

Orchard & Shipman Homes Limited

**Directors' Report and Financial Statements
For the year ended 30 September 2017**

Registered number: 07532748

WEDNESDAY



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27/06/2018
COMPANIES HOUSE

Company Information

Directors	I R Fletcher C Shipman L Richards
Company secretary	L Richards
Registered number	07532748
Registered office	Orchard & Shipman House 1 Progress Business Centre Whittle Parkway Slough Berkshire SL1 6DQ
Independent auditors	Price Bailey LLP Chartered Accountants & Statutory Auditors Dashwood House 69 Old Broad Street London EC2M 1QS

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Directors' Report

For the year ended 30 September 2017

The directors present their report and the audited financial statements of the Company for the year ended 30 September 2017.

Principal activities

The principal activities of the company are the provision and management of social housing.

Directors

The directors who served during the year were:

I R Fletcher

C Shipman

L Richards

Business review and future developments

The loss for the financial year, after taxation, amounted to £26,605 (2016: loss of £104,242). No changes in the Company's operations are anticipated in future periods.

Principal risks and uncertainties

The Company is exposed to a variety of financial risks which results from its operating activities that include credit risk and liquidity risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

Credit risk

Credit risk arises from cash at bank and in hand, as well as credit exposures to the customers of the Company, including outstanding receivables. For banks and financial institutions, only independently rated parties with a high credit rating are accepted. The creditworthiness of customers granted a credit term in the normal course of business is monitored continually. The terms and conditions of credit sales are designed to mitigate or eliminate concentrations of credit risk with any single customer. Sales are not materially dependent on a single customer or a small group of customers.

Liquidity risk

In order to maintain liquidity for ongoing operations and future growth, the ultimate parent of the Company ensures sufficient funds are available to the Company to meet its liabilities as they fall due. These amounts are posted through the intercompany accounts and are repayable on demand.

Directors' indemnity insurance

The Company has purchased and maintained throughout the year, directors' and officers' liability insurance in respect of itself and its directors, as is permitted by the Companies Act 2006.

Directors' Report (continued)

For the year ended 30 September 2017

Going concern

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of the ultimate parent Company Orchard and Shipman Group Limited. The directors have received confirmation that Orchard and Shipman Group Limited intend to support the company for at least one year after these financial statements are signed.

Dividends

No interim dividends were paid during the year (2016: £nil), nor do the Directors recommend payment of a final dividend for 2017 (2016: £nil).

Employees

The company has no employees (2016: none).

Statement of 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 prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

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;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' Report (continued)

For the year ended 30 September 2017

Statement of directors' responsibilities (continued)

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- as far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Independent auditors

The auditors, Price Bailey LLP, have indicated their willingness to continue in office, and a resolution that they be reappointed will be proposed at the annual general meeting.

Small company provisions

This report has been prepared in accordance with the small companies' regime under the Companies Act 2006. The company has also taken advantage of the small companies' exemption from preparing a Strategic Report.

This report was approved by the board and signed on its behalf by:



C Shipman
Director

19th June 2018

Independent Auditor's Report to the Shareholders of Orchard & Shipman Homes Limited

Opinion

We have audited the financial statements of Orchard & Shipman Homes Limited (the 'company') for the year ended 30 September 2017 which comprise Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2017, and of its profit or loss 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 Shareholders of Orchard & Shipman Homes Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' 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 our 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
- 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 directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on pages 2 and 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.

Independent Auditor's Report to the Shareholders of Orchard & Shipman Homes Limited (continued)

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. This description forms part of our Auditor's Report.



Richard Vass (Senior Statutory Auditor)

For and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Dashwood House
69 Old Broad Street
London
EC2M 1QS

Date: *26 June 2018*

Statement of comprehensive income

For the year ended 30 September 2017

		2017	2016
			As restated
	Note	£	£
Turnover	4	1,713,803	1,679,020
Cost of sales		(1,720,836)	(1,755,035)
Gross loss		(7,033)	(76,015)
Administrative expenses		(19,352)	(28,066)
Loss on ordinary activities before interest and taxation		(26,385)	(104,081)
Interest payable and similar charges	6	(220)	(161)
Loss on ordinary activities before taxation	5	(26,605)	(104,242)
Tax on loss on ordinary activities	7	-	-
Loss for the financial year		(26,605)	(104,242)
Other comprehensive income		-	-
Total comprehensive loss for the year		(26,605)	(104,242)

All amounts relate to continuing operations.

The notes on pages 10 to 15 form part of these financial statements.

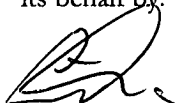
Balance Sheet

As at 30 September 2017

	Note	2017 £	2016 £
Current assets			
Debtors	8	105,789	33,238
Cash at bank and in hand		4,573	1,738
		110,362	34,976
Creditors: amounts falling due within one year	9	(112,839)	(168,210)
Net current liabilities		(2,477)	(133,234)
Total assets less current liabilities			
Creditors: amounts falling due after one year		(157,362)	-
Net liabilities		(159,839)	(133,234)
Capital and reserves			
Called up share capital	10	1	1
Retained earnings		(159,840)	(133,235)
Total shareholders' deficit		(159,839)	(133,234)

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS102 Section 1A – small entities.

The financial statements on pages 7 to 15 were approved and authorised for issue by the board and were signed on its behalf by:



C Shipman

Director

Date: 19th June 2018

The notes on pages 10 to 15 form part of these financial statements.

