

Paradigm Development Services Limited

Report and Financial Statements For the Year Ended 31 March 2020

Company Registration 06794551

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PARADIGM DEVELOPMENT SERVICES LIMITED
COMPANY NUMBER 06794551
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

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COMPANY INFORMATION

Directors

Matthew Bailes
Jane Harrison (resigned on 28 June 2019)
Nicola Ewen (appointed on 5 June 2019)

Secretary

Ewan Wallace

Solicitors

Devonshire Solicitors

Auditor

RSM UK Audit LLP

Bankers

Barclays Bank PLC

Registered Office

1 Glory Park Avenue
Wooburn Green
Buckinghamshire
HP10 0DF

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STRATEGIC REPORT

The directors of Paradigm Development Services Limited ("the Company") present their strategic report for the year ended 31 March 2020.

Principal activity

The principal activity of the Company is the provision of property development services to the members of Paradigm Housing Group ("the Group").

Performance for the year

The Company's financial results are set out in the statement of comprehensive income on page 8. The loss for the year before tax is: (£30k) (2019: profit of £746k).

Net assets as at 31 March 2020 are £1,212k (2019: £1,237k)

Review of business and future developments

During the year ended 31 March 2020 the Company:

- completed construction of 399 (2019: 350) new homes for other group companies.
- exchanged contracts for the sale of Blyth Road Hillingdon, with completion expected next financial year. In the year the 120 units were completed.

We continue to develop within the Group's existing geographic footprint in which the demand for affordable rented homes and low-cost home ownership properties remained.

Our development pipeline as at 31 March 2020 totalled 1,308 (2019: 1,346).

Key challenges have been:

- COVID-19. Government directives in mid-March 2020 led to immediate social distancing measures, impacting on our ability to undertake development work. We did however continue with early stage development, where social distancing could be adhered to.
- current grant program for land-led schemes coming to an end with no future scheme announced.
- challenging sales market. We continue to review opportunities to mitigate sales risk via price adjustments and change of tenure.

COVID-19

In response to the current pandemic, the Company has taken the following steps in order to safeguard our customers, staff and partners:

- development work was suspended across the entire program except for two schemes, both being in the early groundwork stage.
- our scheme approval governance and appraisal parameters have been updated to reflect the additional risk and uncertainty in the external economic environment.
- we have adopted an emergency only program for defects falling due under the defect liability period. We are tracking and preparing plans for the delivery of all postponed works.
- we continued to progress sales that had reached an advanced stage and adapted our sales activities during COVID-19 in order to support the sales pipeline post COVID-19.
- we continue to look for potential development opportunities that may arise as a direct consequence of COVID-19.

Principal risks and uncertainties

Successful delivery of the development programme depends on continued support from the Group's funders, including Homes England (HE) and the Greater London Authority (GLA), as well as the ability and willingness of development contractors to continue to build our schemes in a challenging economic environment. The Group's development programme includes low cost home ownership. Success depends on demand for the properties. Internal risks include potential errors in development scheme appraisal and failure to control costs.

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STRATEGIC REPORT (CONTINUED)

Actions taken to prevent failure in the development process:

- maintaining regular contact with HE and GLA on the development programme.
- enhancing credit checks on new contractors and re-assessing existing contractors.
- rigorous review of development scheme appraisal.
- monitoring progress of schemes under development, with regular meetings with contractors.
- continual review of planned developments and re-appraising planned schemes to offer alternative forms of tenure monitoring and controlling of construction expenditure.
- adhering to governance guidance in respect of COVID-19 and social distancing.

Key targets	Outcomes
Delivery of 500 new homes per annum by the end of 2021	<p>In 2019-20 we delivered 399 new homes against a target of 364. Overall, throughout the year sales prices were in line with expectations.</p> <p>As a consequence of COVID-19 we have reviewed sales price and possible changes of tenure. At year end we held 54 units for sale of which 33 had been reserved.</p> <p>We will continue to support other entities within the Group in securing development land and affordable housing contracts where opportunities arise. However, first and foremost we must review our risk appetite across our existing portfolio.</p>
Investigate opportunities to deliver more 'land-led' schemes	<p>We will continue to appraise new opportunities when they arrive. We will however, apply stringent stress testing with regard to all development opportunities, including assessment of the future market values and rental levels.</p>

Streamlined Energy and Carbon report

In accordance with current regulations, as the activities of PDSL are closely aligned with Paradigm Housing Group ("Group") we have opted to provide Group emissions data.

