

Ongo Developments Limited

Report and Financial Statements

For year ended 31st March 2020

Company Number 11077107 (England and Wales)

Ongo Developments Limited

Report and Financial Statements
for year ended 31st March 2020

Contents

Page:

- 3 Company Information
 - 4 Statement of Financial Position
 - 5 Notes forming part of the financial statements
-

Ongo Developments Limited

Company Information for year ended 31st March 2020

Board Members

The following members, who are formally recognised as Directors at Companies House, have held office during the period and to the date of this report unless otherwise stated:

R Pometsey	(resigned 31 December 2019)
M Spittles	(resigned 31 December 2019)
E Cook	
P Stones	
N Thompson	(resigned 31 December 2019)
K Hornsby	(resigned 31 December 2019)
N Cresswell	(appointed 24 January 2020)
S Jones	(appointed 24 January 2020)

Executive leadership team:	Chief Executive	S Hepworth
	Property Director	P Stones
	Director of Resource and Commercial Services	A Harrison
	Director of Corporate & Compliance Services	J Sugden
	Director of Communities	K Hornsby

Secretary and registered office:	J Sugden Ongo House High Street Scunthorpe North Lincolnshire DN15 6AT
-----------------------------------------	---------------------------------------------------------------------------------------

Company Number 11077107

Auditor:	BDO LLP Central Square 29 Wellington Street Leeds LS1 4DL
-----------------	-----------------------------------------------------------------------

Bankers:	Barclays Bank plc One Snowhill Snow Hill Queensway Birmingham B4 6GN
-----------------	-------------------------------------------------------------------------------

Solicitors:

Croftons Solicitors LLP The Lexicon Mount Street Manchester NE1 3DX	Forbes Solicitors Rutherford House 4 Wellington Street (St Johns) Blackburn BB1 8DD	Whiteheads Solicitors 6 Water Street Newcastle ST5 1HR
Bermans Exchange Station Titheburn Street Liverpool L2 2QP	Trowers and Hamblins 55 Princess Street Manchester M2 4EW	

Ongo Developments Limited
Statement of Financial Position
at 31 March 2020

Company number: 11077107	Note	2020 £	2020 £	2019 £	2019 £
Current Assets					
Stock	3	2,831,279		1,812,138	
Debtors	4	11,481		98,503	
Cash at bank and short term deposits		2,168,119		629,358	
Total current assets		<u>5,010,879</u>		<u>2,539,999</u>	
Creditors: amounts falling due within one year	5	<u>(2,680,218)</u>		<u>(346,707)</u>	
Net current assets			2,330,661		2,193,292
Creditors: amounts falling due after more than one year	6		(1,700,000)		(2,250,000)
Net assets / (liabilities)			<u>630,661</u>		<u>(56,708)</u>
Capital and reserves					
Share capital	7		50,000		50,000
Profit and loss account			<u>580,661</u>		<u>(106,708)</u>
Total shareholders' (deficit)/funds			<u>630,661</u>		<u>(56,708)</u>

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 3 September 2020



E Cook
 Director



S Hepworth
 Chief Executive Officer

The notes form part of these financial statements

Ongo Developments Limited
Notes forming part of the financial statements
at 31 March 2020

1 Significant accounting policies

Ongo Developments Limited is a company limited by shares incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given on the contents page. The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires company management to exercise judgement in applying the company's accounting policies. Management do not consider that there are any significant judgements or estimates associated with the preparation of the financial statements.

The presentation currency of the financial statements is the Pound Sterling (£), rounded to the nearest £1.

The following principal accounting policies have been applied:

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 the

- o the requirements of Section 4 Statement of Financial position paragraph 4.12(a)(iv);
- o the requirements of Section 7 Statement of Cash Flows;
- o the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- o the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- o the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29; and
- o the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Ongo Partnership Limited as at 31 March 2020 and these financial statements may be obtained from Ongo House, High Street, Scunthorpe, North Lincolnshire, DN15 6AT.

Going concern

The company's financial plans have been reviewed in light of the effects of Covid-19 and the Board are satisfied that these plans are affordable and that the financial statements should be prepared on a going concern basis.

