

Property Plus

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 MARCH 2018

Property Plus (Midlands) Limited

Brassey Road, Old Potts Way, Shrewsbury, SY3 7FA

Registration No. 03141171

A member of The Housing Plus Group

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BOARD MEMBERS, EXECUTIVE OFFICERS, AUDITORS, ADVISORS AND BANKERS

DIRECTORS:	A Mason (Chair) A P Hawkesworth P D Price S E Ganderton P Ingle (Executive Director)
SECRETARY:	Mrs I E Molyneux
REGISTERED OFFICE:	Sevenside House Brassey Road Shrewsbury Shropshire SY3 7FA
REGISTERED NUMBER:	03141171 (England and Wales)
AUDITORS:	BDO LLP Two Snowhill, Birmingham, B4 6GA

REPORT OF THE DIRECTORS
For the year ended 31 March 2018

The directors present their report and financial statements of the company for the year ended 31 March 2018. The company changed its name from A. Walters Electrical Contractors Limited to Property Plus (Midlands) Limited on 26th October 2016.

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 £668,785 (2017: loss of £100,488). The directors have resolved to make a donation to other group entities via gift aid.

DIRECTORS

The directors during the year were A Mason, AP Hawkesworth, PD Price, SE Ganderton and P Ingle.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE REPORT OF THE DIRECTORS AND THE FINANCIAL STATEMENTS

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.

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.

REPORT OF THE DIRECTORS (continued)
For the year ended 31 March 2018

So far as each of the directors are aware:

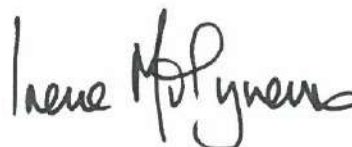
- There is no relevant audit information of which the company's auditors are unaware;
- The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Approved by the Board on 18 July 2018 and signed on its behalf by:



Philip Ingle, Director



Irene 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 2018 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 2018 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 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 at 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.

B D O LLP

Kyla Bellingall (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Birmingham
Date 7 August 2018

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 2018

	<i>Notes</i>	Year ended 31 March 2018 £	Year ended 31 March 2017 £
Turnover		16,862,706	2,168,672
Cost of sales		(12,758,868)	(1,704,047)
Gross profit		4,103,838	464,625
Administrative expenses		(3,435,053)	(534,528)
(Loss) on disposal of fixed assets		-	(30,585)
Operating profit / (loss) and profit / (loss) on ordinary activities for the financial year		668,785	(100,488)

All activities relate to continuing activities. The notes on pages 11 to 16 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
31 March 2018

	Year ended 31 March 2018	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2017
	Share capital	Profit and loss account	Share capital	Profit and loss account
	£	£	£	£
Balance at 1 April	2	171,489	2	271,977
Profit for the financial year	-	668,785	-	(100,488)
Balance at 31 March	2	840,274	2	171,489

STATEMENT OF FINANCIAL POSITION
as at 31 March 2018

	Notes	31 March 2018 £	31 March 2017 £
Fixed assets			
Tangible fixed assets	6	462,554	71,960
Total fixed assets		462,554	71,960
Current assets			
Inventories	7	39,433	25,161
Debtors	8	2,733,950	422,991
Cash at bank and in hand		1,304,927	4,057
		4,078,310	452,209
Creditors			
Amounts falling due within one year	9	(3,700,588)	(343,919)
Net current assets		377,722	108,290
Total assets less current liabilities		840,276	180,250
Creditors			
Amounts falling due after more than one year	10	-	(8,759)
Net assets		840,276	171,491
Capital and reserves			
Called up share capital	13	2	2
Profit and loss account	14	840,274	171,489
Shareholders' funds		840,276	171,491

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 18 July 2018.

Signed on behalf of the board of directors



Philip Ingle

Director



Irene Molyneux

Company Secretary

The notes on pages 11 to 16 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 the provisions of FRS 102 Section 1A small entities.

3 Accounting policies

The financial statements have been prepared under the historical cost convention. The preparation of financial statements in compliance with FRS 102 section 1A Small Entities requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies.

The directors have prepared trading forecasts for the company. These forecasts show that the company has sufficient financial resources to meet its obligations as they fall due for a minimum of 12 months from the date that these financial statements were approved. On this basis the directors have concluded that the going concern basis of preparation is appropriate.

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

Turnover

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

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.

Stocks

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

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

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.

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.

4 Operating profit/(loss)

	Year ended 31 March 2018 £	Year ended 31 March 2017 £
Operating profit/(loss) is stated after charging:		
• Auditors' remuneration	5,400	1,845
• Depreciation – owned assets	89,081	33,150
• Depreciation – assets on finance leases	29,664	32,258
• Finance lease interest charges	1,992	2,509

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 Employees

The company employed no staff (2017: nil) and incurred no employee costs (2017: nil) during the year. During the year the average number of employees was nil (2017: 25). During the year £2.245m of costs were recharged to the company by Severnside and £2.86gm by Housing Plus in respect of employee costs.

