

Ongo Home Sales Limited

Report and Financial Statements

For year ended 31st March 2020

Company Number 11077525 (England and Wales)

Ongo Home Sales Limited

Report and Financial Statements
For year ended 31st March 2020

Contents

Page:

3	Executives and advisors
4	Directors' Report
7	Independent Auditor's Report
10	Statement of Comprehensive Income
11	Statement of Financial Position
12	Statement of Changes in Equity
13	Index of notes
14	Notes forming part of the financial statements

Ongo Home Sales Limited

Report and Financial Statements 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:

M Kenyon	(resigned 31 December 2019)
D Klemm	(resigned 31 December 2019)
R Walder	(resigned 31 December 2019)
A Harrison	(resigned 31 December 2019)
S Hepworth	(resigned 31 December 2019)
S Jones	
P Stones	(appointed 29 November 2019)
E Cook	(appointed 29 November 2019)
N Cresswell	(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

11077525

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 Home Sales Limited

Directors' Report For year ended 31st March 2020

The Directors present their report and audited Financial Statements of the Company for the period ended 31 March 2020.

Nature of Business

Ongo Homes Sales Limited is a company limited by shares which are wholly-owned by Ongo Homes Limited. The ultimate parent company is Ongo Partnership Limited.

The corporate structure of the Ongo Partnership group is clearly defined and the relationship between this Company, the parent and its other subsidiaries is set out in Intra-Group agreements which were considered and approved by each of their Boards.

The role of the Company is to develop properties for the commercial market to enable Ongo Homes Limited to achieve its build programme aspirations in the most efficient and economic manner.

Board and Executive Directors

The Board Members and Executive Management Team serving during the period and up to the date of signing the Financial Statements are listed on page 3. None of the Board Members and Executive Management Team holds any interests in the capital of this company. The Board Members listed are the statutory Directors of the Company in line with the requirements of Companies Act 2006.

Members of the Executive Management Team act as executives within the authority delegated through the Intra-group Agreement between Ongo Partnership Limited, Ongo Homes Limited and Ongo Homes Sales Limited. The Company's insurance policies indemnify Board Members and officers against liability when acting on its behalf.

Going Concern

The Financial Statements are prepared on a going concern basis, as the Board is satisfied that the Company has sufficient resources to continue its activities for the foreseeable future, due to financial support from Ongo Homes Limited (its immediate parent). In making this assessment the Board has considered a wide range of information relating to present and future conditions, including future business plan projections allied to expected income, taking into account the effects of Covid-19.

Ongo Home Sales Limited

Directors' Report (*continued*) For year ended 31st March 2020

Statement of the Directors' 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 Accounting Standards and applicable law (UK Generally Accepted Accounting Practice). 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 those 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; 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 it 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 for safeguarding 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 included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

External Audit

In so far as the Board is aware, all of the current board members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditor for the purposes of their audit and to establish that the auditor is aware of that information. The directors are not aware of any relevant audit information of which the auditor is unaware.

NHF Code of Governance

The Board has adopted the National Housing Federation (NHF) Code of Governance and following an assessment against the code complies in all but one area. The area of non-compliance is B4 (size of Board). The Board has four members and this was agreed as the appropriate and proportionate level for the company accepting the recommendations of an external governance review undertaken in 2019 agreed by Ongo Homes Ltd and Ongo Partnership Ltd (parent companies).

Auditors

BDO LLP are in the second year of their three year appointment to serve as auditors for the company.

Ongo Home Sales Limited

Directors' Report (*continued*)
For year ended 31st March 2020

Small companies provisions

This Directors' report has been prepared in accordance with the small companies provisions of the Companies Act 2006.

By Order of the Board



E Cook
Director

Date: 3rd September 2020

Ongo Home Sales Limited

Independent Auditor's Report to the members of Ongo Home Sales Limited for the year ended 31 March 2020

Opinion

We have audited the financial statements of Ongo Home Sales Limited ('the Company') for the year ended 31 March 2020 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the 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 loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information. 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.

Ongo Home Sales Limited

Independent auditor's report to the members of Ongo Home Sales Limited (continued) for the year ended 31 March 2020

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 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; 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

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

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.

Ongo Home Sales Limited

Independent auditor's report to the members of Ongo Home Sales Limited (continued) for the year ended 31 March 2020

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.

BDO LLP

Helen Knowles (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Leeds

Date: 29 September 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Ongo Home Sales Limited
Statement of comprehensive income
for the year ended 31 March 2020

	Note	2020 £	2019 £
Turnover		-	-
Cost of sales		-	-
Gross profit / (loss)		-	-
Administration expenses		(8,968)	(10,641)
Operating loss	3	(8,968)	(10,641)
Interest payable		-	-
Loss on ordinary activities before taxation		(8,968)	(10,641)
Tax on loss on ordinary activities	6	-	-
Loss for the financial year		(8,968)	(10,641)

The notes on pages 13 to 16 form part of these financial statements.

