Officers and professional advisers	2
The directors' report	3 to 4
Independent auditor's report to the shareholders	5 to 6
Income statement	7
Balance sheet	8
Notes to the financial statements	9 to 12
<b>The following pages do not form part of the financial statements</b>	
Detailed income statement	14
Notes to the detailed income statement	15

**POSOL RESIDENTS MANAGEMENT COMPANY LIMITED**

**OFFICERS AND PROFESSIONAL ADVISERS**

<b>The board of directors</b>	N.D. Hewitson - Chairman I.H. Currie M. Sandall B. White A.M Sinton-Gerry M.D. Abrams W.A. Charles
<b>Company secretary</b>	I.H. Currie
<b>Registered office</b>	2 The Gardens Office Village Fareham Hampshire PO16 8SS
<b>Auditor</b>	taylorcocks Chartered Accountants & Registered Auditors 3 Acorn Business Centre Northarbour Road Cosham Portsmouth PO6 3TH

**POSOL RESIDENTS MANAGEMENT COMPANY LIMITED**

**THE DIRECTORS' REPORT**

**YEAR ENDED 31st MARCH 2012**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st March 2012.

**PRINCIPAL ACTIVITIES**

The principal activity of the company throughout the year continued to be that of acting on behalf of the owners of homes and berths as the management company of the communal areas for the properties located at Sennen Place, Carne Place, Kelsey Head, Newlyn Way, Carbis Close, Cadgwith Place, Holywell Drive, Bryher Island, Tintagel Way, Mullion Close and Coverack Way at Port Solent, North Harbour, Portsmouth, Hampshire.

**THE DIRECTORS**

The directors who served the company during the year were as follows:

N.D. Hewitson

R.G. Sillence (resigned 25/11/2011)

I.H. Currie

M. Sandall

B. White

M.D. Slack (resigned 20/01/2012)

A.M. Sinton-Gerry

M.D. Abrams (appointed 20/01/2012)

W.A. Charles (appointed 20/01/2012)

**POSOL RESIDENTS MANAGEMENT COMPANY LIMITED**

**THE DIRECTORS' REPORT *(continued)***

**YEAR ENDED 31st MARCH 2012**

**DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Directors' 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**INSURANCE**

During the year £1,010 (2011 - £1,030) was expensed by the company in respect of Directors and Officers liability insurance.

**SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office:  
2 The Gardens  
Office Village  
Fareham  
Hampshire  
PO16 8SS

Signed by order of the directors



I.H. CURRIE

Director

Approved by the directors on *14th September 2012*

## **POSOL RESIDENTS MANAGEMENT COMPANY LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF POSOL RESIDENTS MANAGEMENT COMPANY LIMITED**

#### **YEAR ENDED 31st MARCH 2012**

We have audited the financial statements of POSOL Residents Management Company Limited for the year ended 31st March 2012. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders 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 4, 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 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 (APB'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 directors; and the overall presentation of the financial statements.

#### **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 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 and the directors' report in accordance with the small companies regime.

#### **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 31st March 2012 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

POSOL RESIDENTS MANAGEMENT COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF  
POSOL RESIDENTS MANAGEMENT COMPANY LIMITED (*continued*)

YEAR ENDED 31st MARCH 2012

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

*Graham Figgins*

Graham Figgins (Senior Statutory Auditor)

For and on behalf of

taylorcocks | chartered accountants  
& statutory auditors

Office: Portsmouth

Date: 17 September 2012

POSOL RESIDENTS MANAGEMENT COMPANY LIMITED

INCOME STATEMENT

31st MARCH 2012

		2012 £	2011 £
<b>INCOME RECEIVABLE</b>		396,588	402,974
Administrative expenses		376,509	353,029
Other operating income		(1,813)	(4,309)
<b>OPERATING SURPLUS</b>	2	<u>21,892</u>	<u>54,254</u>
Interest receivable		1,810	1,825
<b>TOTAL EXCESS INCOME AFTER EXPENSES</b>		<u>23,702</u>	<u>56,079</u>
Tax on interest receivable	3	362	383
<b>EXCESS income for the year</b>		<u>23,340</u>	<u>55,696</u>
Amount due to shareholders		(6,397)	(39,810)
Transfer (to)/from sinking funds: Based on 4.5% of administrative expenses		(16,943)	(15,886)
<b>RESULT FOR THE YEAR</b>		<u><u>-</u></u>	<u><u>-</u></u>

All of the activities of the company are classed as continuing.

