

Company No 03337048

Orwell Homes Limited

Report and Financial Statements

Year Ended

31 December 2013

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ORWELL HOMES LIMITED

Annual report and financial statements for the year ended 31 December 2013

Contents

Page:

2	Officers and general information
3	Report of the directors
5	Report of the independent auditor
6	Profit and loss account
7	Balance sheet
8	Notes forming part of the financial statements

ORWELL HOMES LIMITED

Officers and general information

Directors at the date of this report

Mr D W McAllister - Chair
Mr S C Cook FCIH
Dr I Beaumont
Mrs W S Evans-Hendrick BA (Hons) Dip DM DMS
Mr S R Javes MBA Bsc(Hons) DMS FCIH MIEH

Secretary

Mr C Wyer FCCA

Registered Office

Crane Hill Lodge, 325 London Road, Ipswich, Suffolk IP2 0BE (Telephone 01473 218818)

Bankers

Lloyds TSB Bank plc, 13 Cornhill, Ipswich, Suffolk, IP1 1DG

Independent Auditor

Baker Tilly UK Audit LLP, Abbotsgate House, Hollow Road, Bury St Edmunds, Suffolk IP32 7FA

Company Number

03337048

ORWELL HOMES LIMITED

Report of the directors for the year ended 31 December 2013

The directors present their report together with the audited financial statements for the year ended 31 December 2013

Principal activities

The company's principal activities are the provision of construction services to the parent company Orwell Housing Association Limited, together with the development of residential housing, although there has not been any active residential housing development in 2013

Results

The profit and loss account is set out on page 6 and shows the result for the year

Directors

The directors of the company who held office during the year were as listed on page 2

Third party indemnity provision for Directors and Officers

Qualifying third party indemnity provision is in place for the benefit of all directors and officers of the company

Charitable donations

During the year the company made charitable contributions totalling £56,737 (2012 - £23,872) under gift aid to its parent company, Orwell Housing Association Limited

Directors' responsibilities

The directors are responsible for preparing the Annual 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 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 those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and estimates that are reasonable and prudent,
- c 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 to enable them to ensure that the financial statements comply with the requirements of 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

ORWELL HOMES LIMITED

Report of the directors for the year ended 31 December 2013 (continued)

Statement as to disclosure of information to auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all of the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Going concern

In the opinion of the Board, the company has adequate resources to continue in operation for the foreseeable future. For this reason, the going concern basis has been adopted in preparing the financial statements.

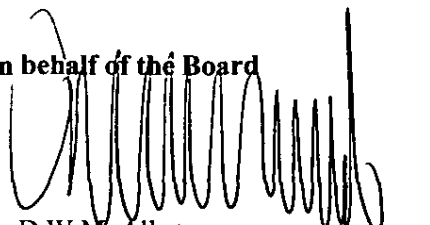
Auditor

Baker Tilly UK Audit LLP has indicated its willingness to continue in office. A resolution to re-appoint Baker Tilly UK Audit LLP as auditors will be proposed at the Annual General Meeting.

Small company exemptions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the Board



Mr D W McAllister
Chair

26 March 2014

ORWELL HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ORWELL HOMES LIMITED

We have audited the financial statements on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's member 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 member those matters we are required to state to it 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 member for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its result 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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 and the directors' report in accordance with the small companies regime

Baker Tilly UK Audit LLP

PETER HOWARD (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk
IP32 7FA

28/03/14

ORWELL HOMES LIMITED

Profit and loss account for the year ended 31 December 2013

	Note	2013 £	2012 £
Turnover	2	5,536,401	9,813,786
Cost of sales		(5,420,491)	(9,713,114)
Gross profit		115,910	100,672
Other operating expenses	3	(65,282)	(76,800)
Operating profit		50,628	23,872
Interest receivable	4	6,109	-
Gift aid		(56,737)	(23,872)
Profit on ordinary activities before taxation	5	-	-
Taxation	7	-	11
Profit for the financial year	12	-	11

The operating profit for the period arises from the company's continuing activities

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account

The notes on pages 8 to 11 form part of these financial statements

ORWELL HOMES LIMITED

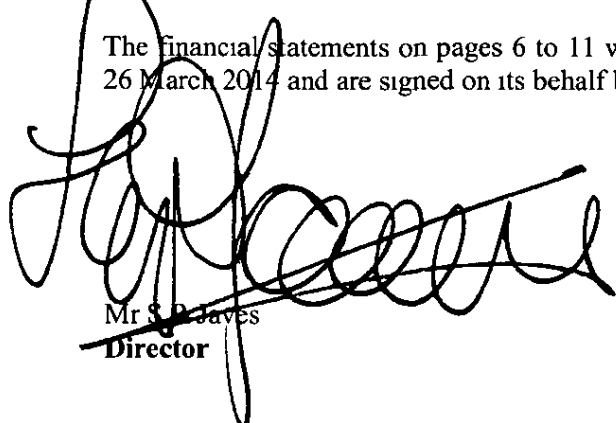
Balance sheet at 31 December 2013

Company No 03337048

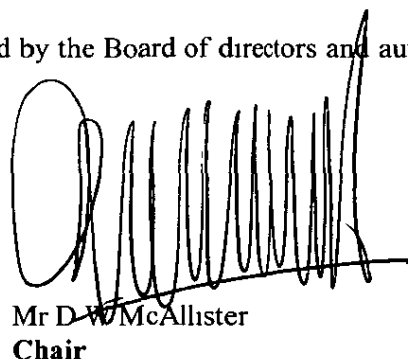
	Note	31 December 2013 £	31 December 2012 £
Current assets			
Work in progress	8	-	81,123
Debtors	9	369,092	351,386
Cash at bank and in hand		466,149	158,406
		<u>835,241</u>	<u>590,915</u>
Creditors: amounts falling due within one year	10	<u>(834,577)</u>	<u>(590,251)</u>
Net assets		<u>664</u>	<u>664</u>
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account		662	662
Shareholder's funds	12	<u>664</u>	<u>664</u>

