

# Financial Statements

## Broadland St Benedicts Limited

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**For the Year Ended 31 March 2017**

## Company information

**Company registration number** 05734119

**Registered office**  
NCFC  
Carrow Road  
Norwich  
NR1 1HU

**Directors**  
Martin Clark MCIOB MRICS  
Michael Newey D.Sc (Hon) BSc FRICS FCIH FRSA MAHI  
Sean Tompkins D.Eng (Hon) ACII FIDM MIOD DipIOD  
Helen Skoyles BA (Hons) CIHCM  
Julian Foster MA (Hons) ACA FCT (appointed 5 October 2016)

**Secretary** Sarah Wyatt MA ACIS

**Bankers**  
Royal Bank of Scotland  
Norwich Corporate Office  
1 Broadland Business Park  
Norwich  
NR7 0WF

**Auditor**  
BDO LLP  
2<sup>nd</sup> Floor  
Yare House  
62-64 Thorpe Road  
Norwich  
NR1 1RY

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## Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 March 2017.

### Principal activities

The principal activities of the company are property development and related services. Preparations are underway to develop a number of sites in North Norfolk on a mixed tenure basis. It is anticipated that these will start on site during 2017/18. In preparation for these developments the Company has completed a development framework agreement with its sister company, Broadland Development Services during the year. In April 2017 it completed an intercompany loan agreement for £9.9m with its parent company, Broadland Housing Association. This loan carries a commercial rate of interest.

### Results and dividends

There was a loss before taxation for the financial year amounting to £5,873 (2016: profit before taxation £18,007). The directors have not recommended a dividend.

### Principal risks and financial risk management objectives and policies

The key risks to the business as seen by the directors are as follows:

- development risks which are managed by the use of Design and Build contracts with contractors;
- availability and price of land for future developments; and
- future exposure to open market fluctuations of property values where open market sales will be considered.

In common with other businesses, the company aims to minimise financial risk. The measures used by the directors to manage this risk include the preparation of profit and cash flow forecasts, regular monitoring of actual performance against these forecasts, ensuring that adequate financing funding is in place to meet the requirements of the business and setting minimum development financial appraisal targets. Contract work in progress is closely monitored to keep the risk of loss on contracts to a minimum level.

### Directors

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

Martin Clark MCIOB MRICS

Michael Newey D.Sc (Hon) BSc FRICS FCIH FRSA MAHI

Sean Tompkins D.Eng (Hon) ACII FIDM MIOD DipIOD

Helen Skoyles BA (Hons) CIHCM

Julian Foster MA (Hons) ACA FCT (appointed 5 October 2016)



## Report of the directors (continued)

### Statement of 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting standards and applicable laws). 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:

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

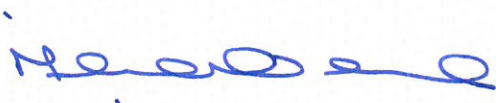
In so far as each of the directors is aware:

- 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 as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### Small companies provision

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

ON BEHALF OF THE BOARD



Michael Newey D.Sc (Hon) BSc FRICS FCIH FRSA MAHI  
Director

## Independent auditor's report to the member of Broadland St Benedicts Limited

We have audited the financial statements of Broadland St Benedicts Limited for the year ended 31 March 2017 which comprise the profit and loss account, the balance sheet, the statement of changes in equity, the principal accounting policies 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).

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 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 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate)

### **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 loss 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 matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken during the course of the 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.



## Independent auditor's report to the member of Broadland St Benedicts Limited (continued)

### 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 during the course of the audit, we have not identified any 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 and the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

Elizabeth Kulczycki, Senior statutory auditor  
BDO LLP, Statutory auditor  
Norwich  
United Kingdom

3 August 2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered company number OC305127)

## Profit and loss account

	Note	2017 £	2016 £
Turnover		-	-
Cost of sales	1	-	26,846
Operating costs	2	(5,910)	(8,839)
<b>Operating (loss)/profit</b>	3	<b>(5,910)</b>	<b>18,007</b>
Interest receivable	4	37	-
<b>(Loss)/profit before tax</b>		<b>(5,873)</b>	<b>18,007</b>
Taxation	6	(1,249)	-
<b>(Loss)/profit for the financial year</b>		<b>(7,122)</b>	<b>18,007</b>
Other comprehensive income		-	-
<b>(Loss)/profit and total comprehensive (loss)/income for the financial year</b>		<b>(7,122)</b>	<b>18,007</b>

All activities relate to continuing operations.

The company has no recognised gains or losses other than the results for the year as set out above.

The accompanying accounting policies and notes form part of these financial statements.



