

Optivo Development Services Limited
Financial Statements for the year ended 31 March 2022

Company number 05248824



Optivo Development Services Limited

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Optivo Development Services Limited

DIRECTORS, OFFICERS, ADVISORS AND BANKERS

Directors	S A Smith K Kyriacou (Resigned 30 Nov 2021) R W Beard R White (Appointed 1 Dec 2021)
Secretary	A Wignall
Registered office	Grosvenor House 125 High Street Croydon CR0 9XP
Auditor	BDO LLP 2 City Place Gatwick RH6 0PA
Principal solicitor	Devonshires Salisbury House London Wall London EC2M 5QY
Principal banker	Lloyds Banking Group plc 25 Gresham Street London EC2V 7HN
Registration	Private company Limited by shares Number 05248824 Incorporated in England and Wales

Optivo Development Services Limited

DIRECTORS' REPORT

The Directors submit their annual report together with the financial statements of the Company for the year ended 31 March 2022.

Directors and their interests

The Directors who served during the year are as set out on page 3. None of the Directors held a beneficial interest in shares of the Company as at 31 March 2022.

Dividends

No dividends were recommended by the Directors during the current or prior year. All profits are distributed to Optivo (parent company) by means of a qualifying charitable donation.

Review of business

The principal purpose of the Company is the provision of design and build services for Optivo and Lamborn Estates. The Company plays an important part in the delivery of the overall Group development strategy.

The Company is a subsidiary of Optivo. It continues to provide a design and build service for Optivo to achieve tax optimisation for the Group. The Directors intend these will continue to be the Company's principal activities for the foreseeable future.

Effects of material estimates and judgements on performance

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where judgements and estimates have been made are shown in note 1 of the accounts.

Going concern

The Company has net assets of £6.6 million (2021: £7.1 million) at the balance sheet date. After reviewing the Company's budget for 2022/23 and cash forecasts for the next 12 months from the date the financial statement are approved, the Directors have a reasonable expectation the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the Company's financial statements.

Covid 19 has not impacted the business, the Company has a fixed margin on design and build contracts with the parent company. Rising build costs due to high inflation have been factored into the budget and parent company's long term financial plan. Therefore the Directors continue to adopt the going concern concept in preparing these financial statements.

In making this assessment the Board have made an assessment of the potential impact of the war in Ukraine on the cashflows of the whole Group over the next 12 month period. The Board have considered the impact of possible sanctions on us and our supply chain. We are keeping the sanctions list under review. Board are confident our viability can be maintained, concluding that whilst the potential impact of the Ukraine war presents current uncertainty, having assessed our plans, liquidity levels and mitigating actions available there is reasonable expectation that the Group has adequate resources to continue in operational existence for the next 12 months. For these reasons, they continue to adopt a going concern basis for the preparation of the Financial Statements. Accordingly, these financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the Group was unable to continue as a going concern.

Optivo Development Services Limited

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 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;
- state whether applicable UK Accounting Standards have been followed; 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.

Disclosure of information to auditors

Each Director of the Company has confirmed in fulfilling their duties as a Director:

- they have taken all the necessary steps in order to make themselves aware of any information relevant to the audit and to establish that the auditors are aware of that information; and
- so far as they are aware, there is no relevant audit information of which the auditors have not been made aware.

Auditors

A resolution to re-appoint BDO LLP as the auditors will be proposed at Optivo's Annual General Meeting on 28 September 2022.

Approval

The Directors' Report was approved by the Board on 25 July 2022 and signed on its behalf by:

R Beard

Director

Rowena Beard

Optivo Development Services Limited

STRATEGIC REPORT

Business Review

The Company continued to provide design and build services to Optivo and other entities in the Optivo Group, playing a vital role in delivery of the Group's development strategy.

Design and build turnover was £102.2m (2021: £39.5m) and proceeds from sale of partially completed units at golden brick stage was £20.4m (2021: £102.6m), driven by the Optivo Group's development activity. Gross profit margin on design and build turnover was 2.5% (2021: 2.5%).

The Company made no outright sales in 2022 (2021: Nil) and holds no stock for outright sale. Properties are only being constructed for sale to Optivo Group entities.

At 31 March 2022 the Company holds properties under construction valued at £8.4m, across developments that are pre-Golden Brick stage. Their construction is funded by deposits from Optivo and other Optivo Group entities. When Golden Brick stage is reached the work in progress (WIP) will be sold to the funding entity and construction will continue under design and build agreements.

Principal risks and uncertainties

The principal risk to the Company is a rise in build costs due to escalating consumer price inflation. We've stress tested the Group financial plan and monitor through internal groups. The housing market risk for Optivo and other subsidiaries the Company builds for is mitigated with option to switch tenure away from outright sale. Optivo Group's financial forecasts show that switching current and future outright sale developments to social tenures would not affect covenant compliance. The Company has access to additional funding from the Group if required to mitigate any risks.

