

Annual Report and Financial Statements

Garden City Design & Build Limited

Year ended 31 March 2020

Garden City Design & Build Limited

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Garden City Design & Build Limited**Executive Directors and Bankers****Directors**

Bishop David Walker
Nigel Sedman
Kevin Lowry (resigned 12 September 2019)
Nicholas Horne (appointed 12 September 2019)

Company Secretary

Shahida Latif-Haider

Registered Office

Wythenshawe House
8 Poundswick Lane
Manchester
M22 9TA

Registration Numbers

Company number

10987242

External Auditors

Grant Thornton UK LLP
Chartered Accountants and Registered Auditor
4 Hardman Square
Spinningfields
Manchester
M3 3EB

Bankers

National Westminster Bank PLC
Didsbury Branch
699 Wilmslow Road
Didsbury
Manchester
M20 6NW

Garden City Design & Build Limited

Directors Report

The directors present the audited financial statements of Garden City Design & Build Limited for the year ended 31 March 2020.

Principal activities

Garden City Design & Build Limited's principal activity is the development of social and non-social properties.

Performance for the year

Garden City Design & Build Limited began trading in 2017. During the financial year 2019/2020, the company recorded a profit for the year of £58k (2019: £82k). In the year to 31 March 2020, £82k of gift aid was paid to Parkway Green Housing trust (2019:£nil). No dividends were paid or are payable for the year ended 31 March 2020 (2019: £nil).

The Board and the Executive Officers

The Board is responsible for managing the affairs of the Garden City Design & Build Limited.

Details of the directors of Garden City Design & Build Limited, and those who served during the year are detailed on page 3.

Officers' insurance

Garden City Design & Build Limited has insurance against the liabilities of directors and executive officers in relation to the company's activities.

Going Concern

The financial statements have been prepared on a going concern basis as the Directors are of the opinion that the company has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than twelve months from the date the report and financial statements are approved.

The company is reliant on trading from its fellow Group subsidiaries, Willow Park Housing Trust and Parkway Green Housing Trust. A small profit was reported in the financial statements for the period ended 31 March 2020. Whilst there has been a slowdown in trading due to the impact of the Covid-19 pandemic on construction site activity, because of the future pipeline of development projects in the business plan of the Group, the directors have no reason to believe that any material uncertainty exists that may cast significant doubt about the ability of Garden City Design & Build Limited to continue as a going concern.

Statement of 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

Garden City Design & Build Limited

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepared in accordance with UK applicable Accounting Standards, 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.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all 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 company's auditor is aware of that information.

Auditors

Grant Thornton UK LLP has expressed a willingness to remain in office as external auditors.

Approval

In preparing this report, the Board members have taken advantage of the small companies exemptions provided by part 15 of the Companies Act 2006.

This report was approved by the Board on 27 July 2020 and signed on its behalf by:

Bishop David Walker

Director
Bishop David Walker
27 July 2020

Garden City Design & Build Limited

Independent auditor's report to the members of Garden City Design & Build Limited

Opinion

We have audited the financial statements of Garden City Design & Build Limited (the 'company') for the year ended 31 March 2020, which comprise Statement of Income and Retained Earnings, Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.

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

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- 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.

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.

Matter on which we are required to report under the Companies Act 2006

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 directors' report.

Matters on which we are required to report by exception

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 for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 4, 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.

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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.

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.

Grant Thornton UK LLP

Gary Jones
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Manchester
Dated 29/7/2020

Garden City Design & Build Limited

Statement of Income and Retained Earnings for the year ended 31 March 2020

	Note	2020 £'000	2019 £'000
Turnover	3	13,071	8,373
Cost of sales		(12,939)	(8,149)
Gross profit		132	224
Administrative expenses		(74)	(142)
Profit before taxation		58	82
Taxation	4	(11)	(16)
Tax relief in respect of gift aid	4	-	16
Profit after taxation		47	82
Retained earnings at 1 st April 2019		82	-
Gift aid		(82)	-
Retained earnings at 31 st March 2020		47	-

The accompanying notes form part of these financial statements.

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Statement of Financial Position as at 31 March 2020

	Note	2020 £'000	2019 £'000
Current Assets			
Trade and other debtors	7	43	1,112
Cash at bank and in hand		81	46
Current assets		124	1,158
Creditors: amounts falling due within one year	8	(77)	(1,076)
Net current assets		47	82
Total assets less current liabilities		47	82
Total net assets		47	82
Reserves			
Revenue reserve	9	47	82
Shareholders' funds		47	82

The principal statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

Company Registration number: 10987242

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board on 27 July 2020 and were signed on its behalf by:

Bishop David Walker

Director
Bishop David Walker
27 July 2020

Garden City Design & Build Limited

Notes to the Financial Statements for the year ended 31 March 2020

1. Company information

The Company is a private company limited by shares and is Registered in England and Wales under the Companies Act 2006.

