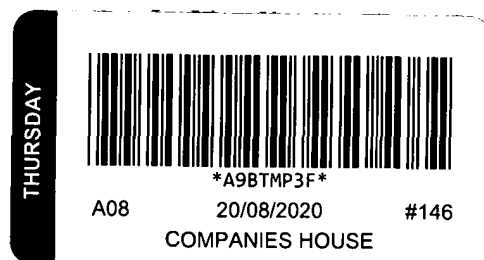


COLCHESTER AMPHORA HOMES LIMITED

Directors' Report and Financial Statements

For the Year Ended 31 March 2020



COLCHESTER AMPHORA HOMES LIMITED

Directors' Report and Financial Statements For the Year Ended 31 March 2020

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COLCHESTER AMPHORA HOMES LIMITED

Officers and Professional Advisers For the Year Ended 31 March 2020

Company registration number

10799097

The board of directors

A Pritchard
G Mitchell
I Vipond (resigned 26 August 2019)
P Smith (appointed 27 August 2019)

Registered office

Rowan House
33 Sheepen Road
Colchester
CO3 3WG

Current auditor

Scrutton Bland LLP
Chartered Accountants &
Statutory Auditor
820 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

Bankers

Lloyds TSB Bank Plc
27 High Street
Colchester
CO1 1DU
United Kingdom

COLCHESTER AMPHORA HOMES LIMITED

Directors' Report For the Year Ended 31 March 2020

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

RESULTS AND DIVIDENDS

The company's profit for the period, after taxation, amounted to £13,805 (2019 : loss £7,221).

There were no dividends proposed or paid during the period.

PRINCIPAL ACTIVITY

The principal activity of the business is as a housing development company established to provide a local solution to the provision of high quality new homes for sale and rent. It is designed to help stimulate house building and bring innovation into the construction sector, whilst increasing the number of affordable homes delivered and providing a commercial return to the council.

FUTURE DEVELOPMENTS

The company will initially purchase four sites from the Council to deliver 300 new dwellings. The company will also be identifying further sites which can then be purchased to continue the pipeline of housing developments.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

In the year to 31 March 2020 the risks to the company based upon its activities to that date were not considered significant in nature. A risk register is being developed and will be reviewed at Board level on a regular basis. Each project within the company will also have its own risk registers which will be reviewed and managed by programme and project managers.

DIRECTORS AND THEIR INTERESTS

The directors set out in the table below have held office during the whole of the year to 31 March 2020 unless otherwise stated. None of the directors held any interests in the share capital of the company.

A Pritchard	
G Mitchell	
I Vipond	(resigned 26 August 2019)
P Smith	(appointed 27 August 2019)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the directors are 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 to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

COLCHESTER AMPHORA HOMES LIMITED

Directors' Report For the Year Ended 31 March 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and applicable law.

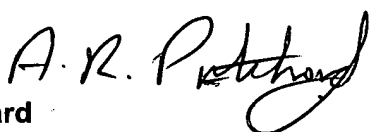
Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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 preparing this report the directors have taken advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Approved by the board on 30/7/20 and signed on its behalf by



A Pritchard
Director

COLCHESTER AMPHORA HOMES LIMITED

Independent Auditor's Report to the Members of Colchester Amphora Homes Limited For the Year Ended 31 March 2020

OPINION

We have audited the financial statements of Colchester Amphora Homes Limited ('the company') for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income (Including the Income Statement), the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- 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.

CONCLUSION 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.

COLCHESTER AMPHORA HOMES LIMITED

Independent Auditor's Report to the Members of Colchester Amphora Homes Limited For the Year Ended 31 March 2020

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 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 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
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report; or
- we have not received all the information and explanations we require for our audit.

COLCHESTER AMPHORA HOMES LIMITED

Independent Auditor's Report to the Members of Colchester Amphora Homes Limited For the Year Ended 31 March 2020

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 3 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 RESPONSIBILITY 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: <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.



