



**ANNUAL REPORT AND FINANCIAL  
STATEMENTS**

**31 MARCH 2023**

**Development Worx Limited**

**The Rurals, 1 Parker Court, Staffordshire Technology  
Park, Beaconside, Stafford, ST18 0WP**

**Registration No. 09592448**

*A member of The Housing Plus Group*

## CONTENTS

BOARD OF DIRECTORS, ADVISORS AND BANKERS .....	1
REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2022 .....	2
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVELOPMENT WORX LIMITED ..	4
STATEMENT OF COMPREHENSIVE INCOME .....	9
STATEMENT OF FINANCIAL POSITION .....	10
STATEMENT OF CHANGES IN RESERVES .....	11
NOTES TO THE FINANCIAL STATEMENTS .....	12

## BOARD OF DIRECTORS, ADVISORS AND BANKERS

<b>Board of Directors</b>		
	<b>Date Appointed</b>	<b>Date Resigned</b>
J D Burt (Chair)	01 November 2019	
I Farrell	01 November 2019	
K A Shaw	01 November 2019	
V M Cross	01 October 2019	

<b>Secretary</b>		
I E Molyneux	01 October 2019	

<b>Registered Office</b>	The Rurals 1 Parker Court Staffordshire Technology Park Beaconside Stafford ST18 0WP
<b>Registered Company Number</b>	09592448
<b>Auditors</b>	KPMG LLP One Snowhill Snowhill Queensway Birmingham B4 6GH
<b>Solicitor</b>	Anthony Collins LLP 134 Edmund Street Birmingham, B3 2ES
<b>Banker</b>	Barclays Bank Barclays Bank Social Housing Team, PO Box 3333, 15 Colmore Row, Birmingham B3 2WN

## **REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2023**

Development Worx Limited is a wholly owned trading subsidiary of Homes Plus.

The Board of Directors presents its Report and the Audited Financial Statements for the year ended 31st March 2023. In preparing this report, the directors have taken advantage of the exemption from the requirement to prepare a strategic report.

### **Principal activities**

The company provides design and build services to Homes Plus and will be the contracting vehicle for external partners, suppliers and contractors who support the Homes Plus development programme.

### **Results**

The profit for the period, after taxation, amounted to £115k (2022: £246k). The taxable profits will be gift aided in full to the parent company within 9 months of the year end.

### **The Board of Directors**

The Directors who served in the year are listed at page 1.

### **Going concern**

Development Worx provides design and build services for Homes Plus and therefore its ongoing operations are closely aligned to the Homes Plus Business Plan.

After reviewing the long term financial plan based on normal business planning and control procedures and having received confirmation of continued support from Homes Plus, the members of the Board have a reasonable expectation, taking account of severe but plausible downsides, such as higher than forecast inflation, higher than forecast Bank of England base rates, changes to the Governments rent settlement agreement, slowdown of the UK housing market or other adverse operational issues that Development Worx has adequate resources to continue in operational existence for the foreseeable future.

### **External Auditors**

A resolution to appoint External Auditors will be proposed at the next Annual General Meeting.

## REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2022 (continued)

### 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*.

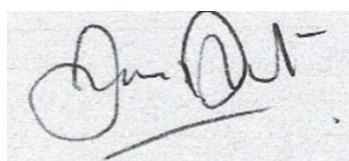
Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

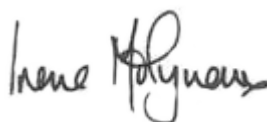
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies 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.

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.

The report of the Board was approved by the Board on 18 July 2023 and signed on its behalf by:



**J D Burt**  
Chair



**I E Molyneux**  
Company Secretary

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVELOPMENT WORX LIMITED**

### **Opinion**

We have audited the financial statements of Development Worx Limited ("the Company") for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Reserves and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVELOPMENT WORX LIMITED (Continued)**

reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit and risk committee as to the Company’s high-level policies and procedures to prevent and detect fraud and the Company’s channel for “whistleblowing”, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and audit and risk committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Company management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because revenue is derived from intercompany transactions.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation.

#### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVELOPMENT WORX LIMITED (Continued)**

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing 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, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required 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



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVELOPMENT WORX LIMITED (Continued)**

- 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

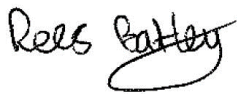
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVELOPMENT  
WORX LIMITED (Continued)**

**The purpose of our audit work and to whom we owe our responsibilities**

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.



**Rees Batley (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

13 September 2023

## STATEMENT OF COMPREHENSIVE INCOME

<b>For the year ended 31 March</b>	<b>Note</b>	<b>2023</b> £'000	<b>2022</b> £'000
Turnover	3	3,609	6,820
Operating costs	3	(3,494)	(6,574)
Operating profit for the financial year		<u>115</u>	<u>246</u>
Profit on ordinary activities before taxation	4	<u>115</u>	<u>246</u>
Tax on profit on ordinary activities	6	<u>-</u>	<u>-</u>
Profit for the financial period		<u>115</u>	<u>246</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income		<u>115</u>	<u>246</u>

The results stated above are derived from continuing activities.

The notes on pages 12 to 16 form part of these financial statements.

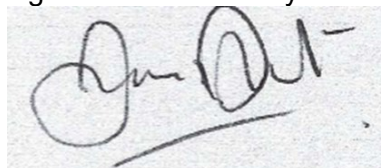
## STATEMENT OF FINANCIAL POSITION

Registered Company no. 09592448

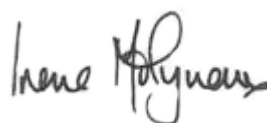
<b>As at 31 March</b>	<b>Note</b>	<b>2023</b> £'000	<b>2022</b> £'000
Current assets:			
Debtors	7	225	385
Cash		413	488
		<u>638</u>	<u>873</u>
Creditors: amounts due within one year	8	(365)	(487)
Net current assets		<u>273</u>	<u>386</u>
Total assets less current liabilities		273	386
Capital and reserves			
Share capital	9	-	-
Profit and loss account		273	386
Shareholders' funds		<u>273</u>	<u>386</u>

The Financial 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.

The financial statements were authorised and approved by the Board on 18 July 2023 and signed on its behalf by:



**J D Burt**  
Chair



**I E Molyneux**  
Company Secretary

The notes on pages 12 to 16 form part of these financial statements.

## STATEMENT OF CHANGES IN RESERVES

<b>For the year ended 31 March</b>	<b>2023</b> <b>Income and</b> <b>expenditure</b> <b>reserve</b> £'000	<b>2022</b> <b>Income and</b> <b>expenditure</b> <b>reserve</b> £'000
<b>Balance at 1 April</b>	386	181
<b>Surplus for the year</b>	115	246
<b>Distribution:</b>		
Gift aid	(228)	(41)
<b>Balance at 31 March</b>	<u>273</u>	<u>386</u>

The notes on pages 12 to 16 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Legal status

Development Worx Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the directors' report.

### 2. Accounting policies

#### **Basis of preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

#### **Going concern**

We have made an assessment of the company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements were approved for release.

The company provides design and build services to Homes Plus, its immediate parent, and is therefore an integral part of the Group's activity and 30 year business plan. Income is generated as works are completed and charged to Homes Plus. As such, the Board is confident that demand will continue and that the company has minimal exposure to any downturn and that it has the continued support of the group.

The directors, after reviewing the company's budgets for at least 12 months from the date of approval of these financial statements and the group's medium term financial position as detailed in the 30-year business plan are of the opinion that, taking account of severe but plausible downsides, the company will have sufficient funds to meet its liabilities as they fall due for a period of 12 months from the date of approval of the financial statements. The directors therefore continue to adopt the going concern basis in preparing the annual financial statements

#### **Turnover**

Turnover represents income on contracts received from Homes Plus, for the provision of design and build services.