Registered number: 10987242

The registered office is Wythenshawe House, 8 Poundswick Lane, Manchester, M22 9TA.

2. Principal accounting policies

Basis of accounting

The financial statements have been prepared in accordance with the provisions of Section 1A (Small Entities) of FRS102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland for smaller entities and with the Companies Act 2006.

The financial statements are presented in Sterling (£).

The following principal accounting policies have been applied.

Going Concern

The financial statements have been prepared on a going concern basis as the directors are of the opinion that the company has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than twelve months from the date the report and financial statements are approved.

The company is reliant on trading from its fellow Group subsidiaries, Willow Park Housing Trust and Parkway Green Housing Trust. A small profit was reported in the financial statements for the period ended 31 March 2020. Whilst there has been a slowdown in trading due to the impact of the COVID-19 pandemic on construction site activity, because of the future pipeline of development projects in the business plans of the Group subsidiaries, the directors have no reason to believe that any material uncertainty exists that may cast significant doubt about the ability of Garden City Design & Build Limited to continue as a going concern.

Turnover

Turnover represents income receivable, excluding Value Added Tax, in respect of the sale of goods and services in the ordinary nature of the business. Revenue is recognised in line with when development expenditure is incurred.

Taxation

Current tax is recognised for the amount of tax payable in respect of the taxable profit for the current or past reporting period using the tax rates and laws that have been enacted by the reporting date.

Gift Aid

Donations received under the Gift Aid scheme to the parent company, from its subsidiaries are recognised as turnover upon receipt and are eliminated on consolidation.

Debtors

Short term debtors are measured at transaction price.

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Creditors

Short term trade creditors are measured at the transaction price.

Significant judgements and estimates

Management do not consider there to be any significant judgements or estimation uncertainty due to the straight forward nature and methods of the company's operation.

3. Turnover

The turnover in both the current and prior period arose solely in the United Kingdom and is entirely composed of the provision of services.

4. Taxation

	2020 £	2019 £
The tax (credit)/charge is based on the profit for the year and represents:		
UK corporation tax	<u>(11)</u>	<u>-</u>
Deferred taxation: original and reversal of timing differences	-	-
Deferred taxation: changes in tax rates	-	-
Tax on results on ordinary activities	-	-
Profit/(Loss) on ordinary activities before tax	58	83
Tax on profit on ordinary activities at standard CT rate of 19% (2019: 19%)	(11)	(16)
Donation under Gift Aid	-	16
Tax charge/(credit) for the period	<u>(11)</u>	<u>-</u>

5. Auditors remuneration

	2020 £'000	2019 £'000
Fees for the audit of accounts	1	1
Other services – VAT	<u>-</u>	<u>1</u>
	<u>1</u>	<u>2</u>

6. Directors and employees

Garden City Design & Build Limited

There were no employees of Garden City Design and Build Limited in the year (2019: £nil).
The directors received no remuneration for their services during the financial year (2019: £nil).

7. Debtors: amounts falling due within one year

	2020 £'000	2019 £'000
Amounts due from Group undertakings	-	1,090
Other Debtors	43	22
	<u>43</u>	<u>1,112</u>

8. Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade Creditors	1	938
Amounts due to Group undertakings	65	130
Taxation	11	-
Other creditors	-	8
	<u>77</u>	<u>1,076</u>

9. Reserves

The revenue reserves represent the accumulated surpluses/(deficits) from the preceding and current financial years.

10. Capital commitments

Garden City Design & Build Limited had no capital commitments to disclose at 31 March 2020. All capital commitments are shown in the Group accounts.

11. Transactions with related parties

The Company is a 100% owned subsidiary and has taken advantage of the exemption under FRS 102 Section 1A not to disclose transactions with other wholly owned entities that are part of the Group.

12. Controlling Party

Garden City Design & Build Limited

The Company's immediate and ultimate parent undertaking and ultimate controlling party is Wythenshawe Community Housing Group Limited, an entity incorporated in the United Kingdom.

Copies of the parent company's accounts may be obtained from Wythenshawe Community Housing Group Limited at Wythenshawe House, 8 Poundswick Lane, Manchester, M22 9TA.