



ANNUAL REPORT AND FINANCIAL STATEMENTS

31 MARCH 2019

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 (resigned 1 November 2018) A P Hawkesworth (resigned 1 November 2018) L Haynes (appointed 1 November 2018) P D Price (resigned 1 November 2018) S E Ganderton (resigned 1 November 2018) 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 2019

The directors present their report and financial statements of the company for the year ended 31 March 2019. 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 loss in the year of £364,844 (2018: profit of £668,785). The directors resolved to make a donation to other group entities via gift aid during the year of £600,000.

DIRECTORS

The directors who served the company during the year were A Mason (resigned 1 November 2018), AP Hawkesworth (resigned 1 November 2018), L Haynes (appointed 1 November 2018), PD Price (resigned 1 November 2018), SE Ganderton (resigned 1 November 2018) 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 2019

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 23 July 2019 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 2019 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 2019 and of its 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 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

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.

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.

BDO WP

Kyla Bellingall (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Birmingham
Date 7 Aug. 2019

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 2019

	<i>Notes</i>	Year ended 31 March 2019 £	Year ended 31 March 2018 £
Turnover		17,581,558	16,862,706
Cost of sales		(13,483,139)	(12,758,868)
Gross profit		4,098,419	4,103,838
Administrative expenses		(4,463,053)	(3,435,053)
Operating profit / (loss)	4	(364,634)	668,785
Interest payable	6	(210)	-
Profit / (loss) on ordinary activities before taxation		(364,844)	668,785
Tax on profit / (loss) on ordinary activities	5	-	-
Profit / (loss) for the year		(364,844)	668,785

All activities relate to continuing activities. The notes on pages 11 to 17 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
31 March 2019

	Year ended 31 March 2019	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2018
	Share capital £	Profit and loss account £	Share capital £	Profit and loss account £
Balance at 1 April	2	840,274	2	171,489
Profit/(loss) for the financial year	-	(364,844)	-	668,785
Gift aid distribution	-	(600,000)	-	-
Balance at 31 March	2	(124,570)	2	840,274

STATEMENT OF FINANCIAL POSITION
as at 31 March 2019

	<i>Notes</i>	31 March 2019	31 March 2018
		£	£
Fixed assets			
Tangible fixed assets	9	374,106	462,554
Total fixed assets		374,106	462,554
Current assets			
Inventories	10	57,525	39,433
Debtors	11	1,825,181	2,733,950
Cash at bank and in hand		187,444	1,304,927
		2,070,150	4,078,310
Creditors			
Amounts falling due within one year	12	(2,568,824)	(3,700,588)
Net current assets		(498,674)	377,722
Total assets less current liabilities		(124,568)	840,276
Capital and reserves			
Called up share capital	14	2	2
Profit and loss account		(124,570)	840,274
Shareholders' funds		(124,568)	840,276

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 23 July 2019.

Signed on behalf of the board of directors

Philip Ingle
Director




Irene Molyneux
Company Secretary

The notes on pages 11 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 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 2019 £	Year ended 31 March 2018 £
The operating profit/(loss) is stated after charging:		
• Auditors' remuneration (exc. VAT)	1,575	5,400
• Depreciation – owned assets	142,809	89,081
• Depreciation – assets on finance leases	-	29,664
• Operating lease rentals	281,603	-
• Finance lease interest charges	689	1,992

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 Taxation

	31 March 2019 £	31 March 2018 £
Analysis of tax charge / (credit) for the period		
Current tax		
UK corporation tax at 19% (2018: 19%)	-	-
Deferred tax		
Origination and reversal of timing difference	-	-
Tax on profit on ordinary activities	-	-
Provision for deferred tax		
Fixed asset timing differences	20,034	-
Losses and other deductions	(20,034)	-
Total deferred tax (asset) / liability	-	-
Reconciliation of tax charge		
Profit / (loss) on ordinary activities before tax	(364,634)	668,785
Tax on profit / (loss) on ordinary activities at standard CT rate of 19% (2018: 19%)	(69,280)	127,069
<i>Effects of:</i>		
Amounts (charged) / credited directly to equity or otherwise transferred	(114,000)	-
Other permanent differences	18,183	-
Group relief surrendered / (claimed)	-	(1,942)
Deferred tax not recognised	147,718	(111,956)
Rate differences	17,379	(13,171)
Tax charge / (credit) for the period	-	-

6 Interest payable

	Year ended 31 March 2019 £	Year ended 31 March 2018 £
Interest payable on group loan	210	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

7 Employees

The company employed no staff (2018: nil) and incurred no employee costs (2018: nil) during the year.

