



CONCERT LIVING LIMITED

Annual Accounts 2018

Financial Statements for the period
7 April 2017 to 31 March 2018

Company Number: 10715090

Contents

	Page
Members of the Board of Management and Executive Officers	3
Strategic report	4
Directors report	6
Report of the Independent Auditor	8
Statement of Comprehensive Income	11
Statement of Financial Position	12
Statement of Changes in Equity	13
Notes to the Financial Statements	14

Board of Management, professional advisors and registered office

Members of the Board of Management

Non-Executive Directors:

G Fogden Chair	(appointed 09 October 2017)
G Furlong	(appointed 09 October 2017)
A Greenhill	(appointed 09 October 2017)
N Wright	(appointed 09 October 2017)

Executive Directors:

J De-Rose	(appointed 07 April 2017)
A Speer	(appointed 07 April 2017)

Company Secretary

D Atherton

Registered Office

Unit 7 Balfour Court
Leyland
Lancashire
PR25 2TF

Executive Officer

L Lane, Land & Planning Director

Auditors

BDO LLP
3 Hardman Street
Manchester
M3 3AT

Company Number

10715090

Strategic report

The Board presents its report and the audited financial statements for the period ended 31 March 2018.

Strategy and objectives

Concert Living Limited has been established on 7 April 2017 by its parent, Progress Housing Group Limited, with the primary purpose of developing homes for open market sale in order to generate a profit, which will be used to fund the Group's core activities, including sub-market rented accommodation.

Concert Living Limited's business plan sets out three key objectives:

- ◆ Following successful completion of a pilot programme of 100 homes, to build 250 homes over the next five years (rising to 200 dwellings per annum in the long-term); and
- ◆ to generate a gross profit for the main Group which the Group will use to develop new shared ownership and affordable rent homes.

The company was incorporated on 07 April 2017 and the first meeting of the Board of Management was held on 09 October 2017. These financial statements reflect the infancy of the business.

Business review

The results for the period are detailed in the statement of comprehensive income on page 11.

The company has not yet begun to trade but has incurred some initial set-up costs.

Initial developments began in the last quarter of the financial year resulting in reported work in progress in the statement of financial position at 31 March 2018.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to:

- ◆ Capacity constraints within the building industry supply chain and the associated inflationary impact on raw materials and contracted labour;
- ◆ Economic confidence and its influence on demand for new homes.

The Board recognises these risks and manages them using a number of risk mitigation strategies.

Future developments

It is intended that the planned activities will ensure a future growth of the business.

Going concern

After due consideration, the directors are confident that Concert Living Limited has adequate resources to continue in operational existence for the foreseeable future. Accordingly, it continues to adopt the going concern basis in preparing the financial statements. The net liability of £51K on the Statement of Financial Position is for set-up costs for the company with purchase and sales activities to commence in the new financial year, supported by funding from Progress Housing Group.

This report was approved by the board on 30 July 2018 and signed on its behalf.

Deborah Atherton
Company Secretary

Directors' report

The directors present their report and the audited financial statements for the period ended 31 March 2018.

Subsequent events

The directors confirm that there have been no events since the financial year end that have had a material effect on the financial position of the company. The company will commence its trading activities during the new financial year in accordance with its business plan.

Health and safety

The directors are aware of their responsibilities on all matters relating to health and safety. Progress Housing Group has appropriate detailed health and safety policies and provides staff training and education on health and safety matters.

Directors' responsibilities

The directors are responsible for preparing the strategic report, 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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 accounting estimates that are reasonable and prudent;
- ◆ state whether applicable UK Accounting Standards 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served in the period are set out on page 3.

Auditors

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and therefore BDO LLP will remain in office.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board on 30 July 2018 and signed on its behalf.

Deborah Atherton
Company Secretary

Independent auditor's report to the members of Concert Living Limited

Opinion

We have audited the financial statements of Concert Living Limited (the 'company') for the period ended 31 March 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and 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 2018 and of its loss 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.

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 Financial Reporting Council'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.

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 strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the strategic report and the directors' report have 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 strategic report and 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 6, 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 at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of 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.

For and on behalf of BDO LLP, Statutory Auditor Manchester

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

Statement of Comprehensive Income

	Notes	2018 £'000
Operating costs		<u>(51)</u>
Operating loss	1	(51)
Loss on ordinary activities before taxation		<u>(51)</u>
Tax on profit on ordinary activities	2	<u>-</u>
Loss for the financial year		<u>(51)</u>
Other comprehensive income		<u>-</u>
Total comprehensive loss for the year		<u><u>(51)</u></u>

All operations are continuing.

The notes on pages 14-18 form an integral part of the financial statements.

