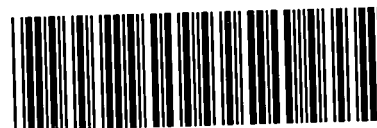




# **Abbeyfield Properties Limited**

## **Directors' Report and Financial Statements**

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COMPANIES HOUSE

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## Abbeyfield Properties Limited

### Financial Statements

For the year ended 31 March 2018

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# Executive Officers and Advisors

## **Directors**

Jonathan Sweet  
Richard Virr  
Nigel Hopkins  
David McCullough

## **Independent Auditors**

BDO LLP  
2 City Place  
Beehive Ring Road  
Gatwick  
West Sussex  
RH6 0PA

## **Bankers**

Barclays Bank Plc  
1 Churchill Place  
London  
E14 5HP

## **Registered Office**

St Peter's House  
2 Bricket Road  
St Albans  
Hertfordshire  
AL1 3JW

## **Solicitors**

Bates Wells & Braithwaite  
London LLP  
2-6 Cannon Street  
London  
EC4M 6YH

# Report of the Directors

**T**he Directors present the Report of the Directors for the year ended 31 March 2018.

## Principal activities

The principal activity of the Company is the design and construction of new build properties on behalf of The Abbeyfield Society. The Company subcontracts design and build obligations to specialist companies. In the year developments at Malmesbury and Sunderland and were completed. A property at Plymouth is under construction.

## Directors

The names of persons who were Directors at any time during the year are as follows:

Jonathan Sweet

Richard Virr

Nigel Hopkins (appointed 30/06/2017)

David McCullough (appointed 12/09/2017)

## 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Disclosure of information to auditors**

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### **Directors' indemnities**

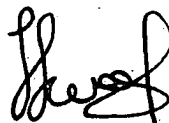
As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial period and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

#### **Independent auditors**

The auditors, BDO LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

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

The report of the Directors was approved on 2 August 2018 and signed on behalf of the Board by:



**Jonathan Sweet**  
Director

# Independent Auditor's Report to the Members of Abbeyfield Properties Limited

## Opinion

We have audited the financial statements of Abbeyfield Properties Limited (the 'company') for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 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

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 authorized for issue.

## Other information

The other information comprises the information included in the directors' 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, including the Directors' Report 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.

## Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

# Independent Auditor's Report to the Members of Abbeyfield Properties Limited – Continued

- 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 any 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 director's report and from the requirement to prepare a strategic report.

## Responsibilities of directors

As explained more fully in the director's 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 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: [www.frc.org.uk/auditorsresponsibilities](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.

BDO LLP

Elizabeth Kulczycki (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor, London

DATE: 21 September 2018

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

# Abbeyfield Properties Limited

## Statement of comprehensive income

For the year ended 31 March 2018

	Note	2018 £	2017 £
Turnover		7,784,128	5,140,245
Cost of sales		(7,413,455)	(4,887,333)
Operating costs		(24,126)	(19,616)
Operating profit		346,547	233,296
Interest receivable and similar income		-	-
Profit on ordinary activities before taxation	2	346,547	233,296
Tax on result on ordinary activities		46,659	(46,659)
Profit on ordinary activities after taxation and total comprehensive income for the year		393,206	186,637

All activities are continuing

The notes on pages 10 to 12 form part of the financial statements.

## Statement of changes in equity

	Income and expenditure account	Share capital	Total
	£	£	£
At 31 March 2016	-	1	1
Total comprehensive income for the year ended 31 March 2017	186,637	-	186,637
Qualifying charitable donation to the parent company	-	-	-
At 31 March 2017	186,637	1	186,638
At 31 March 2017	186,637	1	186,638
Total comprehensive income for the year ended 31 March 2018	393,206	-	393,206
Qualifying charitable donation to the parent company	(579,843)	-	(579,843)
At 31 March 2018	-	1	1



# Abbeyfield Properties Limited

## Balance Sheet

As at 31 March 2018

	Note	2018 £	2017 £
<b>Current assets</b>			
Debtors	4	445,701	1,005,456
Cash and cash equivalents		180,467	2,973
		626,168	1,008,429
Creditors: amount due within one year	5	(626,167)	(821,791)
<b>Net current assets</b>		<b>1</b>	<b>186,638</b>
<b>Capital and reserves</b>			
Called up share capital	6	1	1
Profit and loss account		-	186,637
<b>Total shareholder's funds</b>		<b>1</b>	<b>186,638</b>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and also in accordance with the provisions of FRS102 section 1A – small entities.

