



**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

31 MARCH 2020

**Property Plus (Midlands) Limited
Brassey Road, Old Potts Way, Shrewsbury, SY3 7FA
Registration No. 03141171**

A member of The Housing Plus Group

CONTENTS

DIRECTORS, AUDITORS, ADVISORS AND BANKERS.....	1
REPORT OF THE BOARD	2
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROPERTY PLUS (MIDLANDS) LIMITED.....	4
STATEMENT OF COMPREHENSIVE INCOME.....	7
STATEMENT OF CHANGES IN EQUITY	8
STATEMENT OF FINANCIAL POSITION.....	9
NOTES TO THE FINANCIAL STATEMENTS	Error! Bookmark not defined.

DIRECTORS, AUDITORS, ADVISORS AND BANKERS

Property Plus (Midlands) Limited	Registered Company No: 03141171
Registered Office	Sevenside House Brassey Road Shrewsbury Shropshire SY3 7FA
Directors	K A Shaw – appointed 1 November 2019 I Farrell – appointed 11 November 2019 J D Burt (Chair from 1 May 2020) – appointed 1 November 2019 L Haynes – resigned 1 October 2019 R B Lawrence – appointed 1 October 2019, resigned 30 April 2020 V M Cross – appointed 1 October 2019 P J Ingle (Executive Director)
Company Secretary	I E Molyneux
Bankers	Barclays Bank PLC One Snowhill, Birmingham, B3 2WNE Barclays Bank PLC, One Snowhill, Birmingham, B3 2WNE
Internal Auditors	Mazars LLP (to 31 March 2020) 45 Church Street, Birmingham, B3 2RT Beever and Struthers (appointed 1 April 2020) 20 Colmore Circus Queensway, Birmingham, B4 6AT
External Independent Auditors	BDO LLP, Chartered Accountants and Statutory Auditors, Two Snowhill, Birmingham, B4 6GA
Legal Advisors	Anthony Collins LLP 134 Edmund Street Birmingham, B3 2ES

REPORT OF THE DIRECTORS

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

Principal activity

The principal activity of the company in the year under review was to deliver maintenance services to group entities within The Housing Plus Group, a group under common control. The company made a profit in the year of £260,744 (2019: loss of £364,844).

Directors

The directors who served the company during the year were:

K A Shaw (appointed 1 November 2019);

I Farrell (appointed 11 November 2019);

J D Burt (appointed 1 November 2019);

L Haynes (resigned 1 October 2019);

R B Lawrence (appointed 1 October 2019, resigned 30 April 2020);

V M Cross (appointed 1 October 2019); and

P J Ingle.

Going concern

After reviewing Property Plus' budget for 2020/21 and long term financial plan based on normal business planning and control procedures and after receiving confirmation of continued support from Severnside, SSHA, SARH and Housing Plus, the members of the Board have a reasonable expectation that Property Plus has adequate resources to continue in operational existence for the foreseeable future.

The impact of the Covid 19 outbreak has been considered by the Directors, and they have confirmed that the outbreak does not pose a material uncertainty that would cast doubt on the Company's ability to continue as a going concern. The board, therefore, consider it appropriate for the accounts to be prepared on a going concern basis. See Note 1 for further details.

Statement of the Directors' Responsibilities

The directors are responsible for preparing the Report of the Board 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.

REPORT OF THE DIRECTORS (continued)

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

So far as each of the directors are aware:


- There is no relevant audit information of which the company's auditors are unaware;
- 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 auditors are aware of that information.

In preparing this Report of the Directors, advantage has been taken of the small companies exemption.

Approved by the Board on 20 July 2020 and signed on its behalf by:



P J Ingle
Director



I E Molyneux
Company Secretary

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROPERTY PLUS (MIDLANDS) LIMITED

Opinion

We have audited the financial statements of Property Plus (Midlands) Limited (“the Company”) for the year ended 31 March 2020 which comprise the statement of comprehensive income, statement of changes in equity, statement of financial position 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 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROPERTY PLUS (MIDLANDS) LIMITED (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 Director's 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROPERTY PLUS (MIDLANDS) LIMITED (continued)

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement 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 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 at the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors 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

Kyla Bellingall (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Two Snowhill
Birmingham, B4 6GA
Date 9 September 2020