Statement of Financial Position

	Notes	2018 £'000
Tangible fixed assets	3	8
Other tangible fixed assets		8
Current assets		
Stock	4	15
Debtors	5	9
		24
Less: Creditors amounts falling due within one year	6	(83)
Net current liabilities		(59)
Net assets		(51)
Capital and reserves		
Share capital	10	-
Profit and loss account		(51)
		(51)

The financial statements on pages 11 to 13 were approved by the Board of Management on 30 July 2018 and were signed on its behalf by:

Geoffrey Fogden

Board member

Gwynne Furlong

Board member

Deborah Atherton

Company Secretary

Statement of Changes in Equity

	Profit and loss account	Total
	£'000	£'000
At 7 April 2017	-	-
Issued Shares (note 9)	-	-
Loss for the year	(51)	(51)
As at 31 March 2018	(51)	(51)

Notes to the Financial Statements

for the period 7 April 2017 to 31 March 2018

Company information

Concert Living Limited is a company limited by shares incorporated in England 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 strategic report.

Accounting policies

1) Basis of accounting

The financial statements have been prepared under the historical cost convention and comply with FRS 102.

2) Going concern

After due consideration, the directors are confident that Concert Living Limited has adequate resources to continue in operational existence for the foreseeable future. Accordingly, it continues to adopt the going concern basis in preparing the financial statements. The net liability of £51k on the Statement of Financial Position is for set up costs for the company with purchase and sales activities to commence in the new financial year, supported by funding from Progress Housing Group.

3) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The directors do not consider there to be any significant estimates or judgements in the preparation of the financial statements.

4) 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 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 requirements 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 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- ◆ the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- ◆ the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Progress Housing Group Limited as at 31 March 2018 and these financial statements may be obtained from Sumner House, 21 King Street Leyland, Lancashire, PR25 2LW.

5) Fixed assets and depreciation

Other tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on a straight line basis, at rates considered appropriate to write off the assets over their effective working lives as follows:-

- ◆ **Computer Equipment**
Straight Line Basis over 3 years.

Notes to the Financial Statements (continued)

6) *Holiday pay accrual*

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the statement of financial position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the statement of financial position date.

7) *Stock*

Work in progress on developments for sale is stated at the lower cost and net realisable value.

8) *Value Added Tax*

Concert Living was not VAT registered at the end of the financial year, however the company will become VAT registered in the year, therefore all income and expenditure is recorded net of VAT in the financial statements.

9) *Taxation*

Concert Living is liable to United Kingdom Corporation Tax. Where applicable, taxation is provided for at the rates prevailing at the Statement of Financial Position date and comprises of current and deferred tax.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the Statement of Financial Position date, and any adjustment to tax payable in respect of previous years.

Notes to the Financial Statements (continued)

1. Operating Loss

Operating loss is stated after charging audit fees of £1,000.

2. Taxation on Loss on Ordinary Activities

(a) Analysis of the charge in the period

The tax charge on the loss on ordinary activities for the period was as follows:

	2018
	£'000
Current tax:	-
UK Corporation Tax charge for the period	-
Total current tax	-
Deferred tax:	-
Origination and reversal of timing differences	-
Tax on loss on ordinary activities	-

(b) Factors affecting tax charge for the period

Loss on ordinary activities before tax	(51)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%	(10)
Losses carried forward but not recognised in deferred tax	10
	-

(c) Factors that may affect future tax charges

No deferred tax asset has been recognised in respect of the tax losses carried forward.

Notes to the Financial Statements (continued)

3. Tangible Fixed Assets

	Computer Hardware £'000
Cost	
At 7 April 2017	-
Additions	8
Cost at 31 March 2018	<u>8</u>

4. Stock

	2018 £'000
Work in progress development spend	<u>15</u>

5. Debtors

	2018 £'000
Value Added Tax	<u>9</u>
	<u>9</u>

6. Creditors due within 1 year

	2018 £'000
Amounts due to group undertakings	53
Other creditors	30
	<u>83</u>

7. Employee information

The average number of persons (including Directors), employed during the year was:

	2018 Number
Full-time equivalent	<u>-</u>
Staff costs	2018 £'000
Salaries	6
Social security costs	1
Other pension costs	-
	<u>6</u>

The company had no employees other than Directors.

Notes to the Financial Statements (continued)

8. Emoluments of the Board and the Directors

	2018
	£'000
Analysis of non-executives emoluments	
Non-executives remuneration (including expenses)	<u>9</u>

The Group provides emoluments to non-executive directors.

During the year there were no benefits, other than wages and salaries, payable to Board members.

Directors who serve an executive or non-executive capacity for Progress Housing Group Ltd, are remunerated by Progress Housing Group Ltd.

9. Share Capital

	2018
	£
Authorised Share Capital issued during the year	<u>100</u>
Issued not paid	<u>100</u>

10. Ultimate Controlling Party

The ultimate controlling party of the company is Progress Housing Group Limited, which is registered under the Co-operative and Community Benefit Societies Act 2014 and a registered provider of social housing under the Housing Act. The consolidated accounts of Progress Housing Group Limited can be obtained from Sumner House, 21 King Street, Leyland, Lancashire, PR25 2LW or via its website at www.progressgroup.org.uk.



w: www.concertliving.co.uk
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