Mr Timothy O'Connor (Senior Statutory Auditor)

For and on behalf of:

Scrutton Bland LLP
Chartered Accountants & Statutory Auditor
820 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

Date: 19/8/20

COLCHESTER AMPHORA HOMES LIMITED

Statement of Comprehensive Income (Including the Income Statement) For the Year Ended 31 March 2020

	Notes	2020 £	2019 £
Revenue	3	188,880	42,800
Changes in inventories		(737,058)	(197,686)
Raw materials and consumables used		534,484	-
Staff costs	5	127,040	31,833
Other expenses		257,682	216,448
OPERATING PROFIT/(LOSS)	4	6,732	(7,795)
Income from investments	6	7,073	574
PROFIT/(LOSS) BEFORE TAX		13,805	(7,221)
Income tax	7	-	-
PROFIT/(LOSS) FOR THE YEAR		13,805	(7,221)
PROFIT/(LOSS) ATTRIBUTABLE TO EQUITY HOLDERS		13,805	(7,221)

Total comprehensive income is equal to the profit/(loss) after tax in both the current and preceding year.

The notes on pages 11 to 17 form part of these financial statements.

COLCHESTER AMPHORA HOMES LIMITED

Statement of Changes in Equity For the Year Ended 31 March 2020

	Issued capital £	Retained earnings £	Total equity £
At 31 March 2018	1	-	1
Loss for the year	-	(7,221)	(7,221)
Balance at 31 March 2019	<u>1</u>	<u>(7,221)</u>	<u>(7,220)</u>
At 1 April 2019	1	(7,221)	(7,220)
Issue of share capital	1,500,000	-	1,500,000
Profit for the year	-	13,805	13,805
Balance at 31 March 2020	<u>1,500,001</u>	<u>6,584</u>	<u>1,506,585</u>

The notes on pages 11 to 17 form part of these financial statements.

COLCHESTER AMPHORA HOMES LIMITED

Statement of Financial Position As at 31 March 2020

	Notes	2020 £	2019 £
ASSETS			
CURRENT ASSETS			
Inventories	8	934,744	197,686
Trade and other receivables	9	35,960	42,801
Cash	10	1,044,228	29,006
TOTAL ASSETS		<u>2,014,932</u>	<u>269,493</u>
EQUITY			
ISSUED CAPITAL AND RESERVES			
Issued share capital	11	1,500,001	1
Retained profits		6,584	(7,221)
TOTAL EQUITY		<u>1,506,585</u>	<u>(7,220)</u>
NON CURRENT LIABILITIES			
Other payables	15	400,000	-
CURRENT LIABILITIES			
Trade and other payables	12	108,347	276,713
TOTAL LIABILITIES		<u>508,347</u>	<u>276,713</u>
TOTAL EQUITY AND LIABILITIES		<u>2,014,932</u>	<u>269,493</u>

Approved by the Board on 30/1/20 and signed on its behalf by

A Pritchard
Director



P Smith
Director



Company registration number: 10799097

The notes on pages 11 to 17 form part of these financial statements.

COLCHESTER AMPHORA HOMES LIMITED

Statement of Cash Flows For the Year Ended 31 March 2020

	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) after tax	13,805	(7,221)
INCREASE IN WORKING CAPITAL		
(Increase) in inventory	(737,058)	(197,686)
Decrease/(Increase) in trade and other receivables	6,841	(41,863)
Increase in trade and other payables	231,634	259,312
(DECREASE)/INCREASE IN WORKING CAPITAL	(498,583)	19,763
NET CASH FLOWS FROM OPERATING ACTIVITIES	(484,778)	12,542
CASH FLOWS FROM INVESTING ACTIVITIES		
Issue of share capital	1,500,000	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	1,500,000	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,015,222	12,542
Cash and cash equivalents as at 1 April 2019	29,006	16,464
CASH AND CASH EQUIVALENTS AS AT 31 MARCH 2020	1,044,228	29,006

The notes on pages 11 to 17 form part of these financial statements.

