

OAKBROOK HOMES LIMITED

Financial Statements

for the year ended 31 March 2021

Company Registration Number 09828967

Bromford.

Oakbrook Homes Limited

General information For the year ended 31 March 2021

Contents

	Pages
General information	1
The Directors' Report	2
Independent Auditor's Report	4
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10

Oakbrook Homes Limited

General information

For the year ended 31 March 2021

The directors and their interests in the shares of the company

The directors who served from 1 April 2020 up to the date of approval of these financial statements were as follows:

Directors	Appointment/Retirement Date
Martyn Blackman	Appointed 27 Jul 2017
Robert Nettleton	Appointed 2 July 2018
Richard Bird	Appointed 2 July 2018

Company Secretary:

	Appointment/Retirement Date
Sarah Beal	Appointed 10 August 2018

There is only one issued share in the Company, which is held by Merlin Housing Society Limited.

Advisors:

External Auditors:

Beever and Struthers
St George's House
215-219 Chester Road
Manchester
M15 4JE.

Business Assurance Provider:

Price Waterhouse Coopers LLP
2 Glass Wharf
Bristol BS2 0FR

Bankers:

Lloyds Bank plc,
PO Box 72, Bailey Drive,
Gillingham Business Park,
Gillingham, Kent,
ME8 0LS.

Registered office:

Building 1, Riverside Court
Bowling Hill,
Chipping Sodbury,
Bristol,
BS37 6JX.

Oakbrook Homes Limited

The Directors' Report For the year end 31 March 2021

The directors have pleasure in presenting their report and the financial statements of the Company for the year ended 31 March 2021.

Principal activities

Oakbrook Homes Limited (**Oakbrook** or **the Company**) is a wholly owned subsidiary of Merlin Housing Society Limited (Merlin), which is part of the Bromford Housing Group Limited (**BHG**). BHG is a Registered Provider of Social Housing and a Registered Society under the Co-operative and Community Benefit Societies Act 2014. Together, BHG and its subsidiaries are known as '**Bromford**'.

Bromford exists to provide affordable homes for people who can't access market housing. We believe in providing safe, secure and warm homes, but we're ultimately a people business. Not only do we care about what happens to people that live in a Bromford home, we want people to thrive. That's why our purpose is simple and honest. ***We invest in homes and relationships so people can thrive.***

Oakbrook's principal activities are the provision of design and build services to Bromford.

Result for the year and dividends

The results for the year are set out in the statement of comprehensive income on page 7. All aspects of the business work on a 2% cost plus margin basis giving pre-tax profit of £15,525 (2020: £52,082). Revenues for the year were £792,135 (2020: £2,654,143). During the financial year the Company paid gift aid of £52,082 to Merlin Housing Society (2020: £93,720).

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

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), 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 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 estimates that are reasonable and prudent;
- 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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Oakbrook Homes Limited

The Directors' Report For the year end 31 March 2021

Going Concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future. For this reason, they continue to adopt a going concern basis in preparing the financial statements.

Information for Auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- So far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- They have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Appointment of Auditors

Beever and Struthers were appointed as the external auditors during the financial year.

Small company provisions

In preparing this report, the directors have taken advantage of the small company's exemption provided by section 415A of the Companies Act 2006.

This report was approved for issue by the Board of Directors on 20 July 2021 and signed on its behalf by:

Richard Bird
Director

Street Services Limited

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OAKBROOK HOMES LIMITED

Opinion

We have audited the financial statements of Oakbrook Homes Limited (the 'company') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves and notes to the financial statements, including a summary of significant accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2021 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.

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

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Board with respect to going concern are described in the relevant sections of this report.

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.

Street Services Limited
Independent Auditor's Report (continued)
For the year ended 31 March 2021

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 have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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.

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.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 2, 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 on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

Street Services Limited
Independent Auditor's Report (continued)
For the year ended 31 March 2021

- We obtained an understanding of laws and regulations that affect the Company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Companies Act 2006 and tax legislation.
- We enquired of the Directors and reviewed correspondence and Directors meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Directors have in place to prevent and detect fraud. We enquired of the Directors about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Directors about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

Use of the audit 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.

