

BERRY BROOK HOMES LIMITED (FORMERLY WOKINGHAM ENTERPRISES LIMITED)
ANNUAL REPORT AND THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017



WOKINGHAM ENTERPRISES LIMITED

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WOKINGHAM ENTERPRISES LIMITED

COMPANY INFORMATION

Directors:

A Moulton
K I McKenzie

Registered Office:

Civic Offices
Shute End
Wokingham
Berkshire
RG40 1BN

Registered Number:

07105213 (England and Wales)

Senior Statutory Auditor:

Martin Howard FCA

Auditors:

Hazlewoods LLP
Registered Auditors
Windsor House
Bayshill Road
Cheltenham
Gloucestershire
GL50 3AT

WOKINGHAM ENTERPRISES LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2017

Directors' Report

The Directors present their report with the financial statements of the company for the year ended 31st March, 2017.

Principal Activities

Wokingham Enterprises Limited (WEL) is a company wholly owned and set up by Wokingham Borough Council (WBC) for the purpose of enabling the regeneration of the town centre of Wokingham. The company was set up in 2009 but actually commenced trading on 24th June, 2010. The main trading activity of WEL was that of property investment, however WEL sold all of its assets to Wokingham Borough Council on 27th March 2013. The assets comprised a number of retail units collectively known as Peach Place.

Directors

The Directors, who have held office during the period from 1st April, 2016 to 31st March, 2017, are as follows:

Name	Date of Appointment	Date of Resignation
A Moulton		21 st April 2017
K I McKenzie		21 st April 2017

All the Directors who are eligible offer themselves for re-election at the forthcoming Annual General Meeting. Eligibility for appointment to the Board is based on relevant commercial experience.

The following directors were appointed after the year end:

Name	Date of Appointment	Date of Resignation
W J Flood	21 st April 2017	
R H Roberts	21 st April 2017	
D Cash	21 st April 2017	
D D Chopping	22 nd June 2017	

Statement of Going Concern

The Company sold all of its assets to Wokingham Borough Council on 27th March, 2013. The Directors have continued to adopt the going concern basis in preparing the financial statements, and details of the consideration given to this decision are given in note 14 to the financial statements.

The Statement of Financial Position shows net assets of £633 at 31 March 2017 (2016: £906).

On 4th May, 2010, Wokingham Borough Council Executive held an extraordinary meeting at which it was agreed that:

"Whilst Wokingham Enterprises Limited remains a wholly owned company of Wokingham Borough Council:

- the Council funds the operating losses of Wokingham Enterprises Limited from its working balances and charge Wokingham Enterprises Limited at a rate of: average borrowing rate for the Council times average operating balance of the company (to be determined by the Director of Finance and Resources);
- the Council acts as guarantor for any losses and liabilities in respect of Wokingham Enterprises Limited."

On the basis of this executive decision, in the opinion of the Directors, the Company's deficits for 2016/17 will be funded by the Council, and has sufficient financial resources to manage its financial risks successfully for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The Directors' Responsibilities

The Directors are responsible for preparing the Report of the Directors 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 International Financial Reporting Standards (IFRS) as adopted by the European Union. 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 profit or loss of the company for that period.

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

WOKINGHAM ENTERPRISES LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2017

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable IFRSs, as adopted by the European Union, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the on-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 to 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.

Statement of Disclosure to Auditors

So far as the Directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the Directors 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 auditors are aware of that information.

Small Company Provisions

This report has been prepared in accordance with the small companies' regime under the Companies Act 2006.

