

Company number 05734119

**Broadland St Benedicts Limited**  
Annual Report and Financial Statements  
for the year ended 31 March 2022

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# **Broadland St Benedicts Limited**

## **Executive and Advisors**

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### **Company Information**

**Company registration  
number**

05734119

**Registered office**

NCFC  
South Stand  
Carrow Road  
Norwich  
NR1 1HU

**Directors**

Michael Newey D.Sc (Hon) BSc FRICS FCIH FRSA  
(Chair)  
Christopher Ewbank BA MBA  
Martin Clark MCIOB MRICS  
Jonathan Barber BSc (Hons) MSc MBA MCIEH  
FCMI  
Sean Tompkins D.Eng (Hon) ACII FIDM MIOD  
DipIOD  
Iain Grieve BSc FCCA CMIIA

**Secretary**

Sarah Wyatt BA (Hons) MA ACG

**Bankers**

NatWest Bank  
45 London Street  
Norwich  
NR1 4LX

**External Auditors**

RSM UK Audit LLP  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
Suffolk  
IP33 3SB

## **Broadland St Benedicts Limited**

### **Report and Financial Statements for the year ended 31 March 2022**

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#### **Contents**

#### **Page:**

3	Report of the directors
5	Independent auditor's report
9	Profit and loss account
10	Balance sheet
11	Statement of changes in equity
12	Notes to the financial statements

## **Broadland St Benedicts Limited**

### **Report of the directors for the year ended 31 March 2022**

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The directors present their report and the financial statements of the company for the year ended 31 March 2022.

#### **Principal activities**

The principal activities of the company are property development and related services.

#### **Business model**

A number of sites are being developed for open market sale alongside affordable housing being developed by the Company's parent company. The company has in place a development framework agreement with its sister company, Broadland Development Services to facilitate the procurement requirements for these sites.

#### **Results and dividends**

There was a profit before taxation for the financial year amounting to £1,253,606 (2021: £1,656,050). A gift aid payment of £1,656,050 was made to the parent company in September 2021, being the cumulative profit to the year end 31 March 2021. The directors have not recommended a dividend but are proposing to make a further gift aid payment to the parent company of £1,253,606 during 2022, being the profit in the year to 31 March 2022.

#### **Directors**

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

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

Christopher Ewbank BA MBA (Appointed 18 May 2021)

Martin Clark MCIOB MRICS

Jonathan Barber BSc (Hons) MSc MBA MCIEH FCMI

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

Helen Skoyles BA (Hons) CIHCM (Resigned Jun'21)

Iain Grieve BSc FCCA CMIIA

## **Broadland St Benedicts Limited**

### **Report of the directors for the year ended 31 March 2022 (*continued*)**

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#### **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**  
**Chair**

**5 July 2022**

## **Broadland St Benedicts Limited**

### **Independent auditor's report for the year ended 31 March 2022**

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#### **Opinion**

We have audited the financial statements of Broadland St Benedicts Limited (the 'company') for the year ended 31 March 2022 which comprise the profit and loss account, balance sheet, statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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;
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **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 are 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

## **Broadland St Benedicts Limited**

### **Independent auditor's report for the year ended 31 March 2022 (*continued*)**

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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 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.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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.

#### **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 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 exemption from the requirement to prepare a strategic report or in preparing the directors' report.

#### **Responsibilities of directors**

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements

## **Broadland St Benedicts Limited**

### **Independent auditor's report for the year ended 31 March 2022 (*continued*)**

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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.

#### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the company operates in and how the company is complying with the legal and regulatory frameworks;



## **Broadland St Benedicts Limited**

### **Independent auditor's report for the year ended 31 March 2022 (*continued*)**

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- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and confirming with management no non-standard correspondence with local tax authorities.

No significant laws and regulations were identified that would have an indirect impact on the financial statements.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:  
<http://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.

*RSM UK Audit LLP*

LARAGH JEANROY (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
Suffolk. IP33 3SB  
29/07/22                      Date

# Broadland St Benedicts Limited

## Profit and loss account for the year ended 31 March 2022

	Note	2022 £	2021 £
Turnover		8,627,959	13,441,190
Cost of sales		(7,104,481)	(11,078,644)
<b>Gross profit</b>		<u>1,523,478</u>	<u>2,362,547</u>
Operating costs		(177,391)	(151,916)
<b>Operating profit</b>	4	<u>1,346,087</u>	<u>2,210,631</u>
Interest receivable		77	534
Interest and financing costs	5	(92,558)	(555,115)
<b>Profit before tax</b>		<u>1,253,606</u>	<u>1,656,050</u>
Tax (charge)		-	-
<b>Profit for the financial year</b>		<u>1,253,606</u>	<u>1,656,050</u>
Other comprehensive income		-	-
<b>Profit and total comprehensive income for the financial year</b>		<u>1,253,606</u>	<u>1,656,050</u>

The accompanying notes form part of these financial statements.

