

Company Registration No. 5414491 (England and Wales)

**METROPOLITAN POLICE SAILING CLUB LIMITED**

**COMPANY LIMITED BY GUARANTEE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

# METROPOLITAN POLICE SAILING CLUB LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr A. C. Mills Ms H. Brown Mr P. J. Cranmer Mr G. N. Pankhurst Mr G. R. Granville Mr R. P. Earle Mr J. V. George Mr M. Potter	(Appointed 15 November 2016) (Appointed 15 November 2016) (Appointed 15 November 2016)
<b>Secretary</b>	Mr J. M. Bailey	
<b>Company number</b>	5414491	
<b>Registered office</b>	3rd Floor 114a Cromwell Road Kensington London SW7 4AG	
<b>Auditor</b>	Bright Grahame Murray 114a Cromwell Road Kensington London SW7 4AG	

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# METROPOLITAN POLICE SAILING CLUB LIMITED

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# METROPOLITAN POLICE SAILING CLUB LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2016

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The directors present their annual report and financial statements for the year ended 31 December 2016.

#### Principal activities

The principal activity of the company during the year was the provision of a members sports club.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr A. C. Mills	
Mr S. J. Phillips	(Resigned 15 November 2016)
Ms H. Brown	
Mr P. J. Cranmer	
Mr G. N. Pankhurst	
Mr G. R. Granville	
Mr J. Hulme	(Resigned 15 November 2016)
Mr R. P. Earle	(Appointed 15 November 2016)
Mr J. V. George	(Appointed 15 November 2016)
Mr M. Potter	(Appointed 15 November 2016)

#### Auditor

The auditor, Bright Grahame Murray, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 these financial statements, the directors are required to:

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

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually 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 auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

# METROPOLITAN POLICE SAILING CLUB LIMITED

## DIRECTORS' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2016*

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By order of the board

.....  
Mr J. M. Bailey  
**Secretary**

Approved on.....

# **METROPOLITAN POLICE SAILING CLUB LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF METROPOLITAN POLICE SAILING CLUB LIMITED**

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We have audited the financial statements of Metropolitan Police Sailing Club Limited for the year ended 31 December 2016 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. 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 FRS 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 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, 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 annual report 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 company's affairs as at 31 December 2016 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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, based on the work undertaken in the course of our audit, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Directors' Report has been prepared in accordance with applicable legal requirements.

# METROPOLITAN POLICE SAILING CLUB LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF METROPOLITAN POLICE SAILING CLUB LIMITED

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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 in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

**for and on behalf of Bright Grahame Murray**

**Chartered Accountants**

**Statutory Auditor**

114a Cromwell Road

Kensington

London

SW7 4AG

Approved on:

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# METROPOLITAN POLICE SAILING CLUB LIMITED

## INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

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	Notes	2016 £	2015 £
<b>Income</b>		130,613	122,849
Cost of sales		(82,903)	(51,259)
<b>Gross surplus</b>		47,710	71,590
Administrative expenses		(69,537)	(76,767)
<b>Operating deficit</b>	<b>2</b>	(21,827)	(5,177)
Interest receivable and similar income		29	173
<b>Deficit before taxation</b>		(21,798)	(5,004)
Taxation		-	(266)
<b>Deficit for the financial year</b>		(21,798)	(5,270)

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# METROPOLITAN POLICE SAILING CLUB LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016		2015	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	4		300,304		327,893
<b>Current assets</b>					
Debtors	5	7,275		5,669	
Cash at bank and in hand		81,009		90,476	
		<u>88,284</u>		<u>96,145</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(29,850)</u>		<u>(28,102)</u>	
Net current assets			<u>58,434</u>		<u>68,043</u>
<b>Total assets less current liabilities</b>			358,738		395,936
<b>Creditors: amounts falling due after more than one year</b>	7		(228,415)		(243,815)
<b>Net assets</b>			<u>130,323</u>		<u>152,121</u>
<b>Reserves</b>					
Income and expenditure account			<u>130,323</u>		<u>152,121</u>

These financial statements have been prepared 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 ..... and are signed on its behalf by:

.....

.....

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

Company Registration No. 5414491

# METROPOLITAN POLICE SAILING CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

#### Company information

Metropolitan Police Sailing Club Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 3rd Floor, 114a Cromwell Road, Kensington, London, SW7 4AG.

#### 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 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 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due.

Expenses include VAT where applicable as the company cannot reclaim it.

#### 1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Portacabins	Over 10 years on a straight line basis
Yachts and Ribs	Over 3 to 10 years on a straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

#### 1.4 Borrowing costs related to fixed assets

All other borrowing costs are recognised in surplus or deficit in the period in which they are incurred.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# METROPOLITAN POLICE SAILING CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents 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.