The financial statements on pages 8 to 12 were authorised and approved by the Board of Directors on 2 August 2018 and were signed on its behalf by:



Jonathan Sweet  
Director

The notes on pages 10 to 12 form part of the financial statements.

Registered No. 9482576.

# Notes to the Financial Statements for the year ended 31 March 2018

## 1. Accounting policies

### Basis of preparation

Abbeyfield Properties Limited is a company incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given on the contents page and the nature of its operations and its principal activities are set out in the directors' report. The financial statements have been prepared in accordance with FRS102 section 1A small entities applicable in the United Kingdom and Republic of Ireland.

Management does not believe that the preparation of these financial statements has required the use of any critical accounting estimates.

The qualifying entity exemptions which the Company has taken advantage of are as follows:

- the requirements of section 3 *Financial Statement Presentation* paragraph 3.17(d)
- the requirements of Section 7 *Statement of Cash Flows*
- the requirements of Section 33 *Related Party Disclosures* paragraph 33.7

This information is included in the consolidated financial statements of The Abbeyfield Society as at 31 March 2018.

The following principal accounting policies have been applied:

### Going Concern

The Board considers that in preparing the financial statements it has taken into account all information that could reasonably be expected to be available. The Directors have reviewed the business plan and on the basis of this information are satisfied that the Company is a going concern for at least 12 months from the date of signing the financial statements.

### Turnover

Turnover represents income for design and build work for the year. Turnover excludes value added tax where applicable. All turnover arises in the United Kingdom.

All income is recognised in line with the performance of the design and build services.

### Qualifying charitable donations

The company is a subsidiary of a charitable registered provider of social housing and intends to make qualifying charitable donations of an amount equal to the taxable profits to its parent entity within 9 months of the year end. As these amounts represent distributions they are presented in the statement of changes in equity in the year in which they are declared. In respect of the taxable profits of the current year, this distribution will be presented in the financial statements of the following period as it was not declared before the year end.

### Taxation

A tax charge and a tax liability have been recognised in relation to the taxable profits. It is our expectation that these tax entries will be reversed on payment of the Qualifying Charitable Donation. Any reversal will be recorded alongside the donation that gives rise to the reversal.

### Cash and cash equivalents

Cash and cash equivalents in the Company's balance sheet consists of cash at bank.

### Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognized in the income statement in other operating expenses.

# Notes to the Financial Statements for the year ended 31 March 2018

## 2. Result on ordinary activities before taxation

	2018 £	2017 £
The result on ordinary activities before taxation is stated after charging Auditor's remuneration (excluding VAT):		
BDO LLP fees for the audit of the Company's annual financial statements –current period	5,025	5,000

## 3. Staff costs and Directors' emoluments

The Company had no employees during the year and consequently incurred no staff costs. No remuneration was paid to any of the Directors for the year by the company.

All administrative duties were carried out by The Abbeyfield Society, the parent undertaking.

## 4. Debtors

	2018 £	2017 £
Other taxation and social security	18,858	45,616
Amounts owed by Group undertakings	426,843	959,840
	445,701	1,005,456

All amounts fall due within one year

## 5. Creditors: amounts falling due with one year

	2018 £	2017 £
Trade creditors	175,576	12,816
Corporation tax payable	-	46,659
Accruals	450,591	762,316
	626,167	821,791

## 6. Called up share capital

	2018 £	2017 £
One ordinary share of £1 each –allotted, issued and fully paid at nominal value amount carried forward as at 31 March 2018	1	1

The ordinary share capital is non-redeemable, but holds full rights in respect of voting and shall entitle the holder to full participation in respect of equity and in the event of winding up of the company. The share may also be considered by the Directors when considering dividends from time to time.

# Notes to the Financial Statements for the year ended 31 March 2018

## 7. Capital commitments

Construction commitments contracted but not provided for are £14,489k (2017 - £9,028k).

Construction commitments approved by the Board but not provided for are £18,376k (2017 - £27,134k).

Abbeyfield Properties Limited is a wholly owned subsidiary of The Abbeyfield Society and undertakes design-and-build activities on the Society's behalf.

## 8. Ultimate parent undertaking and controlling party

The ultimate parent undertaking is The Abbeyfield Society, a company incorporated in England and Wales and registered with the Regulator for Social Housing (registration no.H1046). The Abbeyfield Society is the parent undertaking of the largest and smallest group for which group accounts are drawn up which include the Company. The consolidated financial statements of The Abbeyfield Society are available from The Abbeyfield Society, St Peter's House, 2 Bricket Road, St Albans, Hertfordshire, AL1 3JW.