Statement of changes in equity

For the year ended 30 September 2017

Company	Called up share capital	Retained earnings	Total
	£	£	£
As at 1 October 2016	1	(133,235)	(133,234)
Total comprehensive loss for the year	-	(26,605)	(26,605)
As at 30 September 2017	1	(159,840)	(159,839)

Company	Called up share capital	Retained earnings	Total
	£	£	£
As at 1 October 2015	1	(28,992)	(28,992)
Total comprehensive loss for the period	-	(104,242)	(104,242)
As at 30 September 2016	1	(133,235)	(133,234)

The notes on pages 10 to 15 form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 September 2017

1. General information

The Company is a private company limited by shares and is incorporated in the United Kingdom and registered in England. The address of its registered office is Orchard & Shipman House, 1 Progress Business Centre, Whittle Parkway, Slough SL1 6DQ. The Company's financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Section 1A of Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" and the Companies Act 2006.

2. Summary of significant accounting policies

2.1 Basis of preparation

The functional and presentational currency of the company is GBP being the primary currency of the economic environment in which the company operates.

These financial statements are prepared on the going concern basis, under the historical cost convention. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The directors have reviewed the accounting policies adopted by the Company and consider them to be the most appropriate. The principal accounting policies of the Company are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

2.2 Going concern

The directors, having assessed the responses of the directors of the Company's parent, Orchard and Shipman Group Limited, to their enquiries, have no reason to believe that a material uncertainty exists which may cast doubt about the ability of the Orchard and Shipman group to continue as a going concern. On the basis of their assessment of the Company's financial position and of the enquires made of the directors of Orchard and Shipman Group Limited, and confirmation that Orchard and Shipman Group Limited intend to support the Company for at least one year after these financial statements are signed, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.3 Turnover

Turnover comprises revenue recognised by the Company in respect of services supplied during the year, exclusive of Value Added Tax and trade discounts. Turnover comprises fees for property management, and income from property related services supplied.

Turnover is recorded on the accruals basis and is therefore accrued for services provided by the accounting date but not yet invoiced, and deferred if services are invoiced but not yet fully provided for by the accounting date.

Notes to the Financial Statements

For the year ended 30 September 2017

2.4 Financial instruments

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

i. Financial assets

Basic financial assets, including trade receivables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

Financial assets are derecognised when (a) the contractual rights to the flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii. Financial liabilities

Basic financial liabilities, including trade payables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

iii. Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the Financial Statements

For the year ended 30 September 2017

2.5 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.6 Operating leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

2.7 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

2.8 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Notes to the Financial Statements

For the year ended 30 September 2017

3. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Impairment of debtors

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

4. Turnover

The whole of the turnover is attributable to the principal activities of the business. All turnover arose within the United Kingdom.

5. Operating loss

None of the directors were remunerated by the Company during the year (2016: None). The directors' compensation cannot be reasonably apportioned to the entity and therefore all costs were borne by Orchard and Shipman Group Ltd, a company incorporated in the UK. There was no apportionment of their salary to the Company. There is therefore no highest paid director in 2017 or in 2016. The audit fee is paid by the parent company, Orchard and Shipman Group Ltd, on behalf of the Company.

6. Interest payable and similar charges

	2017	2016
	£	£
Interest payable on bank overdrafts	(220)	(161)

7. Tax on loss on ordinary activities

Analysis of tax charge in the year/period

	2017	2016
	£	£
Current tax		
UK corporation tax charge on loss for the year	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	-
Tax on loss on ordinary activities	-	-

Notes to the Financial Statements

For the year ended 30 September 2017

7. Tax on loss on ordinary activities (continued)

Factors affecting tax charge for the year

The tax assessed for the year/period is higher than (2016: higher than) the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%). The differences are explained below:

	2017 £	2016 £
Loss on ordinary activities before tax	(26,605)	(104,242)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.00% (2016: 20%)	(5,321)	(20,848)
Effects of:		
- Unrelieved tax losses carried forward	5,321	20,848
Current tax charge for the year/period	-	-

The Company has carried forward trade losses of £159,540 (2016: £131,804).

8. Debtors

	2017 £	2016 £
Trade debtors	91,520	33,238
Amounts owed by group undertakings	14,269	-
	105,789	33,238

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

9. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	10,712	13,920
Amounts owed to group undertakings	-	154,290
Other creditors	102,127	-
	112,839	168,210

Notes to the Financial Statements

For the year ended 30 September 2017

10. Creditors: amounts falling due after one year

	2017	2016
	£	£
Other creditors	157,362	-
	157,362	-

11. Called up share capital

	2017	2016
	£	£
Allotted, called up and fully paid		
1 (2016:1) Ordinary shares share of £1	1	1

12. Related party transactions

The Company is wholly owned subsidiary of Orchard & Shipman Group Limited, and has taken advantage of the exemption afforded within FRS 102 to not disclose transactions or balances with other entities which form the part of its group.

13. Ultimate parent undertaking and controlling party

The Company's immediate and ultimate parent and controlling company is Orchard and Shipman Group Limited, a company incorporated in the United Kingdom, by virtue of its 100% ownership of the share capital of the company.

Orchard and Shipman Group is the largest and smallest group in which the results of the Company are consolidated is that headed by Orchard and Shipman Group Limited. A copy of these financial statements can be obtained from Companies House.

14. Correction of prior period errors

A prior period adjustment has been made to re-classify costs that are more appropriately recognised as cost of sales rather than administration costs. This adjustment has had no effect on net liabilities as at 30 September 2016 or the loss for the period then ended.

The adjustment resulted in the restatement of the cost of sales from £nil to £1,755,035 and administrative expenses from £1,783,035 to £28,066