Turnover is recognised upon dispatch of goods or provision of services.

#### **Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

#### **Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors. Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

The company's cash at bank and in hand and trade and other debtors and its trade and other creditors and bank overdrafts are measured initially at the transaction price, including transaction costs.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### **Tax**

Where profits on ordinary activities before tax are generated, Development Worx will gift aid the profits to the parent within nine months of the year end taking account of any taxable losses carried forward.

### **Debtors**

Short term debtors are intra-group and measured at the transaction price.

### **Creditors**

Short term creditors are measured at the transaction price.

### **Stocks**

Stocks are stated at the lower of net cost and net realisable value.

### **Reserves**

Taxable profits will be returned to the parent company by way of gift aid. The gift aid is recognised in the period after the profits are generated.

### **Group structure**

Development Worx Limited is a wholly owned subsidiary of Homes Plus.

### **Pensions**

The Company does not operate a pension scheme.

### **Judgement in applying accounting policies and key sources of estimating uncertainty**

None

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. Turnover, operating costs and profit on ordinary activities before taxation

	Turnover	2023 Operating costs	Profit on ordinary activities before taxation	2022 Profit on ordinary activities before taxation
	£'000	£'000	£'000	£'000
Development Services	3,609	(3,494)	115	246
Total	3,609	(3,494)	115	246

### 4. Profit on ordinary activities before taxation

This is arrived at after charging:	<b>2023</b> £'000	<b>2022</b> £'000
Auditor's remuneration (excluding VAT)		
- Fees for audit services	4	3
- Fees for other services	4	4
	<u>4</u>	<u>4</u>

### 5. Board of Directors

During the period there was no director's remuneration paid.

### 6. Tax on profit on ordinary activities

	<b>2023</b> £'000	<b>2022</b> £'000
Profit on ordinary activities before tax	115	246
Corporation tax on ordinary activities at 19% (if not gift aided)	22	47
Tax credit on Gift Aid	(22)	(47)
Gift Aid payment not subject to UK taxation	(115)	(246)
Corporation tax if gift aided to parent	-	-
Corporation tax charge	-	-
Total tax charge	<u>-</u>	<u>-</u>

The £115k profit on ordinary activities before tax will be gift aided to the parent company within 9 months of the year end. On this basis the tax credit in respect of Gift Aid has been recognised in the year ended 31 March 2023.



## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 7. Debtors

	<b>2023</b> £'000	<b>2022</b> £'000
Amounts owed from group undertakings are interest free and repayable on demand	223	376
Other debtors	<u>2</u>	<u>9</u>
	<u>225</u>	<u>385</u>

### 8. Creditors: amounts falling due within one year

	<b>2023</b> £'000	<b>2022</b> £'000
Amount owed to group undertakings are interest free and repayable on demand	50	-
Accruals and deferred income	<u>315</u>	<u>487</u>
	<u>365</u>	<u>487</u>

### 9. Share Capital

	<b>2023</b>	<b>2022</b>
	£'s	£'s
Allotted, called up and fully paid 1 ordinary share of £1 each	<u>1</u>	<u>1</u>

### 10. Reserves

The company's capital and reserves are as follows:

#### ***Called up share capital***

Called up share capital represents the nominal value of the shares issued.

#### ***Profit and loss account***

The profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

### 11. Related party transactions

The company has taken advantage of the exemption by S33.1A of FRS102 not to disclose related party transactions with other group companies.

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **12. Ultimate Parent Company**

The ultimate parent undertaking and controlling party is The Housing Plus Group Limited, a Registered Provider (Registered as a Charitable Community Benefit Society No. 30224R). Copies of the consolidated financial statements of The Housing Plus Group Limited can be obtained from its registered office, Acton Court, Acton Gate, Stafford ST18 9AP.