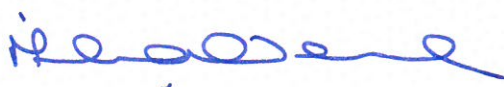
## Balance sheet

Company Number 05734119

	Note	2017 £	2016 £
<b>Current assets</b>			
Debtors	7	6,807	62,700
Cash at bank		64,562	73,950
		<u>71,369</u>	<u>136,650</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>(54,570)</u>	<u>(112,729)</u>
<b>Net current assets</b>		<u>16,799</u>	<u>23,921</u>
<b>Net assets</b>		<u>16,799</u>	<u>23,921</u>
<b>Capital and reserves</b>			
Called-up equity share capital	9	1	1
Income and expenditure reserve		16,798	23,920
		<u>16,799</u>	<u>23,921</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These financial statements were approved by the directors and authorised for issue on 21 July 2017 and are signed on their behalf by:



Michael Newey D.Sc (Hon) BSc FRICS FCIH FRSA MAHI  
 Director

The accompanying accounting policies and notes form part of these financial statements.

## Statement of changes in equity

	Income and expenditure reserve £
Balance as at 1 April 2015	5,913
Profit for the year	18,007
Other comprehensive income for the year	-
Balance at 31 March 2016	<u>23,920</u>
Loss for the year	(7,122)
Other comprehensive income for the year	-
<b>Balance at 31 March 2017</b>	<u><u>16,798</u></u>

The accompanying accounting policies and notes form part of these financial statements.

## Principal accounting policies

### Basis of accounting

The financial statements have been prepared in accordance with FRS 102 Section 1A Small Entities. Information on the impact of first-time adoption of Section 1A in FRS 102 is given in note 11.

### Going concern

The financial statements have been prepared on the going concern basis. The Group of which the company is part has considerable financial resources. As a consequence, the directors believe that the company is well placed to manage its business risks despite the current uncertain economic outlook. Accordingly, it remains appropriate to prepare the financial statements on a going concern basis.

### Turnover

Turnover represents the amounts (excluding value added tax) derived from the contract value of work done (on contracts treated as long term) and goods supplied to customers during the year, derived entirely from the company's principal activities conducted within the United Kingdom.

### Long term contracts

- (i) Contracts in progress are stated at prime cost plus contracting overheads, some account being taken of profits accrued to date on long term contracts (where the outcome of the contract can be assessed with reasonable certainty), and provisions for losses, including estimated future losses, being deducted where appropriate.
- (ii) The value of contract work in progress is accounted for within turnover. The excess of book value over amounts invoiced is included in debtors as amounts recoverable on contracts. Payments received in excess of book value on an individual contract basis are included in creditors.
- (iii) Claims receivable arising on contracts are assessed on a case by case basis, and are normally taken to profit only when agreed or when the directors assess that the likelihood of agreement is beyond reasonable doubt.

### Current Taxation

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

### Judgements and key sources of estimation uncertainty

In preparing these financial statements, the key judgements have been made in respect of:  
The anticipated costs to complete on a development scheme based on anticipated construction costs.



## Notes to the financial statements

### 1 Cost of sales

	2017 £	2016 £
Reversal of unutilised accrual	-	26,846

### 2 Operating costs

	2017 £	2016 £
Administrative expenses	5,910	8,839

### 3 Operating (loss)/profit

Operating (loss)/profit is stated after charging:

	2017 £	2016 £
Director's remuneration	4,000	6,000
Auditor's remuneration	1,800	-

### 4 Interest receivable

	2017 £	2016 £
Interest receivable	37	-

### 5 Board members

	2017 £	2016 £
<b>Non-executive director's remuneration:</b>		
Martin Clark	4,000	6,000

Mr Tompkins has waived his remuneration for the year. The other directors are separately remunerated by the parent company, Broadland Housing Association for their responsibilities for the Group.

## Notes to the financial statements (continued)

### 6 Taxation on profit on ordinary activities

#### (a) Analysis of charge/(credit) in the year

	2017	2016
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 20% (2016: 20%)	-	-
Adjustment in respect of prior periods	1,249	-
Total current tax charge (note 4(b))	<u>1,249</u>	<u>-</u>

#### (b) Reconciliation of tax charge

	2017	2016
	£	£
(Loss)/profit on ordinary activities before taxation	(5,910)	18,007
Tax on loss on ordinary activities at the standard rate of corporation tax in the UK of 20% (2016 - 20%)	(1,182)	3,601
Other timing differences	1,182	(3,601)
Adjustment to tax charge in respect of prior periods	1,249	-
Total current tax (note 4(a))	<u>1,249</u>	<u>-</u>

### 7 Debtors

	2017	2016
	£	£
Prepayments and accrued income	5,625	62,700
Taxation and social security	1,182	-
	<u>6,807</u>	<u>62,700</u>

## Notes to the financial statements (continued)

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

	2017 £	2016 £
Amounts owed to group undertakings	169	59,979
Accruals	54,401	52,750
	<u>54,570</u>	<u>112,729</u>

The balance on accruals does not constitute a financial instrument and, accordingly, no additional disclosures are presented.

### 9 Equity share capital

Allotted, called up and fully paid:

	2017		2016	
	No	£	No	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

### 10 Parent undertaking

The parent undertaking of the company is Broadland Housing Association Limited and is the parent company of the group for which both the smallest and largest group accounts are prepared which include the Company.

### 11 Transition to FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements under former UK GAAP were for the year ended 31 March 2016. The date of transition to FRS 102 was 1 April 2015.

There were no transition adjustments arising from the adoption of FRS 102 which had an effect on the equity or the profit and loss account.