UK Greenhouse gas emissions and energy use data for the period 1 April 2019 to 31 March 2020	
Energy consumption used to calculate emissions (kWh)	4,075,128
Scope 1 emissions in metric tonnes CO2e	
Gas consumption	69.42
Fleet transport	698.50
Total Scope 1	767.92
Scope 2 emissions in metric tonnes CO2e - purchased electricity	131.34
Scope 3 emissions in metric tonnes CO2e -Business travel in employee & rental vehicles	78.81
Total gross emissions in metric tonnes CO2e	978.07
Intensity ratio Tonnes CO2e per property	0.06

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting. The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per property, the recommended ratio for the sector.

In order to improve energy efficiency we have continued with our investment in the IT infrastructure, rolling out laptops to most staff enabling agile working and digital sharing of documents, thereby decreasing business mileage and reliance on printing. We have also improved the scheduling of our fleet reducing distanced travelled and are trialling several hybrid vehicles. Looking forward we are undertaking a transformation process of our IT systems which will provide significant higher levels of self service functionality to our customers rather than the current reliance on paper communication. Our asset management strategy is currently under review to ensure the investment made in our property portfolio reflects our intention to meet the governments zero carbon targets. The review will be completed in the next financial year.

This report was approved by the board on 8 July 2020 and signed on its behalf by:

Matthew Bailes
Board member



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DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31 March 2020.

Directors

The directors of the Company for the year ended 31 March 2020 are listed on Page 1. No ordinary dividends were paid (2019: £nil). The directors do not recommend the payment of a dividend.

Interest in shares

None of the directors who acted during the year had any interests in the ordinary shares of the Company.

Group donation

A donation of £nil (2019: £600k) was paid to Paradigm Homes Charitable Housing Association Limited.

COVID – 19

In our strategic report we have stated the actions taken to minimise the impact from COVID-19. We continue to closely monitor the business operations, staff welfare and risk to the business. We are also proactively preparing for how the business will adapt to the new ways of working post COVID-19.

Employees

Joint contracts of employment are held in respect of all employees throughout the Group. Salary costs are incurred by Paradigm Housing Group Limited and recharged around the Group.

The strength of the Company lies in the quality of all its employees. Our ability to meet our objectives and commitments to tenants in an efficient and effective manner depends on their contribution.

The Company is committed to equal opportunities and in particular we support the recruitment of disabled people and the retention of employees who become disabled while in the employment of the Company.

Health and safety

The board is aware of its responsibilities on all matters relating to health and safety. The Company has comprehensive health and safety policies and provides staff training and education on health and safety matters.

Directors' insurance

The Company maintains insurance policies on behalf of all the directors against liability arising from negligence, breach of duty and breach of trust in relation to the Company.

Information disclosed within the strategic report

The Company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the Company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. The information provided in the strategic report relates to current and future development plans.

Disclosure of Information to the auditor

So far as each director is aware there is no relevant information needed by the Company's auditor in connection with preparing their report of which the Company's auditor is unaware, and each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant information needed by the Company's auditor in connection with preparing their report and to establish that the Company's auditor is aware of that information.

Approved by the board of directors on 8 July 2020 and signed on behalf of the board.



Matthew Bailes
Board member

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STATEMENT OF 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 those financial statements, the directors are required to:

- a select suitable accounting policies and apply them consistently;
- b make judgements and accounting estimates that are reasonable and prudent;
- c state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- d 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.

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

Opinion

We have audited the financial statements of Paradigm Development Services Limited (the 'company') for the year ended 31 March 2020 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity 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 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 2020 and of its loss 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 strategic report or the directors' report.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARADIGM DEVELOPMENT SERVICES LIMITED
(CONTINUED)

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;

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, 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.