Ongo Home Sales Limited
Statement of financial position
at 31 March 2020

Company number: 11077525	Note	2020 £	2019 £
Current Assets			
Cash at bank and short term deposits		30,766	39,405
Total current assets		<u>30,766</u>	<u>39,405</u>
Creditors: amounts falling due within one year	7	<u>(375)</u>	<u>(46)</u>
Net current assets		<u>30,391</u>	<u>39,359</u>
Creditors: amounts falling due after more than one year		<u>-</u>	<u>-</u>
Net assets		<u><u>30,391</u></u>	<u><u>39,359</u></u>
Capital and reserves			
Share capital	8	50,000	50,000
Profit and loss account		(19,609)	(10,641)
Total shareholder funds		<u><u>30,391</u></u>	<u><u>39,359</u></u>

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 on pages 13 to 16 form part of these financial statements.

Ongo Home Sales Limited
Statement of changes in equity
for the year ended 31 March 2020

Year ended 31 March 2020	Profit & Loss Account £	Called Up Share Capital £	Total £
Balance at 1 April 2019	(10,641)	50,000	39,359
Profit / (loss) for the year	(8,968)	-	(8,968)
Other comprehensive income for the year	-	-	-
Balance at 31 March 2020	(19,609)	50,000	30,391

Year ended 31 March 2019	Profit & Loss Account £	Called Up Share Capital £	Total £
Balance at 1 April 2018	-	50,000	50,000
Profit / (loss) for the year	(10,641)	-	(10,641)
Other comprehensive income for the period	-	-	-
Balance at 31 March 2019	(10,641)	50,000	39,359

The notes on pages 13 to 16 form part of these financial statements.

Ongo Home Sales Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

INDEX OF NOTES

General notes

- 1 Accounting policies

Statement of comprehensive income related notes

- 2 Analysis of turnover
- 3 Operating profit
- 4 Employees
- 5 Directors' remuneration
- 6 Taxation on profit on ordinary activities

Statement of financial position related notes

- 7 Creditors
- 8 Share capital
- 9 Related party disclosures

Ongo Home Sales Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

1 Significant Accounting policies

Ongo Home Sales 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 and the nature of the company's operations and its principal activities are set out in the directors' report. 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

- 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 has not been negatively impacted by Covid-19 and has sufficient cash reserves and net current assets at 31 March 2020 to meet any obligation for at least twelve months beyond the date of approval of the accounts.

The board are therefore satisfied that the financial statements should be prepared on a going concern basis.

Turnover

Revenue will be recognised on the sale of properties at the point at which the company becomes contractually entitled to payment for property or services provided.

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 date.

Ongo Home Sales Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

2 Analysis of turnover

There is no turnover in the financial year. All future turnover is expected to take place in the UK.

3 Operating profit

All fees for the audit of the company's annual accounts are paid by the ultimate parent company of the Group.

4 Employees

No employees are paid directly by the company, although it will be re-charged by the group entity for employment costs incurred on its behalf. At the end of this accounting period no charge has been made as work has not yet commenced on any projects.

5 Directors' remuneration

Directors' costs are paid by Ongo Partnership Limited and the relevant portion is recharged to Ongo Home Sales Limited (with a mark-up) through their management fee.

6 Taxation

Ongo Home Sales Limited, having incurred losses for this period, is not liable to UK corporation tax in the year.

Deferred tax balances are not recognised.

	2020	2019
	£	£
Charge for the year	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

	2020	2019
	£	£

7 Reconciliation of tax charge

Loss on ordinary activities before tax	<u>(8,968)</u>	<u>(10,641)</u>
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Tax on loss on ordinary activities at standard CT rate of 19%	(1,704)	(2,022)
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Effects of:

Group relief surrendered	1,704	872
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Adjust closing deferred tax to average rate of 19%	-	121
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Deferred Tax not recognised	-	1,029
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	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Ongo Home Sales Limited
Notes forming part of the financial statements
for the year ended 31 March 2020

7	Creditors	2020	2019
		£	£
	Amounts owed to group undertakings	-	46
	Accruals and deferred income	375	-
		<u>375</u>	<u>46</u>

8	Share capital	2020	2019
		£	£
	<i>Allotted, called up and fully paid</i>		
	50,000 Ordinary shares of £1.00 each	50,000	50,000
		<u>50,000</u>	<u>50,000</u>

9 Related party transactions

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 parent and other group subsidiaries, the company does not believe it has any 'Related Parties'.