By order of the Board:


K I McKenzie – Director

Date: 16th November 2017.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
WOKINGHAM ENTERPRISES LIMITED
FOR THE YEAR ENDED 31 MARCH 2017**

We have audited the financial statements of Wokingham Enterprises Limited for the year ended 31 March 2017 which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 3 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 directors' report to identify material inconsistencies with the audited financial statements. 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 Total Comprehensive Income for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
WOKINGHAM ENTERPRISES LIMITED
FOR THE YEAR ENDED 31 MARCH 2017**

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required 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;
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the Director's Report in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

.....
Martin Howard FCA (Senior Statutory Auditor)

For and on behalf of Hazlewoods LLP
Statutory Auditor
Windsor House
Bayshill Road
Cheltenham
Gloucestershire
GL50 3AT

Date: 17/04/17

WOKINGHAM ENTERPRISES LIMITED
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 MARCH 2017

The principal accounting policies adopted 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.

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the IFRS Interpretations Committee (IFRIC) interpretation as adopted by the EU and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention except for the revaluation of investment properties, and are presented in Pounds Sterling.

The company is a private limited company incorporated in England and Wales, and is a wholly owned subsidiary of Wokingham Borough Council which is required to prepare accounts in accordance with IFRS adapted for the UK public sector by the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom Guidance Notes for Practitioners 2016/2017 (the Code). Where possible the company has selected accounting policies consistent with the Code, however where the Code is not applicable IFRS and IFRIC interpretations as adopted by the EU have been followed.

A summary of the more important accounting policies is set out below.

1 Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place and when a right to consideration exists, not simply when cash payments are made or received. In particular:

(a) Income

- Fees, charges and rents due from customers are accounted for as income at the date the Company provides the relevant goods or services;
- Revenue is measured at the fair value of the consideration received or receivable and recognised when prescribed conditions are met, which depend on the nature of the revenue;
- Where income has been recognised but cash has not been received, a debtor for the relevant amount is recorded in the Statement of Financial Position. Where it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected;
- Where payments are received in advance of a service being provided a receipt in advance is recognised as a creditor in the Statement of Financial Position;
- Income is credited to the relevant revenue account, unless it properly represents capital receipts.

(b) Expenditure

- Supplies and services are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as prepayments in the Statement of Financial Position;
- Works are charged as expenditure when they are completed, before which they are carried as works in progress on the Statement of Financial Position;
- Interest payable on borrowings and receivable on investments is accounted for on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract;
- Where expenditure has been recognised but cash has not been paid, a creditor for the relevant amount is recorded in the Statement of Financial Position;
- Where payments are made in advance of a service being received a payment in advance is recognised as a debtor in the Statement of Financial Position;
- Expenditure is debited to the relevant expense account, unless it properly represents capital expenditure.

WOKINGHAM ENTERPRISES LIMITED
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 MARCH 2017

2 Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of less than 24 hours.

Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with little risk of change in value.

3 Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Adjustments applicable to prior years arising from changes in accounting policies are accounted for by restating the comparative figures for the preceding period and by adjusting opening balances as if the new policy had always been applied.

Changes in accounting estimates are accounted for in the current and future years affected by the change but do not give rise to a prior year adjustment.

Material errors are corrected retrospectively by restating the comparative figures for the preceding period and by adjusting the opening balances.

4 Financial Instruments

i. Financial Liabilities

Financial liabilities are initially measured at fair value and carried at their amortised cost. Annual charges to the Finance Costs section of the Income Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the borrowings that the Company has, this means that the amount presented in the Statement of Financial Position is the outstanding principal repayable (plus accrued interest) and interest charged to the Income Statement is the amount payable for the year according to the loan agreement.

The Company does not issue bonds.

Gains and losses on the repurchase or early settlement of borrowing are credited and debited to the Finance Costs section of the Income Statement in the year of repurchase / settlement. However, where repurchase has taken place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write-down to the Income Statement is spread over the life of the loan by an adjustment to the effective interest rate.

ii Financial Assets

Loans and Receivables (including trade receivables) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost.

7 Overheads and Support Services

The Company does not attract overheads or support services as it has no employees. Costs relating to finance and legal services for example are purchased as a supply and are part of the Company's operating costs.