Lee Cartwright (Senior Statutory Auditor)
For and on behalf of Beever and Struthers Chartered Accountants, Statutory Auditor
St Georges House
215 Chester Road
Manchester
M15 4JE

Oakbrook Homes Limited

Statement of Comprehensive Income For the year ended 31 March 2021

	Notes	2021 £	2020 £
Turnover		792,135	2,654,143
Cost of sales		(714,030)	(2,514,283)
Operating costs		(62,580)	(87,778)
Operating profit	2	15,525	52,082
Interest and financing costs		-	-
Profit on ordinary activities before taxation	4	15,525	52,082
Taxation	5	286	(286)
Profit on ordinary activities after taxation		15,811	51,796
Total comprehensive income for the year		15,811	51,796

The notes on pages 10 to 14 form an integral part of these financial statements

Oakbrook Homes Limited

Statement of Financial Position As at 31 March 2021

	Notes	2021 £	2020 £
Current Assets			
Debtors	6	337,960	632,186
Cash and cash equivalents		-	-
		337,960	632,186
Creditors: Amounts falling due within one year	7	(322,433)	(580,388)
Net current assets		15,527	51,798
Total assets less current liabilities		15,527	51,798
Total net assets		15,527	51,798
Reserves			
Called up share capital	8	1	1
Income and Expenditure Reserve		15,526	51,797
Shareholder funds		15,527	51,798

The notes on pages 10 to 14 form an integral part of these financial statements

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

These financial statements were approved by the Board of Directors and authorised for issue on 20 July 2021, and are signed on behalf of the Board by

Richard Bird
Director

Company Registration number 09828967

Oakbrook Homes Limited

Statement of changes in Reserves As at 31 March 2021

	Share capital	Income and Expenditure Reserve	Total
	£	£	£
Balance at 1 April 2019	1	93,721	93,722
Surplus from Statement of Comprehensive Income	-	51,796	51,796
Gift aid	-	(93,720)	(93,720)
Balance at 31 March 2020	1	51,797	51,798
Surplus from Statement of Comprehensive Income	-	15,811	15,811
Gift aid	-	(52,082)	(52,082)
Balance at 31 March 2021	1	15,526	15,527

The notes on pages 10 to 14 form an integral part of these financial statements

Oakbrook Homes Limited

Notes to the Financial Statements

As at 31 March 2021

Legal status

Oakbrook Homes Limited is a company limited by shares incorporated in England under the Companies Act 2006 company number 09828967. The registered office is Building 1, Riverside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX.

1. Accounting policies

Basis of accounting

These financial statements have been prepared in compliance with FRS 102 – The Financial Reporting Standard applicable in the UK.

The financial statements comply with the Companies Act 2006. The accounts are prepared on the historical cost basis of accounting and are presented in sterling £.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Bromford Housing Group Limited as at 31 March 2021 and these financial statements may be obtained from 1 Exchange Court, Brabourne Avenue, Wolverhampton Business Park, Wolverhampton, WV10 6AU.

Turnover

Turnover represents charges to Merlin in respect of the provision of development services recognised on an accruals basis.

Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that where a tax change arises as a result of an item recognised as other comprehensive income or recognised directly in equity, that tax charge is also recognised in other comprehensive income or directly in equity as appropriate.

Both the current and deferred income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Oakbrook Homes Limited

Notes to the Financial Statements For the year ended 31 March 2021

Work in progress and long term contracts

Long term contracts have been assessed on a contract by contract basis and reflected in the Statement of Comprehensive Income by recording turnover and related costs as contract activity progresses i.e. the percentage completion method.

Where it is considered that the outcome of a long term contract can be assessed with reasonable certainty before its conclusion, the prudently calculated attributable profit less foreseeable losses has been recognised in the Statement of Comprehensive Income as the difference between the reported turnover and related costs for the contract.