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
Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk
IP32 7FA

15 September 2020

PARADIGM DEVELOPMENT SERVICES LIMITED
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STATEMENT OF COMPREHENSIVE INCOME

	Notes	2020 £'000	2019 £'000
Turnover		39,379	68,128
Cost of sales		(36,649)	(62,647)
Group donation		-	(600)
Gross profit		2,730	4,881
Administrative expenses		(2,761)	(3,530)
Operating (loss)/profit		(31)	1,351
Interest receivable	2	1	-
Interest payable and similar charges	3	-	(605)
(Loss)/Profit on ordinary activities before tax	4	(30)	746
Tax on profit on ordinary activities	5	5	(3)
(Loss)/Profit and total comprehensive income for the financial year		(25)	743

All amounts for the year derive from continuing operations.

The notes on pages 11 to 15 form part of these financial statements.

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STATEMENT OF FINANCIAL POSITION

	Notes	2020 £'000	2019 £'000
Fixed assets			
Tangible assets	6	698	740
		698	740
Current assets			
Debtors	7	6,970	8,997
Cash and cash equivalent		13	8
		6,983	9,005
Creditors: amounts falling due within one year	8	(6,469)	(8,508)
Net current assets		514	497
Total assets less current liabilities		1,212	1,237
Net assets		1,212	1,237
Capital and reserves			
Called up share capital	9	-	-
Revenue reserve		1,212	1,237
Total equity shareholder's funds		1,212	1,237

The notes on pages 11 to 15 form part of these financial statements.

These financial statements on pages 8 to 15 were approved by the board of directors on 8 July 2020 and signed on their behalf by:



Matthew Bailes
Board member



Ewan Wallace
Secretary

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STATEMENT OF CHANGES IN EQUITY

	Share Capital	Revenue Reserve	Total
	£'000	£'000	£'000
Balance as at 1 April 2018	-	494	494
Profit for the year	-	743	743
Balance as at 31 March 2019	-	1,237	1,237
(Loss) for the year	-	(25)	(25)
Balance as at 31 March 2020	-	1,212	1,212

The notes on pages 11 to 15 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

General information

Paradigm Development Services Limited ("the Company") is a private company limited by shares, and is registered, domiciled and incorporated in England and Wales.

The address of the Company's registered office and principal place of business is 1 Glory Park Avenue, Wooburn Green, Buckinghamshire, HP10 0DF.

The Company's principal activities and the nature of operations have been detailed within the strategic report on pages 2-3.

Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102 - "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ('FRS102') and with the Companies Act 2006 including the provisions of the Large and Medium-sized Companies (Accounts and Reports) Regulations 2008 and under the historical cost convention.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated. The financial statements are presented in sterling which is also the functional currency of the Company.

Reduced disclosures

The Company has taken advantage of the exemption from disclosing the following information as permitted by the Reduced Disclosures Regime of FRS102:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts for financial instruments measured at amortised cost or cost less impairment, interest income/expense and net gains/losses for financial instruments measured at amortised cost, loan defaults or breaches, and descriptions of hedging relationships.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the Company are consolidated in the financial statements of Paradigm Housing Group Limited ("the Group"). The consolidated financial statements of Paradigm Housing Group Limited are available as disclosed in note 12.

Going concern

As a consequence of COVID-19 the group has undertaken extensive stress testing of its short term and long-term plans. We have considered the impact that COVID-19 has on our cashflows, including sales, current and future development and the uncertainty regarding phasing of work to our stock.

After reviewing the Group's forecasts and projections, the board has reasonable expectation that the Company will continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

Turnover

Turnover represents: -

- the fair value of the consideration received or receivable from the provision of property development and marketing services to Group entities under a Framework Agreement.
- sale of electricity generated by photovoltaic panels.

Turnover is recognised in the period to which it relates and is shown net of Value Added Tax.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

Taxation

The tax expense represents the sum of the current tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is charged or credited to profit or loss, 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.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits 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 only recognised to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation on tangible fixed assets is charged on a straight-line basis so as to write down the value of the assets to their estimated residual values over their expected useful economic lives. The assets are photo voltaic panels which have a useful economic life of 25 years.

