

WCHT Devco Limited

Report and Financial Statements
Period ended 31 March 2017

Registered Number: 09816640

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WCHT DEVCO LIMITED

Directors and Advisors

The Board and Professional Advisers

Board

Chair	John Lavers (appointed November 2015)
Other Members	Tina Barnard (resigned October 2016)
	Sarah Greenhalgh (resigned November 2015)
	Ben Johnson (appointed November 2016)
	Jeremy Kape (resigned April 2017)
	Bernadette Laventure (appointed April 2017)
	Tony Lewis (resigned September 2016)
	Rose Klemperer (resigned November 2015)
	Paul Richmond (appointed October 2016)
	Julie Robinson (resigned June 2016)

Company secretary Karen Airey

Registered office Gateway House
59 Clarendon Road
Watford
Hertfordshire
WD17 1LA

Company Registration No: 09816640

Auditor Mazars LLP
Birmingham
45 Church Street
Birmingham B3 2RT

Solicitors Devonshires
Salisbury House
London Wall
London EC2M 5QY

Bankers Barclays Bank Plc
1 Churchill Place
London
E14 5HP

Directors Report

WCHT Devco Limited was incorporated on 8 October 2015. The Directors present their report and the accounts from incorporation up until the period ending 31 March 2017.

The Directors have prepared this report in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Activities

The Company's main objective is to provide design and build services to Watford Community Housing Trust (Registered Society number 30183R), its parent entity.

Internal Controls

The Directors have responsibility for the system of internal controls operated by the company. It has established a system of controls designed to mitigate or manage the major risks that might prevent the company from achieving its business objectives.

Directors

The Directors of the company who served during the year are listed on page 1.

Going Concern

After making enquiries, the Board has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being a period of twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

Disclosure of information to the auditors

The Board Members who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each Board Member has taken all the steps that they ought to have taken as a Board Member to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Directors Responsibilities Statement

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 FRS102 "The Financial Reporting Standard Applicable in England and Wales".

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;
- state whether applicable UK Accounting Standards including FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information for the Company. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Directors and signed on behalf of the Board

A handwritten signature in black ink, appearing to read 'John Lavers', with a horizontal line underneath.

John Lavers

Chair, WCHT Devco Limited

3 July 2017

Independent auditor's report to the members of WCHT Devco Limited

We have audited the financial statements of WCHT Devco Limited for the period ended 31 March 2017 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, and the related notes. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Respective responsibilities of directors and auditor

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.

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 Ethical Standards for Auditors. 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 March 2017 and of its profit for the period 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 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 period for which the financial statements are prepared is consistent with the financial statements; and

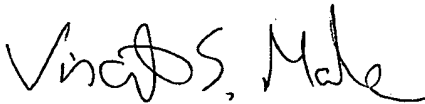
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 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.



Vincent Marke (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
45 Church Street
Birmingham
B3 2RT

5th July 2017

WCHT Devco Limited

WCHT Devco Limited

Statement of Comprehensive Income

For the period ended 31 March 2017

	Note	2017 £'000
Turnover		13,608
Cost of Sales		<u>(13,013)</u>
Operating surplus		595
Tax	3	-
Total comprehensive income for the year		<u>595</u>

Statement of Changes in Equity

For the period ended 31 March 2017

Profit for the period	595
Gift aid payment to parent	<u>(595)</u>
Carried forward as at 31 March 2017	<u>-</u>

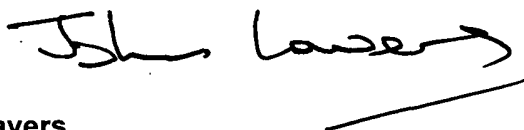
WCHT Devco Limited
Registered Number: 09816640
Statement of Financial Position

As at 31 March 2017

	Note	2017 £'000
Current assets		
Debtors	4	2,891
Cash		105
Total current assets		<u>2,996</u>
Creditors: Amounts falling due within one year	5	(2,996)
Net current assets		<u>-</u>
Total assets less current liabilities		<u>-</u>
Capital and reserves		
Non-equity share capital		-
Revenue reserve		-
Total Capital and Reserves		<u>-</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006.

The accounts were approved and authorised for issue by the Board of Directors on 3 July 2017 and were signed on its behalf by:



John Lavers

Chair, WCHT Devco Limited

3 July 2017

Notes to the accounts for the period ended 31 March 2017

1. Accounting Policies

Basis of preparation

The statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS102 "The Financial Reporting Standard applicable in England and Wales" and under the historical cost accounting rules. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

Uses of Estimates and Judgements

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The Directors are of the opinion that there are no significant key areas of management judgement and estimates used in the preparation of the financial statements.

Turnover

Turnover is recognised once the company has entitlement to the resources, it is certain that the resources will be received and their monetary value can be measured with sufficient reliability. Turnover comprises income derived from provision of design and build services in the period and other services at their invoiced value.

Gift Aid

Gift aid payments are charged as distributions of reserves in accordance with the guidance included in the Institute of Chartered Accountants technical release 'Guidance on donations by a company to its parent charity'.

Statement of cash flows

The company has taken advantage of the exemption contained in paragraph 1.12(b) of FRS102 from producing a cash flow statement, because its cash flows are included within publicly available consolidated accounts. Further details of where the publicly available consolidated accounts can be obtained from is contained in note 9.

Trade and other debtors

Trade and other debtors are recognised at transaction price less attributable transaction costs and are measured subsequently at amortised historic cost less any impairment. Discounting is omitted where the effect of discounting is immaterial.

Trade and other creditors

Trade and other creditors are recognised at transaction price and are measured subsequently at amortised historic cost less any impairment. Discounting is omitted where the effect of discounting is immaterial.

Financial instruments

The company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets

The Company classifies all of its financial assets as loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Statement of Comprehensive Income. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

The Company classifies all of its financial liabilities as liabilities at amortised cost. Financial liabilities at amortised cost including borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Statement of Financial Position.

Related party transactions

The company has taken advantage of the exemptions contained within FRS102 and has not disclosed transactions with its parent entity.

2. Auditors remuneration

The audit fee for the company is not separately identifiable so the company has taken to the exemption to disclose the fees for audit services provided to the Group as part of the publically available consolidated group financial statements. Please see note 9 for further information as to where the consolidated group financial statements can be obtained.

3. Tax on surplus on ordinary activities

The tax charge comprises:

Current tax on profit for the period

-

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit and loss for the period is as follows:

Profit for the period before tax	595
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Tax on profit for the period at standard UK corporation tax rate of 20%	119
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Effect of:

Utilisation of gift aid not charged to profit for the period	(119)
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Tax charge for the period	-
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4. Debtors

2017
£'000

Prepayments	2,605
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Other taxation	286
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2,891

Debtors comprise £2.6m owed to Devco from its parent company, plus £286k due from HMRC with regard to VAT repayment.

5. Creditors

	2017
	£'000
Trade Creditors	(1,743)
Accruals	(1,253)
	(2,996)

Amounts owed to parent undertaking comprise £595k being gift aid due to parent.

6. Directors emoluments

The Company does not remunerate its Directors or Chairman.

7. Capital commitments

The company has no capital commitments as at 31 March 2017.

8. Related party transactions

The company has taken advantage of the exemptions contained within FRS102 and has not disclosed transactions with its parent entity. There were no other related party transactions for the period ended 31 March 2017.

9. Controlling party

The immediate and ultimate parent undertaking and controlling party is Watford Community Housing Trust, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the Watford Community Housing Trust financial statements can be obtained from 59 Clarendon Road, Watford, WD17 1LA, United Kingdom.