

SOVEREIGN HARBOUR (SEA DEFENCES) CIC
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018
PAGES FOR FILING WITH REGISTRAR

Company Registration No. 07078140 (England and Wales)



SOVEREIGN HARBOUR (SEA DEFENCES) CIC

CONTENTS

	Page
Balance sheet	1
Statement of changes in equity	2
Notes to the financial statements	3 - 6

SOVEREIGN HARBOUR (SEA DEFENCES) CIC

BALANCE SHEET

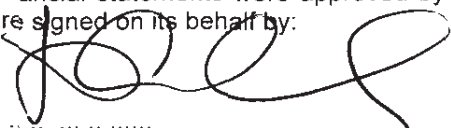
AS AT 30 SEPTEMBER 2018

	Notes	2018 £	£	2017 £	£
Current assets					
Debtors	2	251,646		225,541	
Cash at bank and in hand		177,227		185,888	
		<u>428,873</u>		<u>411,429</u>	
Creditors: amounts falling due within one year	3	<u>(395,857)</u>		<u>(379,459)</u>	
Net current assets			<u>33,016</u>		<u>31,970</u>
Capital and reserves					
Called up share capital	4		1		1
Other reserves	5		33,015		31,969
Total equity			<u>33,016</u>		<u>31,970</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements were approved by the board of directors and authorised for issue on 03/12/2018 and are signed on its behalf by:



Mr J Cervenka
Director

Company Registration No. 07078140

SOVEREIGN HARBOUR (SEA DEFENCES) CIC

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Share capital	Other reserves	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 October 2016	1	30,784	-	30,785
Year ended 30 September 2017:				
Profit and total comprehensive income for the year	-	-	1,185	1,185
Transfers	-	1,185	(1,185)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 30 September 2017	1	31,969	-	31,970
Year ended 30 September 2018:				
Profit and total comprehensive income for the year	-	-	1,046	1,046
Transfers	-	1,046	(1,046)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 30 September 2018	<hr/>	<hr/>	<hr/>	<hr/>

SOVEREIGN HARBOUR (SEA DEFENCES) CIC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies

Company information

Sovereign Harbour (Sea Defences) CIC is a private company limited by shares incorporated in England and Wales. The registered office is Number 22, Mount Ephraim, Tunbridge Wells, Kent, TN4 8AS.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view. The company is a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable from ordinary activities and represents amounts receivable from the residents and users of the Sovereign Harbour area in respect of the Southern Water (SW) charge, as defined in the Sovereign Harbour Beaches Sea Defence Deed dated 24 August 2001 entered into by Sovereign Harbour Trust. Under the Deed of Assignment for Estate Rentcharges for Sovereign Harbour Eastbourne dated 21 December 2011, the commitments of the Trust, including the collection of the SW charge, were transferred to the CIC.

1.3 Cost of sales

Cost of sales represents amounts payable to the Environment Agency and Premier Marinas (Eastbourne) Limited for sea defence works and harbour maintenance respectively, in accordance with the Sea Defence Deed.

1.4 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

SOVEREIGN HARBOUR (SEA DEFENCES) CIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

2 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	42,701	37,862
Amounts owed by group undertakings	1	1
Other debtors	208,944	187,678
	<u>251,646</u>	<u>225,541</u>

SOVEREIGN HARBOUR (SEA DEFENCES) CIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

3 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	111,613	102,564
Corporation tax	245	288
Other creditors	283,999	276,607
	<u>395,857</u>	<u>379,459</u>

The designated fund from Sovereign Harbour Trust has been transferred into the company and is shown in Other creditors. This balance is due to be paid to Premier Marinas Limited when it is called upon.

4 Called up share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
1 Ordinary Shares of £1 each	1	1
	<u>1</u>	<u>1</u>

5 Other reserves

As per the Sovereign Harbour Beaches Sea Defences Deed the company is bound to maintain other reserves of £20,000 increased in line with the Retail Price Index.

6 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified

The senior statutory auditor was Neville Beckhurst FCA.
The auditor was Plummer Parsons.