**Broadland St Benedicts Limited****Balance sheet at 31 March 2022**

Company number 05734119

	Note	2022 £	2021 £
<b>Current assets</b>			
Stock: Housing properties for sale	6	3,297,984	6,903,758
Trade and other debtors	7	23,358	27,218
Cash and cash equivalents		333,072	265,389
		<u>3,654,414</u>	<u>7,196,365</u>
<b>Creditors: amounts falling due within one year</b>	8	<b>(384,008)</b>	<b>(873,515)</b>
<b>Net current assets</b>		<b>3,270,406</b>	<b>6,322,850</b>
<b>Creditors: amounts falling after more than one year</b>	9	<b>(2,000,000)</b>	<b>(4,650,000)</b>
<b>Net assets</b>		<b><u>1,270,406</u></b>	<b><u>1,672,850</u></b>
 <b>Capital and reserves</b>			
Called-up equity share capital	10	1	1
Income and expenditure reserve		<u>1,270,405</u>	<u>1,672,849</u>
		<b><u>1,270,406</u></b>	<b><u>1,672,850</u></b>

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 5 July 2022 and are signed on their behalf by:



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

The accompanying notes form part of these financial statements.

**Broadland St Benedicts Limited**

**Statement of changes in equity for the ended 31 March 2022**

	<b>Income and expenditure reserve £</b>
Balance as at 31 March 2020	446,422
Profit for the year	1,656,050
Gift aid payment to parent company	(429,623)
Balance at 31 March 2021	<u>1,672,849</u>
Profit for the year	1,253,606
Gift aid payment to parent company	(1,656,050)
<b>Balance at 31 March 2022</b>	<b><u>1,270,405</u></b>

**The accompanying notes form part of these financial statements.**

## **Broadland St Benedicts Limited**

### **Notes to the financial statements for the year ended 31 March 2022**

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#### **1 Legal status**

Broadland St Benedicts Limited ("the company") is a private company limited by shares incorporated in England. The registered office of the company is: NCFC, South Stand, Carrow Road, Norwich. NR1 1HU.

#### **2 Accounting policies**

##### **Basis of accounting**

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"), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime, and under the historical cost convention. 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.

##### **Going concern**

The Group of which the company is part has considerable financial resources and the parent company has made available a ten-year loan facility of £9.9m (£2.0m currently drawn) to enable the company to achieve its business plan. A further loan of £1.36m is now in place with Lloyds for the development of eight new market sale homes at Great Hockham (covering 65% of the build cost of the scheme with the remaining 35% funded by the inter-company loan) and the company has also agreed a £6.5m loan with Lloyds in respect of the 55 new open market sale homes at Canary Quay Phase 4 (covering 100% of the build cost of the scheme). These bank loans are yet to be drawn. Both of these developments are expected to complete in the financial year 2022-23.

The company has generated a profit and expects development completions and profits in the coming years which will facilitate the repayment of loan balances.

In light of the above, the directors believe that the company is well placed to manage its business risks despite the current uncertain economic outlook and on the basis of expected future profitability, have continued to use the going concern basis in preparing these financial statements.

##### **Turnover**

Turnover represents the amounts (excluding any value added tax) derived from the proceeds of completed new homes and is recognised upon practical completion of the sale.

## **Broadland St Benedicts Limited**

### **Notes to the financial statements for the year ended 31 March 2022 (*continued*)**

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#### **Stock**

Property for sale is stated at the lower of cost and net realisable value (NRV). Cost comprises third party costs (materials and labour) and direct development overheads. NRV is based on estimated sales proceeds after allowing for all further costs of completion and disposal. The amount of any write-down of stock to NRV is recognised as an expense in the period in which the write-down occurs. The amount of any reversal of any write-down of stock is recognised as a reduction in expenses in the period in which the reversal occurs.

#### **Taxation**

Taxation represents the sum of the current tax expense and deferred tax.