COLCHESTER AMPHORA HOMES LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2020

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS'S

The company's financial statements for the year were authorised for issue on 30 July 2020 and the statement of financial position signed on the Board's behalf by Adrian Pritchard and Paul Smith (Directors). Colchester Amphora Homes Limited is a limited company incorporated and domiciled in England & Wales.

The company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006. The principal accounting policies adopted by the company are set out in note 2.

The company's immediate parent undertaking, Colchester Commercial (Holdings) Limited, includes the company in its consolidated financial statements. The consolidated financial statements of Colchester Commercial (Holdings) Limited are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

2. ACCOUNTING POLICIES

Basis of accounting

The financial statements are presented in sterling, are rounded to the nearest £1 and have been prepared under the historical cost basis. Sterling is also considered to be the functional currency of the Company.

Going concern

In accordance with government directives issued on 23 March 2020 the business is operating within the restrictions imposed on business activities relating to the spread of coronavirus. The impact of the coronavirus will have a very significant effect on the economy which may have a knock-on impact on the business during 2020. The directors have prepared revised cashflow forecasts which anticipate that the company will be able to continue to meet its liabilities as they fall due and the directors are satisfied that the company has adequate resources to continue in operational existence for the foreseeable future, and for a period of at least 12 months from the date of approving these financial statements. If required the company will be supported by the Council. For this reason the directors adopt the going concern basis in preparing the accounts.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. All such revenue is reported net of discounts and value added and other sales taxes.

COLCHESTER AMPHORA HOMES LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2020

2. ACCOUNTING POLICIES (continued)

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Pension costs

The company operates a defined contribution pension scheme, the assets of which are held separately from those of the company. The annual contributions payable are charged to the income statement when they fall due.

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Short term debtors are measured at transaction price, less any impairment.

Short term creditors are measured at the transaction price.

Standards that have been issued but not yet effective

The below accounting standards have been issued but are not yet effective. The initial application of these standards is not expected to affect the financial statements.

- IFRS 7 Financial Instruments: Disclosures – Amendments regarding pre-replacement issues in the context of the IBOR reform (effective for periods commencing on or after 1 January 2020).
- IFRS 9 Financial Instruments – Amendments regarding pre-replacement issues in the context of the IBOR reform (effective for periods commencing on or after 1 January 2020).

COLCHESTER AMPHORA HOMES LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2020

2. ACCOUNTING POLICIES (continued)

- IAS 1 Presentation of financial statements – Amendments regarding the definition of material (effective for periods commencing on or after 1 January 2020).
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Amendments regarding the definition of material (effective for periods on or after 1 January 2020).
- IAS 39 Financial Instruments: Recognition and Measurement – Amendments regarding pre-replacement issues in the context of the IBOR reform (effective for periods commencing on or after 1 January 2020).

Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

3. REVENUE

	2020 £	2019 £
Management fee	5,500	-
Other	183,380	42,800
	<u>188,880</u>	<u>42,800</u>

COLCHESTER AMPHORA HOMES LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2020

4. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging the following:

	2020 £	2019 £
Auditor's remuneration – audit services	5,750	7,350
Auditor's remuneration – non-audit services	2,110	1,250
	<u>7,860</u>	<u>8,600</u>

5. EMPLOYEE EXPENSES

	2020 £	2019 £
Wages and salaries	109,103	27,069
Post employment expense for defined contribution plans	5,376	1,350
Social security costs	12,556	3,188
Other staff costs	5	226
	<u>127,040</u>	<u>31,833</u>

The average monthly number of employees during the year was made up as follows:

	2020 No.	2019 No.
Administration	<u>2</u>	<u>1</u>

6. INCOME FROM INVESTMENTS

	2020 £	2019 £
Bank interest receivable	<u>7,073</u>	<u>574</u>

COLCHESTER AMPHORA HOMES LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2020

7. TAXATION

The taxable loss arising in the previous year was transferred to Colchester Amphora Trading Limited by way of group relief.