6 Directors' emoluments

Directors' remuneration for the period was nil (2017: nil), and there were no directors (2017: 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.

7 Tangible fixed assets

	Plant & Equipment	Computer Equipment	Motor Vehicles	Furniture, Fixtures & Fittings	Total
	£	£	£	£	£
Cost					
At 1 April 2017	4,223	10,914	137,209	-	152,346
Additions	180,226	-	41,198	287,915	509,339
At 31 March 2018	184,449	10,914	178,407	287,915	661,685
Depreciation					
At 1 April 2017	633	7,099	72,654	-	80,386
Current charge	9,174	3,047	57,716	48,808	118,745
At 31 March 2018	9,807	10,146	130,370	48,808	199,131
NBV 31 March 2018	174,642	768	48,037	239,107	462,554
NBV 31 March 2017	3,590	3,815	64,555	-	71,960

Included within the above are fixed assets which are held under hire purchase contracts with net book value totalling £28,386 (2017: £58,050). The current period depreciation charge on these assets is £29,664 (2017: £32,258).

NOTES TO THE FINANCIAL STATEMENTS (continued)

8	Stocks	31 March 2018 £	31 March 2017 £
	Raw materials and consumables	39,433	25,161
9	Debtors	31 March 2018 £	31 March 2017 £
	Amounts falling due within one year		
	Trade debtors	4,992	14,594
	Other debtors	-	28,135
	Amount due from other Group Associations:		
	Sevenside	1,333,973	143,430
	A Walters Electrical Limited	-	236,832
	South Staffordshire HA	1,160,599	-
	Housing Plus	63,057	-
	Prepayments and accrued income	171,329	-
		2,733,950	422,991
10	Creditors: amounts falling due within one year	31 March 2018 £	31 March 2017 £
	Trade creditors	182,908	146,490
	Other creditors	65,368	67,191
	Intragroup creditors:		
	Housing Plus	259,789	26,115
	Sevenside	1,067,784	43,420
	A Walters Electrical Limited	-	513
	Net obligations under finance leases and hire purchase contracts	8,759	24,769
	Accruals and deferred income	1,515,980	35,421
		3,700,588	343,919
11	Creditors: amounts falling due after one year	31 March 2018 £	31 March 2017 £
	Net obligations under finance leases and hire purchase contracts	-	8,759

NOTES TO THE FINANCIAL STATEMENTS (continued)

12 Finance leases and hire purchase

A number of vehicles are held on hire purchase. The total future minimum lease payments under finance leases and hire purchase:

	31 March 2018 £	31 March 2017 £
Not later than one year	8,759	24,769
Later than one year and not later than five years	-	8,759
Total	8,759	33,528

13 Pension contributions

The company operated a defined contribution pension scheme in the prior year. The assets of the scheme are held separately from those of the company in an independently administered fund. At the balance sheet date, unpaid contributions of £nil (2017: £4,409) were due to the fund. They are included in other creditors.

14 Called up share capital

	31 March 2018 £	31 March 2017 £
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)

17 Related party transactions

During the year the company was recharged costs totalling £6,318,231 (2017: £26,155) from The Housing Plus Group, its parent undertaking, and provided services at a cost of £20,855 (2017: £nil). At 31 March 2018 the company was owed £63,057 (2017: £nil) by The Housing Plus Group and owed £259,789 (2017: £26,155).

During the year the company made sales totalling £8,561,328 (2017: £1,136,541) to Severnside Housing, a company under common control. Also during the year the company was recharged costs from Severnside Housing totalling £3,937,337 (2017: £47,175). At 31 March 2018 the company was owed £1,333,973 (2017: £143,430) by Severnside Housing and owed £1,667,784 (2017: £43,420).

During the year the company made sales totalling £8,939,332 (2017: £nil) to South Staffordshire Housing, a company under common control. Also during the year the company was recharged costs from South Staffordshire Housing totalling £464,001 (2017: £nil). At 31 March 2018 the company was owed £1,160,599 (2017: £nil) by South Staffordshire Housing.

During the year the company recharged expenditure totalling £306,982 (2017: £1,032,032) and made purchases totalling £16,890 (2017: £756) to A Walters Electrical Ltd, a company under common control. At 31 March 2018 the company was owed £nil (2017: £236,832) by A Walters Electrical Limited and owed £nil (2017: £513).

During the year the company provided services to Care Plus at a cost of £21,268 (2017: £nil).

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