#### 1.7 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 and 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.

##### **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.

# METROPOLITAN POLICE SAILING CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

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.

### 1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

### 1.9 Grants Receivable

Grants receivable are offset against specific expenses incurred by the company, to which they relate. Undistributed grants which have not been received at the year end, though which the company is entitled, are shown on the balance sheet as debtors.

### 2 Operating deficit

	2016	2015
	£	£
Operating deficit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	3,200	3,200
	<u>          </u>	<u>          </u>

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 4 (2015 - 4).

# METROPOLITAN POLICE SAILING CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 4 Tangible fixed assets

	Portacabins	Yachts and Ribs	Total
	£	£	£
<b>Cost</b>			
At 1 January 2016	20,000	472,315	492,315
Disposals	-	(5,900)	(5,900)
At 31 December 2016	20,000	466,415	486,415
<b>Depreciation and impairment</b>			
At 1 January 2016	8,000	156,423	164,423
Depreciation charged in the year	2,000	21,246	23,246
Eliminated in respect of disposals	-	(1,558)	(1,558)
At 31 December 2016	10,000	176,111	186,111
<b>Carrying amount</b>			
At 31 December 2016	10,000	290,304	300,304
At 31 December 2015	12,000	315,893	327,893

### 5 Debtors

	2016	2015
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	7,275	5,669

### 6 Creditors: amounts falling due within one year

	2016	2015
	£	£
Corporation tax	-	35
Other taxation and social security	1,683	777
Other creditors	28,167	27,290
	29,850	28,102

### 7 Creditors: amounts falling due after more than one year

	Notes	2016	2015
		£	£
Other borrowings	8	228,415	243,815

# METROPOLITAN POLICE SAILING CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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8	Loans and overdrafts	2016 £	2015 £
	Other loans	243,815	259,215
		<u>          </u>	<u>          </u>
	Payable within one year	15,400	15,400
	Payable after one year	228,415	243,815
		<u>          </u>	<u>          </u>

Loans represent interest free loans totalling £243,815, of which £166,815 (2015: £182,215) is repayable after more than five years.

The loans are secured over the assets of the company.

### 9 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

**METROPOLITAN POLICE SAILING CLUB LIMITED**  
**MANAGEMENT INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

# METROPOLITAN POLICE SAILING CLUB LIMITED

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

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		2016		2015
	£	£	£	£
<b>Turnover</b>				
Charters and Cruises		44,811		45,255
Training		23,834		17,162
Mooring		4,483		4,665
Subscriptions		46,633		45,456
Clothing Income		2,634		1,380
RIB		7,639		7,842
Other Income		579		1,089
		<hr/>		<hr/>
		130,613		122,849
<b>Cost of sales</b>				
Championship Costs	2,808		6,895	
PSUK - MPAA grants	(1,951)		(6,697)	
Boat Works	53,033		27,454	
MPAA grant - Boat refurbishment	(15,000)		(15,000)	
Tools and equipment	236		151	
Broadway Centre	13,043		9,718	
Mooring Costs	23,143		23,440	
Mooring - MPAA grant	(13,748)		(12,820)	
Skipper fees	880		2,430	
RIB expenses	5,736		5,990	
Clothing costs	2,196		1,182	
Training expenses	12,527		6,881	
Charter and Cruise expenses	-		1,635	
		<hr/>	<hr/>	
		(82,903)		(51,259)
<b>Gross profit</b>	36.53%	47,710	58.27%	71,590
<b>Administrative expenses</b>		(69,537)		(76,767)
<b>Operating loss</b>		(21,827)		(5,177)
<b>Interest receivable</b>		29		173
<b>Loss before taxation</b>	16.69%	<hr/> <u>(21,798)</u>	4.07%	<hr/> <u>(5,004)</u>

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# METROPOLITAN POLICE SAILING CLUB LIMITED

## SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2016

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	2016	2015
	£	£
<b>Administrative expenses</b>		
Wages and salaries	44,524	46,563
MPAA Ops Team grant	(6,000)	-
Membership fees	1,165	2,284
Affiliation fees - MPAA grant	(1,165)	(1,150)
Codes of practice - MPAA grant	(5,421)	(5,713)
Audit fees	3,200	3,200
Bank charges	1,563	1,462
Insurance	7,692	7,451
Insurance - MPAA grant	(7,798)	(7,451)
Club and Committee expenses	2,544	3,716
Advertising	-	102
Telecommunications	2,845	2,811
Depreciation	23,246	23,492
Profit or loss on sale of tangible assets (non exceptional)	3,142	-
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	69,537	76,767
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