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

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2020

	<i>Notes</i>	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Turnover		17,898,182	17,581,558
Cost of sales		(13,397,077)	(13,483,139)
Gross profit		4,501,105	4,098,419
Administrative expenses		(4,226,566)	(4,463,053)
Operating profit / (loss)	4	274,539	(364,634)
Interest payable	6	(13,795)	(210)
Profit / (loss) on ordinary activities before taxation		260,744	(364,844)
Tax on profit / (loss) on ordinary activities	5	-	-
Profit / (loss) for the year		260,744	(364,844)

All activities relate to continuing activities. The notes on pages 10 to 17 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
31 March 2020

	Year ended 31 March 2020	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2019
	Share capital £	Profit and loss account £	Share capital £	Profit and loss account £
Balance at 1 April	2	(124,570)	2	840,274
Profit/(loss) for the financial year	-	260,744	-	(364,844)
Gift aid distribution	-	-	-	(600,000)
Balance at 31 March	2	136,174	2	(124,570)

The notes on pages 10 to 17 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
As at 31 March 2020

	<i>Notes</i>	31 March 2020 £	31 March 2019 £
Fixed assets			
Tangible fixed assets	9	424,863	374,106
Total fixed assets		424,863	374,106
Current assets			
Inventories	10	57,525	57,525
Debtors	11	1,389,469	1,825,181
Cash at bank and in hand		96,205	187,444
		1,543,199	2,070,150
Creditors			
Amounts falling due within one year	12	(1,831,886)	(2,568,824)
Net current assets		(288,687)	(498,674)
Total assets less current liabilities		136,176	(124,568)
Capital and reserves			
Called up share capital	14	2	2
Profit and loss account		136,174	(124,570)
Shareholders' funds		136,176	(124,568)

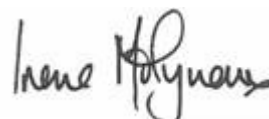
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements (registered number 03141171) were approved and authorised for issue by the Board on 20 July 2020.

Signed on behalf of the board of directors



P J Ingle
Director



I E Molyneux
Company Secretary

The notes on pages 10 to 17 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 Statutory information

Property Plus (Midlands) Limited is a private company, limited by shares, domiciled in England and Wales, registration number 03141171.

2 Basis of accounting

The accounts have been prepared in accordance with applicable accounting standards under the historical cost accounting rules and on a going concern basis.

The impact of the Covid 19 outbreak has been considered by the Directors. Planned maintenance works were halted during the start of 2020/21 due to restrictions imposed by the government. The impact of this was partially offset by furloughing some employees and it is anticipated that Property Plus will break even in the 2020/21 financial year.

The company provides essential repairs and maintenance services to entities within the Housing Plus Group, its ultimate parent, and is therefore an integral part of the Group's activity and 30 year business plan. As such, the Board is confident that demand will continue and that it has the continued support of the group.

Given the nature of the company's services to the group, group support and its trading performance, the Board believe that while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the company's ability to continue as a going concern for the foreseeable future, which is a period of at least 12 months from signing of the accounts and audit report.

The Board therefore consider it appropriate for the accounts to be prepared on a going concern basis.

3 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below.

a) Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax.

b) Taxation

The charge for taxation is based on the profit/loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences.

NOTES TO THE FINANCIAL STATEMENTS (continued)

c) Inventories

Stocks have been valued at the lower of cost and estimated selling price less costs to sell. Provision is made for obsolete and slow-moving items

d) Cash and cash equivalents

Cash and cash equivalents consists of cash at bank, cash in hand, deposits and short term investments with an original maturity of three months or less.

e) Tangible fixed assets and depreciation

Tangible fixed assets are included at cost less depreciation and impairment. Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives as follows:

Plant and equipment	5 years
Computer equipment	2 years
Furniture, fixtures and fittings	5 years
Motor vehicles	4 years

f) Leasing

Tangible fixed assets acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors.

Rentals payable under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease.

g) Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability of another entity. The company accounts for its financial instruments using sections 11 'Basic Financial Instruments' and 12 'Other Financial Instruments Issues' of FRS102.