7 Related party transactions

Transactions with related parties

SOVEREIGN HARBOUR (SEA DEFENCES) CIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

7 Related party transactions

(Continued)

The parent company, Sovereign Harbour Trust, owed £1 (2017: £1) to the company at the Balance Sheet date.

Directors Mr G Collins and Mr J Cervenka are also directors of Premier Marinas (Eastbourne) Limited. Premier Marinas (Eastbourne) Limited is entitled to half the balance of the CIC's net surplus at the 31 March, for harbour maintenance, after accounting for the requirement for the index linked reserve as detailed above in accordance with the Sea Defences Deed. The amount allocated to Premier Marinas (Eastbourne) Limited in these accounts is £238,749 (2017: £227,310) and is shown in Cost of sales

In addition, the CIC collects the Marina Charge element of the annual Rent Charges issued to homeowners on behalf of Premier Marinas (Eastbourne) Limited. The amount paid to Premier Marinas (Eastbourne) Limited in respect of this during the year was £174,234 (2017: £166,604).

8 Parent company

The immediate and ultimate parent company is Sovereign Harbour Trust, a company limited by guarantee incorporated in England and Wales which owns 100% of the CIC's share capital. Its registered office address is Number 22 Mount Ephraim, Tunbridge Wells, Kent, TN4 8AS

CIC 34

Community Interest Company Report

For official use
(Please leave blank)

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Please
complete in
typescript, or
in bold black
capitals.

Company Name in
full

Sovereign Harbour (Sea Defences) CIC

Company Number

07078140

Year Ending

30/09/2018

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a fair and accurate description of how they have benefited the community, or section of the community, which the company is intended to serve.

The company carries on activities that benefit the residents, businesses and members of the public in the vicinity of Sovereign Harbour and in particular collecting and applying rent charge payments from home owners within the Sovereign Harbour development in Eastbourne, East Sussex in accordance with the terms of the rent charges.

The company applies funds collected under the rent charge arrangements above for the purposes of providing sea defences at Sovereign Harbour, Eastbourne, East Sussex. The community will benefit by the protection from flooding of the immediate area of the Sovereign Harbour residential development and the neighbouring coastal area. The community will also benefit by the protection of the beach environment at Sovereign Harbour.

(If applicable, please just state "A social audit report covering these points is attached").

(Please continue on separate continuation sheet if necessary.)

PART 2 – CONSULTATION WITH STAKEHOLDERS – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

The stakeholders are the sole shareholder, the directors, the Environment Agency, Sovereign Harbour Trust, Premier Marinas (Eastbourne) Limited and the residents and community surrounding Sovereign Harbour, Eastbourne, East Sussex.

No consultations with stakeholders have been undertaken during the period to which this form relates.

(If applicable, please just state "A social audit report covering these points is attached").

PART 3 – DIRECTORS' REMUNERATION – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, "There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed" (See example with full notes). If no remuneration was received you must state that "no remuneration was received" below.

No remuneration was received.

PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that "no transfer of assets other than for full consideration has been made" below.

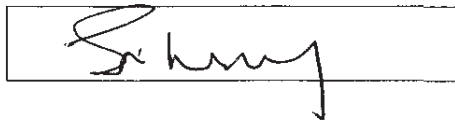
No transfer of assets other than for full consideration has been made.

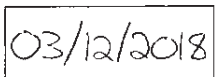
(Please continue on separate continuation sheet if necessary.)

(N.B. Please enclose a cheque for £15 payable to Companies House)

PART 5 – SIGNATORY

The original report must be signed by a director or secretary of the company

Signed 

Date 

Office held (tick as appropriate) Director Secretary

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

	Telephone
DX Number	DX Exchange

When you have completed and signed the form, please send it to the Registrar of Companies at:

For companies registered in England and Wales: Companies House, Crown Way, Cardiff, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland: Companies House, 4th Floor, Edinburgh Quay 2, 139
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

For companies registered in Northern Ireland: Companies House, 2nd Floor, The Linenhall, 32-38
Linenhall Street, Belfast, BT2 8BG