POSOL RESIDENTS MANAGEMENT COMPANY LIMITED

BALANCE SHEET

31st MARCH 2012

	Note	2012 £	£	2011 £	£
FIXED ASSETS	4		29,405		29,405
CURRENT ASSETS					
Debtors	5	19,764		10,228	
Cash at bank		265,629		317,770	
		<u>285,393</u>		<u>327,998</u>	
CREDITORS: Amounts falling due within one year	6	<u>64,683</u>		<u>78,091</u>	
NET CURRENT ASSETS			<u>220,710</u>		<u>249,907</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>250,115</u>		<u>279,312</u>
CAPITAL AND RESERVES					
Called-up equity share capital	7		733		733
Revaluation reserve	8		29,405		29,405
Sinking funds	10		219,977		249,174
SHAREHOLDERS' FUNDS			<u>250,115</u>		<u>279,312</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective January 2008).

These financial statements were approved by the directors on the 14/3/12 and are signed on their behalf by:



I.H. CURRIE – DIRECTOR



N.D. HEWITSON – DIRECTOR

Company Registration Number: 02279323

The notes on pages 9 to 12 form part of these financial statements.

POSOL RESIDENTS MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2012

1. ACCOUNTING POLICIES

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

**Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) not to include a cash flow statement in the financial statements on the grounds that the company is small.

**Income receivable**

The income receivable represents the amounts received and due from shareholders. Management are of the opinion that all amounts due from shareholders are fully recoverable.

2. OPERATING SURPLUS

Operating surplus is stated after charging:

	2012 £	2011 £
Auditor's fees	<u>3,740</u>	<u>3,758</u>

The directors received no emoluments for their services (2011 – £nil). In his capacity as Company Secretary, Mr I.H. Currie received fees of £3,000 (2011 – £3,000).

3. TAXATION ON INTEREST RECEIVABLE

	2012 £	2011 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 20% (2011–21%)	308	265
Income tax deducted at source	<u>54</u>	<u>118</u>
Total current tax	<u>362</u>	<u>383</u>

POSOL RESIDENTS MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2012

4. FIXED ASSETS – Land and Buildings

	2012 £	2011 £
Balance as at 1 April 2011	29,405	29,405
Balance as at 31 March 2012	<u>29,405</u>	<u>29,405</u>

5. DEBTORS

	2012 £	2011 £
Amounts due from shareholders	16,994	7,872
Prepayments and accrued income	2,770	2,356
	<u>19,764</u>	<u>10,228</u>

The Amounts due from shareholders comprises of outstanding service charges and is shown net of a £6,000 provision against recovery.

6. CREDITORS: Amounts falling due within one year

	2012 £	2011 £
Amounts owed to shareholders	46,210	59,348
Other creditors	7,138	7,135
Trade creditors	5,981	4,783
Corporation tax	308	265
Accruals	5,046	6,560
	<u>64,683</u>	<u>78,091</u>

POSOL RESIDENTS MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2012

7. SHARE CAPITAL

Authorised share capital:

	2012	2011
	£	£
439 Class A ordinary shares of £1 each	439	439
360 Class B ordinary shares of £1 each	360	360
	<u>799</u>	<u>799</u>

Allotted, called up and fully paid:

	2012		2011	
	No	£	No	£
Class A ordinary shares of £1 each	423	423	423	423
Class B ordinary shares of £1 each	310	310	310	310
	<u>733</u>	<u>733</u>	<u>733</u>	<u>733</u>

8. REVALUATION RESERVE

	2012	2011
	£	£
Balance at 1 April 2011	29,405	29,405
Balance at 31 March 2012	<u>29,405</u>	<u>29,405</u>