The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on all timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

#### **Gift aid payment to parent undertaking**

The company pays all its taxable profits for the reporting period to its parent under the gift aid scheme. These gift aid payments are recognised as distributions to the owner in equity within retained earnings.

The company does not have a legal obligation in place at the reporting date to make the payment of its taxable profits to the parent under the gift aid scheme. Therefore, gift aid payments are only recognised in the reporting period that the payments are made. The gift aid payment for the prior reporting period was made within 9 months of the reporting date.

Tax relief is now recognised in the reporting period in which the profits arise and is also recognised in the income statement and not in equity.

## **Broadland St Benedicts Limited**

### **Notes to the financial statements for the year ended 31 March 2022 (*continued*)**

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#### **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 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 trade and other 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.

#### *Impairment of financial assets*

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### *Basic financial liabilities*

Basic financial liabilities, including trade and other creditors, bank loans, and loans from fellow group companies that are classified as debt, are initially recognised at transaction price.

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

## Broadland St Benedicts Limited

### Notes to the financial statements for the year ended 31 March 2022 (*continued*)

#### 3 Employees

There are no direct employees of the company. Directors that also sit on the Board of the parent company are remunerated for their services by the parent company. Other non-executive directors were remunerated as follows:

	2022 £	2021 £
Amounts paid to non-executive directors	15,445	10,117

#### 4 Operating profit

	2022 £	2021 £
The operating profit is arrived at after charging:		

Auditor's remuneration (excluding VAT)	7,700	7,350
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#### 5 Interest and financing costs

	2022 £	2021 £
Bank loans	43,521	268,507
Inter-group parent company loan	94,045	349,860
Total interest paid and payable	137,566	618,367
Interest capitalised on construction of housing properties	(45,008)	(63,252)
Total interest charged to the profit & loss account	<u>92,558</u>	<u>555,115</u>

#### 6 Stock: Housing properties for sale

	2022 £	2021 £
Homes under construction	3,297,984	74,674
Completed homes for sale	-	6,829,084
	<u>3,297,984</u>	<u>6,903,758</u>

Stock includes capitalised borrowing costs of £47,893 (2021: £389,196)



**Broadland St Benedicts Limited**

**Notes to the financial statements for year ended 31 March 2022 (continued)**

**7 Debtors**

	2022 £	2021 £
VAT recoverable	5,235	27,218
Prepayments and accrued income	18,123	-
	<u>23,358</u>	<u>27,218</u>

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

	2022 £	2021 £
Trade creditors	4,410	-
Deposits held against future sales	5,960	11,960
Amounts owed to group undertakings	362,461	308,453
Accruals	11,177	12,594
Bank loan	-	540,508
	<u>384,008</u>	<u>873,515</u>

**9 Creditors: amounts falling due after more than one year**

	2022 £	2021 £
Subordinated loan	1,000,000	1,000,000
Unsubordinated loan	1,000,000	3,650,000
	<u>2,000,000</u>	<u>4,650,000</u>
Total parent company loan	<u>2,000,000</u>	<u>4,650,000</u>
Bank loan	-	-
Total loans	<u>2,000,000</u>	<u>4,650,000</u>

The parent company loan facility of £9.9m was executed in April 2017 and has a final repayment date of April 2027. The loan is in two tranches (subordinated - £1.0m, unsubordinated £8.9m) both of which carry commercial rates of interest. Security in the form of a first charge over the fixed assets of the company has been given in respect of this inter-company loan of £2,000,000 (2021: £4,650,000).

A further loan of £1.36m is now in place with Lloyds and the company has also agreed a £6.5m loan with Lloyds. These bank loans are yet to be drawn.

## Broadland St Benedicts Limited

### Notes to the financial statements for year ended 31 March 2022 (*continued*)

#### 10 Equity share capital

Allotted, called up and fully paid:

	2022		2021	
	No	£	No	£
Ordinary shares of £1 each	1	1	1	1

#### 11 Capital commitments

	2022 £	2021 £
Commitments contracted but not provided for: Development	12,440,563	-
Commitments approved by the Board but not contracted for: Development	14,211,439	15,900,006
	<u>26,652,002</u>	<u>15,900,006</u>

These capital commitments will be financed through the facilities disclosed in note 9. The Company has no other financial commitments, guarantees or contingencies other than those disclosed by the balance sheet and in this note.

#### 12 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 results of the Company. Broadland Housing Association's registered office is: NCFC, South Stand, Carrow Road, Norwich. NR1 1HU.