8. INVENTORIES

	2020 £	2019 £
Work in progress	<u>934,744</u>	<u>197,686</u>

Included within the above amount are capitalised borrowing costs totalling £20,391 at a capitalisation rate of 5%.

9. TRADE AND OTHER RECEIVABLES

	2020 £	2019 £
Trade receivables	-	30,000
Receivable from related parties	13,802	1
Other receivables	<u>22,158</u>	<u>12,800</u>
	<u>35,960</u>	<u>42,801</u>

10. CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash at bank	<u>1,044,228</u>	<u>29,006</u>

11. SHARE CAPITAL

Authorised share capital

	No.	2020 £	No.	2019 £
Ordinary share of £1 each	<u>1,500,001</u>	<u>1,500,001</u>	<u>1</u>	<u>1</u>

Issued share capital

	No.	2020 £	No.	2019 £
Issued				
Ordinary share of £1 each	<u>1,500,001</u>	<u>1,500,001</u>	<u>1</u>	<u>1</u>

One share was issued at par at the time of incorporation and remains unpaid. A further 1,500,000 shares were issued at par during the year and are fully paid. All issued share capital is classed as equity.

COLCHESTER AMPHORA HOMES LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2020

12. TRADE AND OTHER PAYABLES

	2020 £	2019 £
Trade payables	28,131	-
Payable to related parties	54,778	261,718
Other taxation and social security	6,246	2,675
Accruals and deferred income	19,192	12,320
	<u>108,347</u>	<u>276,713</u>

13. FINANCIAL INSTRUMENTS

	2020 £	2019 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>35,960</u>	<u>42,801</u>

Financial liabilities

Financial liabilities at amortised cost	<u>502,101</u>	<u>274,038</u>
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Financial assets measured at amortised cost comprise trade receivables, receivables from related parties and other receivables (note 9).

Financial liabilities measured at amortised cost comprise trade payables, amounts payable to related parties and accruals (note 12).

14. RESERVES

Called-up share capital

Represents the nominal value of shares that have been issued.

Profit and loss account

The profit and loss account represents the company's accumulated reserves which are available for distribution to the members.

COLCHESTER AMPHORA HOMES LIMITED

Notes to the Financial Statements For the Year Ended 31 March 2020

15. RELATED PARTY TRANSACTIONS

Ultimate controlling party

The immediate parent company is Colchester Commercial (Holdings) Limited, a company registered in England and Wales, and the ultimate parent company is Colchester Borough Council.

Colchester Borough Council

During the year, Colchester Amphora Homes Limited received £183,380 (2019 : £42,800) in income from Colchester Borough Council and no expenses (2019: £10,452) were incurred with Colchester Borough Council. At the year end the company owed Colchester Borough Council £402,046 (2019 : £250,000) and were owed £20,135 (2019 : £42,800) from Colchester Borough Council. Within this is a £400,000 loan that is due in greater than one year and that is secured with a fixed charge against a site included within the Work in progress balance within inventories.

Colchester Commercial (Holdings) Limited

During the first year of incorporation, Colchester Commercial (Holdings) Limited purchased £1 of share capital in Colchester Amphora Homes Limited and subscribed for a further 1,500,000 shares of £1 each during the year. During the year, Colchester Amphora Homes Limited made purchases of £114,457 from Colchester Commercial (Holdings) Limited and sales of £5,500 to Colchester Commercial (Holdings) Limited. At the year end the company owed Colchester Commercial (Holdings) Limited £54,778 (2019 : £11,718) and was owed £13,802 (2019 : £1).

Key Management personnel compensation

The total remuneration paid to key management personnel during the year was £74,787 (2019 : £24,031).

16. POST BALANCE SHEET EVENTS

Since the year end, the UK, and the whole world, has been struck by the Covid 19 pandemic. This does not have an effect on the financial position shown by these accounts and they continue to be drawn up on a going concern basis as explained in the accounting policies. If required, the Company will be supported by the Council.