The Company plays a vital role in delivery of Optivo Group's Value for Money agenda and has comprehensive procurement processes in place to control construction costs. Using Optivo Development Services for all development activity allows the Group to benefit from economies of scale and strategic procurement, as well as tax efficiencies.

The Company employs external advisors to ensure it is compliant with all relevant tax legislation.

Future developments

The Company will continue to provide design and build services and to support Optivo Group in delivery of its development strategy. With the current budget, the Company expects to make profit for the year 2022/23 in the region of £3.9 million.

Political and charitable contributions

The company made no political contributions in the year (2021: nil).

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Section 172 statement

The company was formed for the sole purpose of providing a design and build services for Optivo to achieve tax optimisation for the Group. It is a wholly owned subsidiary and does not have any employees. The directors, accordingly, do not consider that the interests of the company's employees, the impact of the company's operations on the community and the environment or the need to act fairly between members of the company are relevant to the proper discharge of their duty under section 172. Each of these factors is considered by the wider group. Given the purpose of the company the relevant stakeholder is therefore the parent entity, Optivo.

The Board of Optivo Development Services Ltd consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of those stakeholders, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the need to foster the company's business relationships with suppliers, customers and others; and
- the desirability of the company maintaining a reputation for high standards of business conduct.

As the Board of Directors, our intention is to behave responsibly and ensure that management operate the business in a responsible manner, operating within the high standards of business conduct and good governance expected for a business such as ours. The intention is to nurture our reputation, through both the construction and delivery of our plan, that reflects our responsible behaviour.

The Board considers the following to be the key decisions and considerations it has made during the year to 31 March 2022.

Board decision

The Board considered and agreed the long-term strategy.

Consideration

The need to put in place long-term business plans. This impacts all stakeholders as a robust strategy is the foundation for maintaining the trust of all our external stakeholders.

Review of Optivo group business plan and cash flow forecasts.

The Board have monitored the operating surplus and cash flow forecasts of Optivo, and how they have performed against their business plan and covenants.

Approval

The Strategic Report was approved by the Board on 25 July 2022 and signed on its behalf by:

R Beard

Director

Rowena Beard

Optivo Development Services Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPTIVO DEVELOPMENT SERVICES LIMITED

Opinion on the 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 2022 and of its profit 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.

We have audited the financial statements of Optivo Development Services Limited ("the Company") for the year ended 31 March 2022, which comprise the profit and loss account, balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the report of the board, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent

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material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in 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.

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 in relation to which 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' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

As explained more fully in the Directors' Report, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Company and the industry in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be the UK Companies Act and relevant tax legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

In addition the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: Employments Law, Data Protection and Health and Safety Legislation. In order to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, we made enquiries of management and those charged with Governance about whether the entity is in compliance with such laws and regulations and we inspected any relevant regulatory and legal correspondence.

Audit procedures capable of detecting irregularities including fraud performed by the engagement team included:

- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud. Areas of identified risk are then tested substantively;
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and relevant regulators to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing items included in the fraud register as well as the results of internal audit's investigation into these matters;
- Challenging assumptions made by management in their significant accounting estimates in particular in relation to determining anticipated costs to complete development schemes;
- Carrying out detailed testing, on a sample basis, of transactions and balances agreeing to appropriate documentary evidence to verify the completeness, existence and accuracy of the reported financial statements; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. In order to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, we made enquiries of management and those charged with Governance about whether the entity is in compliance with such laws and regulations and we inspected any relevant regulatory and legal correspondence.

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A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

DocuSigned by:

E Kulczycki

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Elizabeth Kulczycki (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick

Date 28 July 2022

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

Optivo Development Services Limited**STATEMENT OF COMPREHENSIVE INCOME**
for the year ended 31 March 2022

	Notes	2022 £'000	2021 £'000
Turnover	2	122,581	142,070
Cost of sales	3	(119,601)	(138,595)
Operating expenditure		(8)	(5)
Operating profit	4	2,972	3,470
Interest receivable		-	4
Interest and financing costs		3	(17)
Profit before taxation		2,975	3,457
Taxation	6	-	-
Profit on ordinary activities after taxation and total comprehensive income for the year	13	2,975	3,457

All the Company's activities are continuing. The Company has no recognised profits or losses other than those above.