Basic financial instruments are initially recognised at transaction price and in subsequent years at amortised cost. Financial instruments that do not meet the criteria of basic financial instruments are initially recognised at fair value and in subsequent years are measured at fair value at the end of each reporting period with any changes in fair value being recognised in the Statement of Comprehensive Income.

Financial assets are derecognised when the rights to the cash flows from the asset expire or are settled. Financial liabilities are derecognised when the obligation is discharged, cancelled or expired. Any difference between the consideration paid or received and the amounts derecognised are recognised in the Statement of Comprehensive Income.

The company's financial instruments are all currently classified as basic.

NOTES TO THE FINANCIAL STATEMENTS (continued)

h) Key estimates and judgements

The preparation of the financial statements requires the use of certain accounting estimates and judgements concerning the future. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) FRS 102 reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”:

- the requirements of Section 3 Financial Statement Presentation paragraph 3.17 (d);
- the requirements of Section 11 Basic financial instruments;
- the requirements of Section 33 Related party transactions.

The company’s results are consolidated into The Housing Plus Group Limited consolidated financial statements which are publicly available.

4 Operating profit/(loss)

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
The operating profit/(loss) is stated after charging:		
• Auditors’ remuneration (exc. VAT)	6,604	1,575
• Depreciation – owned assets	134,713	142,809
• Operating lease rentals	285,851	281,603
• Finance lease interest charges	-	689

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 Taxation

	31 March 2020 £	31 March 2019 £
Analysis of tax charge / (credit) for the period		
Current tax		
UK corporation tax at 19% (2019: 19%)	-	-
Deferred tax		
Origination and reversal of timing difference	-	-
Tax on profit on ordinary activities	-	-
Provision for deferred tax		
Fixed asset timing differences	18,408	20,034
Losses and other deductions	(18,408)	(20,034)
Total deferred tax (asset) / liability	-	-
Reconciliation of tax charge		
Profit / (loss) on ordinary activities before tax	260,744	(364,634)
Tax on profit / (loss) on ordinary activities at standard CT rate of 19% (2019: 19%)	49,541	(69,280)
<i>Effects of:</i>		
Amounts (charged) / credited directly to equity or otherwise transferred	-	(114,000)
Other permanent differences	-	18,183
Group relief surrendered / (claimed)	-	-
Deferred tax not recognised	(49,541)	147,718
Rate differences	-	17,379
Tax charge / (credit) for the period	-	-

6 Interest payable

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Interest payable on group loan	13,795	210

7 Employees

The company employed no staff (2019: nil) and incurred no employee costs (2019: nil) during the year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

8 Directors' emoluments

Directors' remuneration for the period was nil (2019: nil), and there were no directors (2019: nil) to whom retirement benefits were accruing under defined contribution pension schemes. The directors are remunerated by the parent company, not specifically in respect of Property Plus (Midlands) Limited duties.

9 Tangible fixed assets

	Plant & Equipment	Computer Equipment	Motor Vehicles	Furniture, Fixtures & Fittings	Total
	£	£	£	£	£
Cost					
At 1 April 2019	219,485	17,557	178,408	300,598	716,046
Additions	143,397	-	-	42,072	185,469
At 31 March 2020	362,882	17,557	178,408	342,670	901,517
Depreciation					
At 1 April 2019	50,385	11,989	164,389	115,179	341,942
Current charge	51,609	1,660	13,599	67,844	134,713
At 31 March 2020	101,994	13,649	177,988	183,023	476,654
NBV 31 March 2020	260,888	3,908	420	159,647	424,863
NBV 31 March 2019	169,100	5,568	14,019	185,419	374,107

10 Stocks

	31 March 2020 £	31 March 2019 £
Raw materials and consumables	57,525	57,525

NOTES TO THE FINANCIAL STATEMENTS (continued)

11 Debtors

	31 March 2020	31 March 2019
	£	£
Amounts falling due within one year		
Trade debtors	15,794	4,992
Less: provision for bad and doubtful debts	-	(4,992)
Other debtors	27,311	2,833
Amount due from other Group Associations:		
Sevenside	453,434	724,904
South Staffordshire HA	646,132	989,672
Housing Plus	61,677	957
Stafford and Rural Homes	27,552	-
Housing Worx	3,576	-
Prepayments and accrued income	153,993	106,815
	1,389,469	1,825,181