8 VAT

VAT payable is included as an expense, only to the extent that it is irrecoverable. VAT receivable is excluded from income.

9 Corporation Tax

Corporation Tax is accounted for in the Income Statement on an accrued basis using an estimate of corporate tax liability for the year. Any losses are offset against future profits.

WOKINGHAM ENTERPRISES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2017

	Notes	31 st March, 2017 £	31 st March, 2016 £
Revenue		-	-
Other Expenses	4	(273)	(273)
Loss from Operations		(273)	(273)
Finance Income	5	-	6
Loss before Income Taxes from Discontinued Operations		(273)	(267)
Taxation	6	-	-
Loss and total comprehensive income attributable to shareholders		(273)	(267)

The accounting policies on pages 6–7 and the notes on pages 11-13 are an integral part of these financial statements

WOKINGHAM ENTERPRISES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Notes	31 st March, 2017 £	31 st March, 2016 £
Assets:			
Current Assets			
Cash and Cash Equivalents	7	1,113	1,146
		<u>1,113</u>	<u>1,146</u>
TOTAL ASSETS		<u>1,113</u>	<u>1,146</u>
Current Liabilities			
Trade and Other Payables	8	(480)	(240)
		<u>(480)</u>	<u>(240)</u>
Net Current Assets		<u>633</u>	<u>906</u>
TOTAL LIABILITIES		<u>(480)</u>	<u>(240)</u>
Net Assets		<u>633</u>	<u>906</u>
Equity:			
Retained deficit	11	(2,367)	(2,094)
Share Capital	9	3,000	3,000
Total Equity		<u>633</u>	<u>906</u>

The financial statements were approved by the Board of Directors and signed on its behalf by

Approved on behalf of the board


K I McKenzie – Director
Date: 16th November 2017.

The accounting policies on pages 6–7 and the notes on pages 11-13 are an integral part of these financial statements

WOKINGHAM ENTERPRISES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017

	Retained Earnings £	Share Capital £	Total £
Balance at 31st March, 2015	(1,827)	3,000	1,173
Comprehensive Income Loss	(267)	-	(267)
Balance at 31st March, 2016	(2,094)	3,000	906
Comprehensive Income Loss	(273)	-	(273)
Balance at 31st March, 2017	(2,367)	3,000	633

The accounting policies on pages 6–7 and the notes on pages 11-13 are an integral part of these financial statements

WOKINGHAM ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

The accounting policies used to complete this Statement of Accounts are produced in full in section 4.

2 Critical judgements in applying accounting policies

In applying the accounting policies set out earlier, the Company has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

Wokingham Borough Council has full control over the operating activities of Wokingham Enterprise Ltd and as such classifies this company as a subsidiary. These financial statements are therefore shown in the consolidated accounts for Wokingham Group.

3 Assumptions made about the future and other major sources of estimation uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by Directors about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

There are no items in WEL's Statement of Financial Position at 31st March, 2017 for which there is a significant risk of material adjustment in the forthcoming financial year.

4 Other expenses

The Company has incurred the following costs in arriving at the profit before taxation:

	Period Ended	
	31 st March, 2017	31 st March, 2016
	£	£
Auditors' Remuneration – audit services	273	273
	<u>273</u>	<u>273</u>

5 Finance income

The Finance Income shown on the face of the Income Statement can be broken down as follows:

	Period Ended	
	31 st March, 2017	31 st March, 2016
	£	£
Interest and Similar Charges Receivable	-	(6)
Total	<u>-</u>	<u>(6)</u>

6 Corporation tax

As a result of the current period trade loss of £273, the company is not expected to incur a corporation tax liability on its results for the period ended 31st March, 2017.