STATEMENT OF CHANGES IN RESERVES
for the year ended 31 March 2022

	Income & expenditure reserve
	£'000
Balance as at 1 April 2020	3,989
Surplus for the year	3,457
Payment of qualifying charitable donation in the year	(363)
Balance as at 1 April 2021	7,083
Surplus for the year	2,975
Payment of qualifying charitable donation in the year	(3,457)
Balance as at 31 March 2022	6,601

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STATEMENT OF FINANCIAL POSITION

at 31 March 2022

Company number: 05248824

	Notes	2022 £'000	2021 £'000
Current assets			
Properties held for sale	7	8,427	22,830
Trade and other debtors	8	12,337	14,778
Cash and cash equivalents		5,564	4,543
		26,328	42,151
Creditors: amounts falling due within one year	9	(11,640)	(12,531)
Net current assets		14,688	29,620
Total assets less current liabilities		14,688	29,620
Creditors: amounts falling due after more than one year	10	(8,087)	(22,537)
Net assets		6,601	7,083
Capital and reserves			
Share capital - non equity	12	-	-
Income & expenditure reserve	13	6,601	7,083
Total reserves		6,601	7,083

The financial statements were approved and authorised for issue by the Board on 25 July 2022 and signed on its behalf by:



S A Smith
Director



R Beard
Director



A Wignall
Secretary

The notes on pages 14 to 19 form part of these financial statements.

Optivo Development Services Limited

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

Basis of preparation of financial statements

Optivo Development Services Limited is a private company limited by shares and incorporated in the UK (company number 05248824).

Registered address: Grosvenor House, 125 High Street, Croydon, Surrey CR0 9XP.

The accounts have been prepared in accordance with applicable laws and UK accounting standards including FRS102 "the Financial Reporting Standard Applicable in the United Kingdom and the Republic of Ireland".

The accounts have been prepared under the historical cost convention and on a going concern basis. As a consolidated cash flow statement is prepared by the Company's parent Optivo, the Company has taken advantage of the exemption provided by FRS102 not to report a separate statement of cash flows.

Turnover

Turnover is measured at the fair value of the consideration received or receivable. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Turnover is shown net of Value Added Tax.

Once Golden Brick is achieved income from sale of partially completed units is recognised. From that stage onwards, design and build services are provided. Design and build income is recognised on a monthly basis in line with work in progress. The sale price is determined using cost plus management fee.

Properties developed for sale

All properties for sale are under construction and are stated at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sales proceeds after allowing for all further costs to completion and selling costs.

Allocation of costs for mixed tenure and shared ownership developments

Costs are allocated to the appropriate tenure where it is possible to specify which tenure the expense relates to. Where it is not possible to relate costs to a specific tenure, costs are allocated on a floor area or unit basis depending on what is appropriate for each scheme.

Development overheads

Development overhead costs are capitalised to the extent they are directly attributable to bringing schemes into working condition for their intended use. Such expenditure consists of in-house development, architect and surveyor costs (including the cost of our own employees), and a proportion of the cost of staff in other departments who work on development activities

Taxation

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable income and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Current and deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited to Other Comprehensive Income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to Other Comprehensive Income, or equity.

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1. Accounting policies (continued)

Financial Instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Related Party Disclosure

As the Company is a wholly owned subsidiary of Optivo it has taken advantage of the exemption provided by FRS102 not to disclose transactions with the parent company or other wholly owned subsidiaries within the group. The consolidated financial statements of Optivo, within which this company is included, can be obtained from the address given in note 15.

Going concern

After reviewing the Company's budget for 2022/23 and cash forecasts for the next 12 months from the date the financial statement are approved, the Directors have a reasonable expectation the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the Company's financial statements.

In making this assessment the Directors have made an assessment of the potential impacts of the war in Ukraine on the cashflows of the company over the next 12 months from the date the financial statement are approved. The Directors have considered the impact of additional downside scenarios with potential falling house prices and high cost inflation. As the Company has fixed margin a fall in house price could affect the group strategy with possible change in tenure types which could mean in worse cases that the Company is not used for certain developments.

In making their assessment the Directors have also considered the potential mitigations available to manage the potential impact on its cashflows and liquidity. The potential mitigation for the company includes additional funding if required.

The Directors have concluded that the Covid-19 pandemic no longer presents uncertainty and having assessed our plans, liquidity levels and mitigating actions available there is reasonable expectation that the Company has adequate resources to continue in operational existence for the next 12 months from the date the financial statement are approved. For these reasons, they continue to adopt a going concern basis for the preparation of the Financial Statements. Accordingly, these financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the Company was unable to continue as a going concern.

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Judgements in applying accounting policies and key sources of estimation uncertainty

The key judgements made in preparing these financial statements and sources of estimation uncertainty are:

- Considering that there have been no impairment triggers;
- Determining the appropriate allocation of development costs between different tenures; and
- Determining the anticipated costs to complete a development scheme based on anticipated construction cost, effective rate of interest on loans during the construction period, legal costs and other costs. We then determine the recoverability of the cost of properties developed and/or land held for sale. This judgement is also based on our best estimate of current sales and economic conditions prevailing at the time.