Stock

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell.

At each reporting date, the directors assess whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as a loss.

Reversals of impairment losses are also recognised in arriving at profit or loss for the year.

Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments.

Financial instruments are recognised when the Company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which includes balances due from Group undertakings and accrued income, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost.

Basic financial liabilities

Basic financial liabilities, including amounts due to Group undertakings and accrued expenditure, and other creditors are initially recorded at transaction price, and are subsequently carried at amortised cost.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Judgements

We consider all group balances to be recoverable.

Estimates

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. INTEREST RECEIVABLE AND SIMILAR CHARGES

	2020 £'000	2019 £'000
Bank interest	<u>1</u>	<u>-</u>

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2020 £'000	2019 £'000
Interest payable to Group members	<u>-</u>	<u>605</u>

4. PROFIT ON ORDINARY ACTIVITIES

	2020 £'000	2019 £'000
Profit on ordinary activities before taxation is stated after charging:		
Auditor's remuneration in their capacity as auditor	7	7
Inventories recognised as an expense	-	11
Depreciation	<u>42</u>	<u>41</u>

5. TAXATION

	2020 £'000	2019 £'000
UK deferred tax origination and reversal of timing differences	<u>(4)</u>	<u>3</u>
	<u>(4)</u>	<u>3</u>
(Loss)/Profit on ordinary activities before tax	<u>(30)</u>	<u>746</u>
Tax on profit on ordinary activities at standard corporation tax rate of 19% (2019: 19%)	(6)	142
Group relief claimed	-	(139)
Deferred tax now recognised	1	-
Tax charge	<u>(5)</u>	<u>3</u>

Factors that may affect future tax charges:

As at 31 March 2020, the Company had an unprovided deferred tax asset of £nil (2019: £nil)

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. FIXED ASSETS

	2020	2019
	PV panels	PV panels
	£'000	£'000
Cost		
At 1 April	1,027	1,027
At 31 March	1,027	1,027
Depreciation		
At 1 April	287	246
Charge for the year	42	41
At 31 March	329	287
Net book value	698	740

7. DEBTORS

	2020	2019
	£'000	£'000
Amounts owed by Group undertakings	6,262	8,667
Prepayments and accrued income	39	35
Other debtors	669	295
As at 31 March	6,970	8,997

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£'000	£'000
Amounts owed to Group undertakings	-	553
Accruals and deferred income	3,104	6,835
Other creditors	3,365	1,120
As at 31 March	6,469	8,508

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. CALLED UP SHARE CAPITAL AND RESERVES

	2020 £	2019 £
Authorised, allotted, called up and fully paid		
Equity:		
Ordinary share of £1 each	1	1
As at 31 March	1	1

The share provides full voting rights and any rights to dividend or distribution on winding up.

Revenue reserves represents the cumulative profits and losses of the Company net of distributions to owners.

10. DIRECTORS AND EMPLOYEES

Joint contracts of employment are held in respect of all employees throughout the Group. Salary costs are incurred by Paradigm Housing Group Limited and recharged around the Group. The recharges made to Paradigm Development Services Limited in the year amounted to £1,534,229 (2019: £1,867,553).

During the year, two (2019: two) directors were remunerated through the Company's parent company. The apportioned cost to the Company was £nil (2019: £nil).

11. POST BALANCE SHEET EVENT

The impact of COVID-19 in 2020-21 is uncertain. We continue to closely monitor property values, ongoing costs of development and the sales market in order to mitigate risk to the business. We consider that these are non-adjusting events.

12. ULTIMATE HOLDING UNDERTAKING

The immediate and ultimate parent company and controlling entity is Paradigm Housing Group Limited which is a Community Benefit Society and is registered with both the Regulator of Social Housing (registration number L4215) and the Financial Conduct Authority (registration number 28844R). Copies of the consolidated financial statements are available from Paradigm Housing Group Limited at its registered address: 1 Glory Park Avenue, Wooburn Green, Buckinghamshire, HP10 0DF.