7 Cash and cash equivalents

The following elements comprise Cash and Cash Equivalents:

WOKINGHAM ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

	31 st March, 2017 £	31 st March, 2016 £
Cash at Bank and In Hand	1,113	1,146
Total Cash and Cash Equivalents	1,113	1,146

8 Trade and other payables

These are amounts due to be paid by WEL at the end of the accounting year and comprise:

	31 st March, 2017 £	31 st March, 2016 £
Accruals	480	240
Total	480	240

9 Called up share capital

3,000 authorised and fully paid Ordinary £1.00 shares are held by WBC. Each share carries equal rights in respect of voting and sharing in the financial results and residual value upon winding up of the Company.

	31 st March, 2017 £	31 st March, 2016 £
Called up Share Capital	3,000	3,000
Total Share Capital	3,000	3,000

WEL is limited by shares and is domiciled and incorporated in the United Kingdom.

10 Financial instruments

The following categories of financial instrument are carried in the Statement of Financial Position:

	31 st March, 20167 £	31 st March, 2016 £
Trade and Other Payables	(480)	(240)
Cash at Bank and in Hand	1,113	1,146

Short term assets and liabilities are carried at cost as this is a fair approximation of their value.

The Company's activities expose it to a variety of financial risks:

- credit risk – the possibility that other parties might fail to pay amounts due to the Company
- liquidity risk – the possibility that the Company might not have funds available to meet its commitments to make payments
- re-financing risk – the possibility that the Company might be requiring to renew a financial instrument on maturity at disadvantageous interest rates or terms

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Company's customers.

The Company does not generally allow credit for its customers, and none of its £nil (2016: £nil) trade debtors balance is past its due date for payment. There are no aged debtors.

WOKINGHAM ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

Liquidity Risk

Wokingham Borough Council acts as guarantor to WEL and has a comprehensive cash flow management system that seeks to ensure that cash is available as needed. If unexpected movements happen, WBC has ready access to borrowings from the Money Markets and the Public Works Loans Board. There is therefore no significant risk that WEL will be unable to raise finance to meet its commitments under financial instruments.

11 Retained earnings

	31st March 2017	31st March, 2016
	£	£
At 1 st April	(2,094)	(1,827)
Profit / (Loss) for the Year	(273)	(267)
At 31st March 2017	<u>(2,367)</u>	<u>(2,094)</u>

12 Related party transactions

The Company has applied the exemption available in paragraph 25 of IAS 24, and has therefore not provided detailed disclosure of its transactions with Wokingham Borough Council and other companies under the control of Wokingham Borough Council.

A summary of the Company's transactions with Wokingham Borough Council ("WBC") and other companies controlled by Wokingham Borough Council is shown below:

- WBC (Holdings) Ltd provides various support services to the Company, which are included in "other expenses". Amounts owed to WBC in respect of these services are included in "trade and other payables".

13 Ultimate parent

The Directors of the company regard Wokingham Borough Council, a local authority in England and Wales, as the ultimate parent of the Company. The Company's results are included in the consolidated financial statements of Wokingham Borough Council. Copies of the Consolidated Group Accounts are available from Wokingham Borough Council, Civic Offices, Shute End, Wokingham, RG40 1BN.

14 Going concern

The Company has a Statement of Comprehensive Income loss of £273 at 31st March, 2017. The Company is wholly reliant on support from its sole shareholder, Wokingham Borough Council who during 2013/14 reimbursed the remaining acquisition costs associated with Peach Place, following the settlement of other outstanding assets and liabilities owed to and by the company from third parties.

On the basis of the Council's decisions, in the opinion of the Directors, the Company, with the support of the Council, has sufficient financial resources to manage its financial risks successfully for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

15 Post Balance Sheet Events

As of 1st April 2017, the following action took place which impacted Wokingham Enterprises Limited:

- WBC transferred its investment of 3,000 ordinary shares in Wokingham Enterprises Limited ("WEL") to WBC (Holdings) Limited. This transfer was made for the cash consideration and face value of that share of £3,000 for 3,000 ordinary shares. WEL subsequently changed its name to Berry Brook Homes Limited.