12 Creditors: amounts falling due within one year

	31 March 2020	31 March 2019
	£	£
Trade creditors	169,053	55,486
Other creditors	5,043	24,819
Intragroup creditors:		
Housing Plus	688,487	1,786,473
Sevenside	139,160	83,756
SSHA	5,482	99
Stafford and Rural Homes	148	-
Net obligations under finance leases and hire purchase contracts	-	-
Accruals and deferred income	824,513	618,190
	1,831,886	2,568,824

NOTES TO THE FINANCIAL STATEMENTS (continued)

13 Leases

13.1 Operating leases

The company held commercial vehicles and lone working safety devices on cancellable operating leases. At 31 March 2019 the total of future minimum lease payments under non cancellable operating leases for each of the following periods:

	31 March 2020 £	31 March 2019 £
Leases for vehicles:		
Not later than one year	187,695	281,603
Later than one year and not later than five years	-	75,387
Leases for buildings:		
Not later than one year	17,270	18,840
Later than one year and not later than five years	-	17,270
Leases for equipment:		
Not later than one year	2,832	4,249
Later than one year and not later than five years	-	2,832
Total	207,797	400,181

14 Called up share capital

	31 March 2020 £	31 March 2019 £
Authorised, allotted, called up and fully paid:		
200 ordinary shares of £0.01 each	2	2

15 Group companies

The ultimate parent undertaking and controlling party is The Housing Plus Group Limited, a registered social landlord (Registered Co-operative and Community Benefit Society No. 30224R). The consolidated financial statements of The Housing Plus Group Limited are available from the Company Secretary, The Housing Plus Group Limited, Acton Court, Acton Gate, Stafford, ST18 9AP.

NOTES TO THE FINANCIAL STATEMENTS (continued)

16 Related party transactions

During the year the company was recharged costs totalling £6,755,475 (2019: £8,228,932) from The Housing Plus Group, its parent undertaking, and provided services at a cost of £79,266 (2019: £14,786). At 31 March 2020 the company was owed £61,677 (2019: £999) by The Housing Plus Group and owed £688,487 (2019: £1,786,516).

On 28 March 2019 the company was granted a loan of £500,000 by The Housing Plus Group. Interest was paid on the loan at LIBOR plus a margin of 3%, totalling £13,795. The loan was fully repaid on 10 January 2020.

During the year the company made sales totalling £8,760,884 (2019: £7,870,949) to Severnside Housing, a company under common control. Also during the year the company was recharged costs from Severnside Housing totalling £2,479,528 (2019: £2,324,128). At 31 March 2020 the company was owed £453,434 (2019: £724,904) by Severnside Housing and owed £139,160 (2019: £83,756).

During the year the company made sales totalling £9,674,730 (2019: £9,781,747) to South Staffordshire Housing, a company under common control. Also during the year the company was recharged costs from South Staffordshire Housing totalling £5,840 (2019: £620). At 31 March 2020 the company was owed £646,132 (2019: £989,672) by South Staffordshire Housing and owed £5,482 (2019: £99).

During the year the company provided services to Care Plus at a cost of £46,872 (2019: £44,457). At 31 March 2020 Property Plus was owed nil (2019: nil) from Care Plus.

During the year the company provided services to Stafford and Rural Homes at a cost of £27,552 (2019: nil). At 31 March 2020 Property Plus was owed £27,552 (2019: nil) from Stafford and Rural Homes.

During the year the company provided services to Housing Worx at a cost of £3,576 (2019: nil). At 31 March 2020 Property Plus was owed £3,576 (2019: nil) from Housing Worx. Also during the year the company was recharged costs from Housing Worx totalling £148 (2019: nil). At 31 March 2020 Property Plus owed £148 (2019: nil) to Housing Worx.

All related party transactions within the group are provided on an arms length basis.

17 Post balance sheet event

The outbreak of the Covid-19 pandemic is an in-year event reflected in the financial statements to 31 March 2020. The pandemic has impacted on the operations of the entity and this is expected to continue into the 2020/21 financial year. From a financial perspective activity has reduced due to lockdown which may reduce income however, as detailed in note 1, the Directors are satisfied that the company is a going concern.