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012	2011
	£	£
Excess income over expenditure for the year	23,340	55,696
Amount due to shareholders	(6,397)	(39,810)
	<u>16,943</u>	<u>15,886</u>
Amount transferred to sinking funds	(46,140)	-
Other movements in the year	279,312	263,426
Shareholders' funds at 1 April 2011	<u>279,312</u>	<u>279,312</u>
Shareholders' funds at 31 March 2012	<u>250,115</u>	<u>279,312</u>

POSOL RESIDENTS MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2012

10. SINKING FUND RESERVES

	2012	2011
	£	£
Balance at 1 April 2011	249,174	233,288
Transfer to sinking funds for the year	16,943	15,886
Pontoon repair costs charged to sinking fund	(46,140)	-
Balance at 31 March 2012	<u>219,977</u>	<u>249,174</u>

The Sinking Fund was established some years ago to allow the company to set aside funds for the future replacement of estate and pontoon facilities for which the company is responsible at the end of their life.

POSOL RESIDENTS MANAGEMENT COMPANY LIMITED

MANAGEMENT INFORMATION

YEAR ENDED 31st MARCH 2012

The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on pages 5 to 6.

POSOL RESIDENTS MANAGEMENT COMPANY LIMITED

DETAILED INCOME STATEMENT

YEAR ENDED 31st MARCH 2012

	2012 £	2012 Budget £	2011 £
SERVICE CHARGES RECEIVABLE	396,588	396,587	402,974
OVERHEADS Expenditure	<u>376,509</u>	<u>389,425</u>	<u>353,029</u>
	20,079	7,162	49,945
OTHER OPERATING INCOME Other income	<u>1,813</u>	<u>1,120</u>	<u>4,309</u>
OPERATING SURPLUS	21,892	8,282	54,254
Interest receivable	<u>1,810</u>	<u>1,000</u>	<u>1,825</u>
EXCESS INCOME BEFORE TAXATION	23,702	9,282	56,079
Tax on interest receivable	<u>362</u>		<u>383</u>
TOTAL EXCESS/SHORTFALL INCOME FOR YEAR	<u><u>23,340</u></u>	<u><u>9,282</u></u>	<u><u>55,696</u></u>

POSOL RESIDENTS MANAGEMENT COMPANY LIMITED

NOTES TO DETAILED INCOME STATEMENT

YEAR ENDED 31st MARCH 2012

	2012 £	2012 Budget £	2011 £
<b>EXPENDITURE</b>			
<b>Port Solent charge</b>	<u>188,790</u>	<u>183,515</u>	<u>172,190</u>
<b>Estate</b>			
Landscape maintenance	52,638	55,396	53,982
Estate Security	8,199	4,466	303
Estate Maintenance	4,217	6,606	3,427
Television system maintenance	683	4,920	877
	<u>65,737</u>	<u>71,388</u>	<u>58,589</u>
<b>Berths</b>			
Pontoon repairs	<u>4,273</u>	<u>12,000</u>	<u>10,998</u>
<b>Administration</b>			
Audit fee	3,740	4,100	3,758
Professional fees [see below]	9,650	15,000	10,089
Directors' Expenses	-	-	-
Management Company Expenses	82,863	85,879	81,777
Insurance	9,512	10,075	11,114
Communication with shareholders	3,828	6,018	3,146
Sundry Expenses	-	-	-
Provision against recovery of debts	6,000	-	-
	<u>115,593</u>	<u>121,072</u>	<u>109,884</u>
<b>Tax and Rates</b>			
Water rates	<u>2,116</u>	<u>1,450</u>	<u>1,368</u>
	<u>376,509</u>	<u>389,425</u>	<u>353,029</u>

**Analysis of Professional fees:**

	2012 £	2011 £
Taxation advice	400	400
County court fees	250	175
Planning advice re: The Portsmouth Plan	9,000	4,473
Legal fees re: Debt collection	-	734
re: Access rights (Oyster Quay)	-	1,325
re: General advice	-	2,982
	<u>9,650</u>	<u>10,089</u>