8 Directors' emoluments

Directors' remuneration for the period was nil (2018: nil), and there were no directors (2018: 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
	£	£	£	£	£
<i>Cost</i>					
At 1 April 2018	184,449	10,914	178,407	287,915	661,685
Additions	35,036	6,642	-	12,683	54,361
At 31 March 2019	219,485	17,556	178,407	300,598	716,046
<i>Depreciation</i>					
At 1 April 2018	9,807	10,146	130,370	48,808	199,131
Current charge	40,578	1,843	34,017	66,371	142,809
At 31 March 2019	50,385	11,989	164,387	115,179	341,940
NBV 31 March 2019	169,100	5,567	14,020	185,419	374,106
NBV 31 March 2018	174,642	768	48,037	239,107	462,554

10 Stocks

	31 March 2019 £	31 March 2018 £
Raw materials and consumables	57,525	39,433

NOTES TO THE FINANCIAL STATEMENTS (continued)

11 Debtors

	31 March 2019	31 March 2018
	£	£
Amounts falling due within one year		
Trade debtors	4,992	4,992
Less: provision for bad and doubtful debts	(4,992)	-
Other debtors	2,833	-
Amount due from other Group Associations:		
Sevenside	724,904	1,333,973
South Staffordshire HA	989,672	1,160,599
Housing Plus	957	63,057
Prepayments and accrued income	106,815	171,329
	1,825,181	2,733,950

12 Creditors: amounts falling due within one year

	31 March 2019	31 March 2018
	£	£
Trade creditors	55,486	182,908
Other creditors	24,819	65,368
Intragroup creditors:		
Housing Plus	1,786,473	259,789
Sevenside	83,756	1,667,784
SSHA	99	-
Net obligations under finance leases and hire purchase contracts	-	8,759
Accruals and deferred income	618,190	1,577,800
	2,568,824	3,700,588

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 2019	31 March 2018
	£	£
Leases for vehicles:		
Not later than one year	281,603	-
Later than one year and not later than five years	75,387	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

13.1 Operating leases (continued)

	31 March 2019 £	31 March 2018 £
Leases for buildings:		
Not later than one year	18,840	18,840
Later than one year and not later than five years	17,270	36,110
Leases for equipment:		
Not later than one year	4,249	-
Later than one year and not later than five years	2,832	-
Total	400,181	54,950

13.2 Finance leases and hire purchase

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

	31 March 2019 £	31 March 2018 £
Not later than one year	-	8,759
Later than one year and not later than five years	-	-
Total	-	8,759

14 Called up share capital

	31 March 2019 £	31 March 2018 £
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 £8,228,932 (2018: £6,318,231) from The Housing Plus Group, its parent undertaking, and provided services at a cost of £14,786 (2018: £20,855). At 31 March 2019 the company was owed £999 (2018: £63,057) by The Housing Plus Group and owed £1,786,516 (2018: £259,789).

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 £210.

During the year the company made sales totalling £7,870,949 (2018: £8,561,328) to Severnside Housing, a company under common control. Also during the year the company was recharged costs from Severnside Housing totalling £2,324,128 (2018: £3,937,337). At 31 March 2019 the company was owed £724,904 (2018: £1,333,973) by Severnside Housing and owed £83,756 (2018: £1,667,784).

During the year the company made sales totalling £9,781,747 (2018: £8,939,332) to South Staffordshire Housing, a company under common control. Also during the year the company was recharged costs from South Staffordshire Housing totalling £620 (2018: £464,001). At 31 March 2019 the company was owed £989,672 (2018: £1,160,599) by South Staffordshire Housing and owed £99 (2018: £nil).

During the year the company recharged no expenditure (2018: £306,982) and made no purchases (2018: £16,980) to A Walters Electrical Ltd, a company under common control.

During the year the company provided services to Care Plus at a cost of £44,457 (2018: £21,268).

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