The amount of long term contracts as costs incurred, net of amounts transferred to cost of sales, after deducting foreseeable losses and payments on account not matched with turnover, is included in work in progress and stock as long term contract balances. The amount by which recorded turnover is in excess of payments on account is included in debtors as amounts recoverable on long term contracts. Payments in excess of recorded turnover and long term contract balances are included in creditors as payments received on account on long term contracts. The amount by which provisions or accruals for foreseeable losses exceed costs incurred, after transfers to cost of sales, is included within either provisions for liabilities or creditors as appropriate.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income statement in other operating expenses.

Oakbrook Homes Limited

Notes to the Financial Statements For the year ended 31 March 2021

2. Surplus on ordinary activities

The surplus on ordinary activities is stated after charging	2021	2020
	£	£
Previous auditor's remuneration		
- Audit of financial statements	-	8,000
Current auditor's remuneration		
- Audit of financial statements	5,000	-

3. Colleague costs

The Company does not employ any colleagues.

Colleagues in the group are employed on a joint and several basis by the Group and its members. Details of colleague numbers and costs are available in the group accounts.

4. Directors' emoluments

Emoluments to directors are paid through Bromford Housing Group and are disclosed in the group accounts. No directors' emoluments are charged to the Company.

5. Taxation on surplus on ordinary activities	2021	2020
	£	£
Current tax		
UK corporation tax charge on ordinary activities	-	286
Over provision in previous years	(286)	-
Total current tax	(286)	286
Deferred tax		
Origination and reversal of timing differences	-	-
Tax on profit on ordinary activities	(286)	286
Total tax reconciliation		
Profit on Ordinary Activities	15,525	52,082
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	2,950	9,896
Tax credit in respect of a gift aid payment	(2,950)	(9,610)
Adjustment from previous periods	(286)	-
	(286)	286

Oakbrook Homes Limited

Notes to the Financial Statements For the year ended 31 March 2021

6. Trade and other debtors	2021	2020
	£	£
Amounts falling due within one year		
Amounts due from group companies	317,276	603,312
Other taxes and social security	20,684	28,874
	337,960	632,186
7. Creditors: amounts falling due within one year	2021	2020
	£	£
Trade creditors	4,788	4,459
Accruals and deferred income	317,645	575,929
	322,433	580,388
8. Share Capital	2021	2020
	£	£
Issued and fully paid		
At 1 April and 31 March (1 Ordinary share of £1)	1	1

The ordinary share has attached to it full voting, dividend and capital distribution rights, including on winding up. It does not confer any rights of redemption.

9. Related party transactions

The Company has taken advantage of the exemption provided by s33.1A of FRS102 not to disclose related party transactions with other group companies.

Bromford Housing Group Limited and its subsidiaries has indemnified its Board Members, Executive Team, Directors and employees for insurance cover no longer provided within its current Directors' and Officers' Liability insurance for the year ending 31 March 2022 which was previously included in its previous policy. The maximum exposure across the group for this indemnity is £10million and expires on 31 March 2022. This is described in more detail in note 10.

10. Contingent liability

For the financial year 31 March 2021, Bromford Housing Group Limited and its subsidiaries purchased Directors' and Officers' Liability insurance for the Board Members, the Executive team and its employees through the National Housing Federation. Similar insurance provision with relevant cover was not available for the financial year 31 March 2022 with the insurance policies obtained containing exclusions previously covered in the previous financial year. Therefore, a deed has been entered into by the Board Members of Bromford Housing Group Limited to indemnify its Board Members, Executive Team, Directors and employees across Bromford Housing Group Limited and its subsidiaries against the exclusions previously covered in the previous insurance provision. Any claim made would be against the relevant entity with ultimate responsibility for reimbursement being through Bromford Housing Group Limited where required. The maximum exposure across the group for this indemnity is £10million and expires on 31 March 2022.

11. Parent Entity

Oakbrook Homes Limited

Notes to the Financial Statements For the year ended 31 March 2021

The Company's immediate parent undertaking is Merlin Housing Society Limited and the ultimate parent undertaking and controlling party is Bromford Housing Group Limited (Registered Society Number 29996R).

The results of Oakbrook Homes Limited are included in the results of Bromford Housing Group Limited. Copies of the financial statements for Bromford Housing Group Limited are available from 1 Exchange Court, Brabourne Avenue, Wolverhampton Business Park, Wolverhampton, WV10 6AU.