

millbay

Welcome Home

MILL BAY HOMES LIMITED

Registered number 10912643

REPORT AND FINANCIAL STATEMENTS

For the year ended 31st March 2020

Filleted Accounts



MILL BAY HOMES LIMITED

REPORT AND FINANCIAL STATEMENTS

For the year ended 31st March 2020

	Page
Officers and professional advisers	1
Statement of Financial Position	2
Notes to the financial statements	3 - 7

MILL BAY HOMES LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

Company Registration Number: 10912643 (incorporated 11 August 2017)

Board of Directors:

Mr. M. Westerman, MInstF, FIDM, ISP (Chair)
Mr. J. Leighton FRICS
Mr. N. Hampshire, BSc (Hons), MBA, MRICS
Mr. N. Sinnett, BSc, MRICS, AsPS (Resigned March 2020)
Mr. A. Williams, FCCA (Resigned February 2020)

Company Secretary

Mrs. C. Barnett LLB

Registered Office:

Meyler House, St. Thomas Green, Haverfordwest, Pembrokeshire.
SA61 1QP

External Auditors:

Bevan Buckland LLP
Chartered Accountants & Statutory Auditors
Langdon House
Langdon Road
Swansea SA1 8QY

Internal Auditors:

Mazars
Victoria Street
Bristol BS1 6DP

Legal Advisors:

Hugh James
Two Central Square
Cardiff CF10 1FS

Darwin Grey
Helmont House
Churchill Way
Cardiff CF10 2HE

Bankers:

Barclays Bank PLC
Windsor Court
3 Windsor Place
Cardiff CF10 3AX

STATEMENT OF FINANCIAL POSITION
at 31 March 2020

		2020	2019
		£	£
Property, Plant & Equipment			
Other fixed assets - depreciated cost	2	2,042	2,563
		<u>2,042</u>	<u>2,563</u>
Current assets			
Inventories	3	5,915,803	5,881,057
Receivables: amounts falling due within one year	4	1,247,323	15,432
Cash		781,147	20,074
		<u>7,944,273</u>	<u>5,916,563</u>
Payables: amounts falling due within one year	5	<u>(2,111,168)</u>	<u>(2,130,493)</u>
Net current assets		<u>5,833,105</u>	<u>3,786,070</u>
Total Assets less current liabilities		<u>5,835,147</u>	<u>3,788,633</u>
Payables: amounts falling due after more than one year	6	<u>(5,830,147)</u>	<u>(3,783,632)</u>
Net assets		<u>5,001</u>	<u>5,001</u>
		=====	=====
Equity			
Called up share capital	7	1	1
Revenue reserve	8	5,000	5,000
		<u>5,001</u>	<u>5,001</u>
		=====	=====

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.
In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive Income and Statement of Changes in Equity has not been delivered.
The financial statements on pages 2 to 7 were approved by the Board of Directors on 25 June 2020 and were signed on its behalf by:



Mr M Westerman, Director

MILL BAY HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS - PRINCIPAL ACCOUNTING POLICIES

Mill Bay Homes Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and office address can be found on the Company Information page.

- a. **Basis of Accounting.**
These financial statements have been prepared in accordance with Financial Reporting Standards 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. A summary of the more important policies which have been applied consistently are set out below.
- b. **Turnover.**
Turnover consists of the proceeds of property sales and related income which are recognised at the point of exchange of contract.
- c. **Property, Plant & Equipment.**
Property, plant & equipment are included at cost less depreciation and impairment. Indication of impairment is reviewed annually and an impairment review is undertaken where there is an indication of impairment. Depreciation is provided evenly on the cost of items of fixed assets to write them down to their estimated residual values over their expected useful lives. Office equipment – 10%, Computer equipment – 25%

Expenditure on assets costing less than £250, which do not form part of a larger asset are written off to the Statement of Comprehensive Income in the year in which the expenditure is incurred.
- d. **Work in Progress.**
Work in progress is calculated at the lower of cost or net realisable value of schemes under construction.
- e. **Inventory.**
The value of stock is the lower of cost or net realisable value of completed properties held for sale.
- f. **Operating Leases.**
Costs in respect of operating leases are amortised on a straight-line basis over the lease in accordance with FRS102.
- g. **Pensions.**
The company participates in the industry wide defined contribution pension scheme. The assets of the scheme are invested and managed independently of the finances of the Company. Pension costs are assessed in accordance with the advice of an independent qualified actuary.
- h. **Loan Facility.**
The company has a revolving credit facility with the parent to assist towards the cost of various developments and land acquisitions. The interest rate is set on commercial terms.
- i. **Value Added Tax.**
The company is registered for VAT.
- j. **Corporation Tax.**
Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.
Current or deferred taxation assets and liabilities are not discounted.
Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date
- k. **Receivables.**
Short term receivables are measured at transaction price, less any impairment.

MILL BAY HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - PRINCIPAL ACCOUNTING POLICIES (continued)

- l. Payables.**
Short term trade payables are measured at transaction price.
- m. Functional and Presentational Currency.**
The company's functional and presentational currency is pounds sterling.
- n. Going Concern.**
After reviewing the company's forecasts and projections, taking into consideration the Coronavirus pandemic, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company continues to adopt the going concern basis in preparing its financial statements.
- o. Gift Aid**
The Company covenants all of its earnings to the Parent.
- p. Critical accounting judgments and key sources of estimation uncertainty**
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results in the future may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is reviewed and in any future periods affected.