2. Turnover

Turnover arises solely within the United Kingdom.

The Company operates in accordance with the Framework Development Agreement with the Parent undertaking to provide design and build services in respect of the schemes instructed by Optivo and other entities in the group.

	2022	2021
	£000	£000
Included in turnover are:		
Income from design and build services	102,226	39,471
Proceeds from the sale of partially completed units at Golden Brick stage	20,355	102,599
	122,581	142,070

3. Cost of sales

	2022	2021
	£000	£000
Included in cost of sales are:		
Development work in progress costs	99,742	38,498
Sale of partially completed units at Golden Brick stage (note 7)	19,859	100,097
	119,601	138,595

4. Operating profit

	2022	2021
	£000	£000
Operating Profit is stated after charging:		
Auditor's remuneration:		
In their capacity as auditors	5	5
	5	5

Optivo Development Services Limited**5. Employee information**

The Directors received no remuneration during the year under review (2021: Nil). No employees are directly employed by the Company. The following charges have been made by Optivo based on an allocation of relevant department costs providing support for the Company's development activities.

These development overheads are capitalised as part of development costs as they are directly attributable to bringing schemes into working condition for their intended use.

	2022 £000	2021 £000
Staff costs (Group recharge)	<u>2,230</u>	<u>1,583</u>

6. Taxation

	2022 £000	2021 £000
Analysis of tax charge for the period		
Current Tax		
UK corporation tax at 19.00% (2021: 19.00%)	<u>-</u>	<u>-</u>
Reconciliation of current tax charge		
Profit on ordinary activities before tax and qualifying charitable donations	<u>2,975</u>	<u>3,457</u>
Tax on profit on ordinary activities at the standard corporation tax rate of 19.00% (2021: 19.00%)	565	657
Effects of:		
Qualifying charitable donation to be made to parent undertaking by 31 December 2022	<u>(565)</u>	<u>(657)</u>
Current tax charge / (credit) for period	<u>-</u>	<u>-</u>

The Company's corporation tax liability is £Nil (2021: £Nil) due to qualifying charitable donations to the Parent undertaking.

7. Properties for sale

Under Construction	Golden Brick sale units £000
Cost	
At 1 April 2021	22,830
Additions of costs	5,456
Units sold (note 3)	(19,859)
At 31 March 2022	<u>8,427</u>

Optivo Development Services Limited**8. Debtors**

	2022	2021
	£000	£000
Net amounts due from parent undertaking	11,816	14,552
VAT	521	207
Other debtors	-	19
	12,337	14,778

Amounts due from Parent undertaking relate to the invoices payable and accrued income in respect of design and build services where the Company develops properties upon instruction from Optivo.

9. Creditors due within one year

	2022	2021
	£000	£000
Trade creditors	1,598	839
Retention accruals	432	728
Accruals	9,610	10,801
Amounts owed to parent undertaking	-	163
	11,640	12,531

10. Creditors due after more than one year

	2022	2021
	£000	£000
Amounts owed to parent undertaking	8,087	22,537
	8,087	22,537

11. Financial instruments

	2022	2021
	£000	£000
Financial assets measured at historic or amortised cost		
- Trade receivables	12,004	14,571
- Cash and cash equivalents	5,564	4,543
Financial liabilities measured at historic cost		
- Trade and creditors	11,828	12,531

Optivo Development Services Limited**12. Share capital**

	2022	2021
	£	£
Allocated, called up and fully paid		
1 ordinary share of £1 each	1	1

13. Qualifying charitable donations payable

	2022	2021
	£000	£000
Qualifying charitable donations approved by the Company's Directors	2,975	3,457

14. Controlling parties

The Company is a subsidiary of Optivo which is the ultimate parent company incorporated in the UK and registered in England as a Co-operative and Community Benefit Society (No. 7561). Optivo is the ultimate parent undertaking by virtue of holding all shares in the company.

The largest and smallest group in which the results of the Company are consolidated is that headed by Optivo, incorporated in England. The consolidated accounts of this Company are available to the public and may be obtained from Grosvenor House, 125 High Street, Croydon, Surrey CR0 9XP. No other group accounts include the results of the Company.

15. Related parties

The Company provides design and build services to its parent, Optivo, and other companies within the Group headed by Optivo.

The Company is a wholly owned subsidiary of Optivo and has taken advantage of the exemption provided by FRS102 not to disclose transactions with the parent company or other wholly owned subsidiaries within the group. The registered address of Optivo is Grosvenor House, 125 High Street, Croydon, Surrey CR0 0XP.