As a consequence of the COVID-19 pandemic, the board have reviewed the company's financial forecasts for the two years ended 31 March 2022, to ensure they reflect the risks and financial impacts as relevant and proportionate to our business. This included an assessment of completed work within the initial lockdown and an update of forecasts to reflect the rephasing of work. Whilst this resulted in some initial delays, activity continues to increase and will be completed in later periods and as such our cashflows remain strong and viable. As a consequence our forecast remains in line with previous expectations for both 2020/21 and 2021/22.

The company was swift to adapt and implement the Government guidance on social distancing, reviewing and adjusting the associated operating environment and processes. Working closely with Ongo Homes (our largest contract) we have been able to redeploy our resources with minimal disruption to services throughout the lockdown period.

A further local or national outbreak of COVID-19 cannot be ruled out and additional measures may be taken by the Government to contain this, which are unknown and uncontrollable. However, the company has effective controls and processes in place to manage and monitor cashflows. On this basis, the board consider it appropriate for the financial statements to be prepared on a going concern basis.

Ongo Developments Limited
Notes forming part of the financial statements
at 31 March 2020

Turnover

Revenue is recognised on construction contracts undertaken on the basis of the assessed completion of works at the accounting date. Revenue from the sale of properties is recognised on legal completion of the sales.

Stocks and work in progress

Work in progress is valued at the cost of work performed plus attributable overheads less progress payments received.

Property for resale is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate, based on anticipated selling price less costs to sell. No element of profit is included in the valuation of work in progress. Land is valued at the lower of cost and net realisable value, land purchased that is directly attributable to a development scheme is included within work in progress.

Determining whether property held for resale is stated at the lower of cost and net realisable value (including selling costs) involves judgement. Management make use of various sources of information in making this assessment including cost comparison to original development plan, internal development team cost expectations, post year-end sales activity, data from the internal sales team and market information from similar projects.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax.

The current 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's subsidiaries operate and generate taxable income.

Deferred balances are not recognised in respect of any timing differences that have originated but not reversed by the balance sheet

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Cash at bank and in hand

Cash at bank and in hand includes deposits which can be withdrawn within 24 hours without penalty and short term deposits which have a maturity period of 3 months or less and are not subject to significant risk of changes in value.

Liabilities

Liabilities are recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

2 Employees

No employees are paid directly by the company, although the company is re-charged by other group entities for employment costs incurred on its behalf.

Ongo Developments Limited
Notes forming part of the financial statements - continued
at 31 March 2020

3	Stock	2020	2019
		£	£
	Properties for resale - work in progress	2,622,936	1,812,138
	Properties for resale - stock	208,343	-
		<u>2,831,279</u>	<u>1,812,138</u>

4	Debtors	2020	2019
		£	£
	Trade debtors	-	78,947
	Other debtors	11,481	19,556
	Total	<u>11,481</u>	<u>98,503</u>

5	Creditors: amounts falling due within one year	2020	2019
		£	£
	Other creditors	-	1,000
	Accruals and deferred income	1,347,229	274,659
	Amounts due to group undertakings	1,332,989	71,048
	Total	<u>2,680,218</u>	<u>346,707</u>

The amounts owed to group undertakings relates both to loans repayable within one year (not on demand) and balances owed in respect of intra-company trading. Interest is charged on the loans.

6	Creditors: amounts falling due after more than one year	2020	2019
		£	£
	Amounts due to group undertakings	1,700,000	2,250,000
		<u>1,700,000</u>	<u>2,250,000</u>

The amounts owed to group undertakings relate to loans repayable after one year. Interest is charged on these loans.

7	Share capital	2020	2019
		£	£
	<i>Allotted, called up and fully paid</i>		
	Fifty thousand ordinary shares @ £1.00 each	50,000	50,000
	Total	<u>50,000</u>	<u>50,000</u>

8 Related party disclosures

The ultimate controlling party is Ongo Partnership Limited and its consolidated accounts are available to the public from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

Other than transactions between the group and other subsidiaries themselves, the company does not believe it has any related parties.

Ongo Developments Limited
Notes forming part of the financial statements - continued
at 31 March 2020

9 Audit report information

As the Statement of Comprehensive Income has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Helen Knowles.

The auditor was BDO LLP.