Significant management judgments

The following are management judgements in applying the accounting policies of the company that have the most significant effect on the amounts recognised in the financial statements.

Cost of Sales

When a property sales is recognised a transfer from inventories / work in progress is made to the cost of sales based on the anticipated gross profit margin for the total site development. The anticipated gross profit margin is reviewed periodically and updated for actual costs to date and revised forecasts.

MILL BAY HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

1 Staff numbers and cost

The average number of persons (including Senior Executives) employed during the year was:

	2020	2019
Office staff	6.77	5.58
	6.77	5.58
	=====	=====

The average number of full time equivalent persons (including Senior Executives) employed during the year was:

	2020	2019
Office staff	5.43	5.43
	5.43	5.43
	=====	=====

2 Property, Plant & Equipment - Other Fixed Assets

	Office Equipment	Computer Equipment	Total
	£	£	£
Cost			
At 1 April 2019	5,749	14,684	20,433
Additions	-	425	425
Disposals	-	-	-
At 31 March 2020	5,749	15,109	20,858
	=====	=====	=====
Depreciation			
At 1 April 2019	(4,756)	(13,114)	(17,870)
Charged for the year	(259)	(687)	(946)
Disposals	-	-	-
At 31 March 2020	(5,015)	(13,801)	(18,816)
	=====	=====	=====
Net book value			
At 31 March 2020	733	1,309	2,042
	=====	=====	=====
At 1 April 2019	993	1,571	2,563
	=====	=====	=====

3 Inventories

	2020	2019
	£	£
Completed properties held for sale	463,892	-
Schemes under construction	5,451,911	5,881,057
	5,915,803	5,881,057
	=====	=====

4 Receivables

	2020	2019
	£	£
Prepayments and accrued income	1,243,962	6,426
VAT Receivable	3,361	9,006
	1,247,323	15,432
	=====	=====

5 Payables: Amounts falling due within one year

	2020	2019
	£	£
Accruals and deferred income	358,331	325,231
Amounts owed in respect of housing development	521,541	374,277
Inter-Company creditor - parent company	1,187,545	1,381,514
Other payables	36,553	44,829
Annual Leave year end accrual	7,198	4,642
	2,111,168	2,130,493
	=====	=====

MILL BAY HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2020

6 Payables: Amounts falling due after one year	2020	2019
	£	£
Accruals - capital retentions	185,147	83,632
Secured Debt - Loan from parent company	5,645,000	3,700,000
- secured by a floating charge over any freehold, leasehold common hold property	5,830,147	3,783,632
	=====	=====

The parent makes available a total revolving credit loan facility of £10,000,000 secured by a floating charge over any freehold, leasehold common hold property.

7 Called up share capital - non equity	2020	2019
	£	£
Allotted issued and fully paid :		
At the beginning of the year	1	1
Issued	-	-
Cancelled	-	-
	=====	=====
At the end of the year	1	1
	=====	=====

The parent holds one share of £1. The share is non-transferable and non-redeemable and carries no right to receive either income or capital payments.

8 Reserves	At 1 April 2019	Profit for the year	Gift Aid payment	At 31 March 2020
	£	£	£	£
Revenue Reserve	5,000	1,066,259	(1,066,259)	5,000
Total	5,000	1,066,259	(1,066,259)	5,000
	=====	=====	=====	=====

Analysed as:
Revenue Reserve

5,000

5,000

=====

9 Development Commitments	2020	2019
	£	£
Development expenditure that has been contracted for but has not been provided for in the financial statements and which will be funded by loans from the parent company	6,169,083	4,756,053
	=====	=====
Development expenditure that has been authorised by the Board of Directors but has not yet been contracted for:	8,657,250	3,146,474
	=====	=====

10 Contingent Liabilities
In accordance with FRS102 there are no contingent liabilities at the balance sheet date.

11 Legislative Provisions
As at 31st March 2020 the company is a company limited by shares and is registered under the Companies Act 2006.

12 Group Structure
The company is a wholly controlled subsidiary company of ateb Group Limited.

MILL BAY HOMES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020**

13 Related Parties and Directors

Board members were reimbursed a total of £1,188 for attending meetings.

Mill Bay Homes Limited has a total outstanding inter company creditor balance due to the parent of £6,832,545 (2019: £5,081,514).

This is made up of a loan balance of £5,645,000, Gift Aid payment of £1,066,259 and management recharges of £121,286.

During the year Mill Bay Homes received £6,380,000 and repaid £4,435,000 in loans from the parent. The loan is a revolving credit facility.

During the year Mill Bay Homes were charged the following by the parent: Office rent £14,304, Management charges £45,652 and Project management charge £5,123.

14 Pensions Obligations

The Company participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined contribution scheme in the UK.

15 Legal Status

As at 31st March 2020 the company is a company limited by shares and is registered under the Companies Act 2006 having converted from a 'registered society' registered under Co-operative and Community Benefit Society Act 2014 in 2017.

16 DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Henry Lloyd Davies (Senior Statutory Auditor)
for and on behalf of Bevan Buckland LLP