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

The financial statements on pages 6 to 11 were approved by the Board of directors and authorised for issue on 26 March 2014 and are signed on its behalf by



Mr S. D. Jones
Director



Mr D. W. McAllister
Chair

The notes on pages 8 to 11 form part of these financial statements

ORWELL HOMES LIMITED

Notes forming part of the financial statements for the year ended 31 December 2013

1 Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Going concern

In the opinion of the Board, the company has adequate resources to continue in operation for the foreseeable future. For this reason, the going concern basis has been adopted in preparing the financial statements

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and/or services in the ordinary nature of the business. Turnover is shown net of Value Added Tax. It includes goods sold and services provided to customers and, in the case of long term contracts, credit is taken appropriate to the stage of completion when the outcome of the contract can be assessed with reasonable certainty.

Work in progress

Long-term contracts are assessed on a contract by contract basis and are reflected in the income and expenditure account by recording turnover and related costs as contract activity progresses. Turnover is ascertained in a manner appropriate to the stage of completion of the contract, and credit taken for profit earned to date when the outcome of the contract can be assessed with reasonable certainty. The amount by which turnover exceeds payments on account is classified as 'amounts recoverable on contracts' and included in debtors, to the extent that payments on account exceed relevant turnover, the excess is included as a creditor. Full provision is made for all known or expected losses on individual contracts.

Where contracts have started but are not at a stage where turnover can be recognised, the cost of raw materials and labour together with attributable overheads are recognised as work in progress.

Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company and is included in the consolidated accounts, which includes a consolidated cashflow statement, of its parent entity.

2 Turnover

Turnover is wholly attributable to the principal activities of the company and arises solely within the United Kingdom.

3 Other operating expenses

	2013 £	2012 £
Administration expenses	<u>65,282</u>	<u>76,800</u>

ORWELL HOMES LIMITED

Notes forming part of the financial statements for the year ended 31 December 2013 (*continued*)

4 Interest receivable

	2013 £	2012 £
On bank and building society deposits	<u>6,109</u>	<u>-</u>

5 Profit on ordinary activities before taxation

	2013 £	2012 £
Profit on ordinary activities before taxation is stated after charging		
Auditors' remuneration		
As auditors	<u>2,500</u>	<u>3,000</u>

6 Employees

The directors were the only employees of the company during the year. No amounts were paid during the period in respect of directors' emoluments and there were no related social security costs. Services were provided by certain staff of Orwell Housing Association Limited and the related costs are included in other operating expenses.

7 Taxation

	2013 £	2012 £
Current tax		
UK Corporation tax on profits of current year	-	-
Adjustment in respect of prior year	-	11
	<u>-</u>	<u>11</u>

Factors affecting tax charge for the year

The tax assessed for the period is different to the standard rate of corporation tax for small companies of 20% (2012 – 20%) as explained below

	2013 £	2012 £
Profit on ordinary activities before tax	<u>-</u>	<u>-</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax for small companies	-	-
Adjustment in respect of prior year	-	11
	<u>-</u>	<u>11</u>

ORWELL HOMES LIMITED

Notes forming part of the financial statements for the year ended 31 December 2013 (continued)

8 Work in progress

	2013 £	2012 £
Amounts under long term contracts	-	81,123

9 Debtors

	2013 £	2012 £
Due within one year		
Group company debtors	163,657	69,104
VAT recoverable	6,009	565
Amounts recoverable on contracts	199,426	281,717
	<u>369,092</u>	<u>351,386</u>

10 Creditors: amounts falling due within one year

	2013 £	2012 £
Payments on account of long term work in progress	123,300	94,815
Trade creditors	234,325	254,517
Group company creditors	252,028	32,121
Contractors for certificate work and unpaid retentions	217,775	165,990
Other creditors and accruals	7,149	42,808
	<u>834,577</u>	<u>590,251</u>

11 Share capital

	2013 £	2012 £
Authorised		
100 ordinary shares of £1 each	100	100
Allotted, issued and fully paid		
2 ordinary shares of £1 each	2	2

ORWELL HOMES LIMITED

Notes forming part of the financial statements for the year ended 31 December 2013 *(continued)*

12 Reconciliation of Movement in Shareholder's Funds

	2013 £	2012 £
Profit for the financial year	-	11
	<u>-</u>	<u>11</u>
Opening shareholder's funds	664	653
Closing shareholder's funds	<u>664</u>	<u>664</u>

13 Other financial commitments

	2013 £	2012 £
Expenditure contracted, less certified	<u>3,197,900</u>	<u>2,312,317</u>

The above expenditure will be financed by contractual arrangements in place with the parent company

14 Related party transactions

The ultimate controlling party is Orwell Housing Association Limited Advantage has been taken of the exemption under FRS8 not to disclose details of transactions and balances with the parent company as the company is a 100% subsidiary and included in the parent company's consolidated accounts

15 Ultimate parent company

In the opinion of the directors, the company's immediate and ultimate holding company is Orwell Housing Association Limited, a Registered Provider and a company limited by guarantee and incorporated in England A copy of the accounts can be obtained from the Company Secretary at the registered office noted on Page 2