

PATTERDALE DEVELOPMENTS LIMITED

Annual Report and Financial Statements

Year ended 31st March 2021

Company Registration Number: 11454759

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Officers and Professional Advisors

Board members and executive directors

R Wakefield
L Mattinson
C Garner

Registered Office

Harbour House
Portway
Preston
PR2 2DW

Auditor

Beever and Struthers
Chartered accountants & statutory auditor
St. George's House
215 - 219 Chester Road
Manchester
M15 4JE

Report of the Board

The Board of Directors presents its report together with Patterdale Development Limited's (the "Company") audited financial statements for the year ended 31 March 2021.

Principal activities

The principal activities of the Company are to undertake new development work for Community Gateway Association Limited, primarily in the field of the provision of Social Housing. The company was incorporated on 9 July 2018 and commenced trading on 20 June 2019.

Community Gateway Association Limited is a member of the Community Gateway Group ("the Group"). The Group's principal activities are the development and management of social housing. The Group's ultimate parent undertaking is Community Gateway Association Limited.

Patterdale Developments Limited is wholly owned by Community Gateway Association Limited, a not for profit registered provider.

Board members and executive directors

The Board members who served during the year ended 31 March 2021 and subsequently are appointed by Community Gateway Association Limited and are follows;

R Wakefield

L Mattinson

C Garner

Board members are unpaid, and the Company does not employ any staff directly but enters into contractual arrangements with the Group to use its staff for which a fee is paid. Group insurance policies indemnify Board members and officers against liability when acting for the Group.

Statement of the Responsibilities of the Board

The Board members are responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and regulations.

Company law requires the Board to prepare financial statements for each financial year. Under that law the Board has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Board must not approve the financial statement unless it is satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company for that period. In preparing these financial statements, the Board is 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board members 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.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 auditors

At the date of making this report of the Company's Board members, as set out on page 3, confirm the following:

- so far as each Board member is aware, there is no relevant information needed by the Company's auditors in connection with preparing their report 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 in order to make them self aware of any relevant information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

Auditors

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 auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

Beever and Struthers have been appointed as the Company's External Auditors. A resolution for the re-appointment of Beever and Struthers as auditors of the Company is to be proposed at the forthcoming Board Meeting.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approval

The Report of the Board was approved by the Board on 22nd July 2021 and signed on its behalf by:



Craig Garner

Director

Independent Auditor's Report to the Members of Patterdale Developments Limited

Opinion

We have audited the financial statements of Patterdale Developments Limited ('the company') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income and Retained Earnings, the Statement of Financial Position 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 FRS 102 Section 1A "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 2021 and of its profit for the year 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 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

In auditing the financial statements, we have concluded that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability

to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Board with respect to going concern are described in the relevant sections of this report.

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 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 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, 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, 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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Companies Act 2006, tax legislation and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws relating to taxation matters.
- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

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.



Sue Hutchinson FCCA (Senior Statutory Auditor)

For and on behalf of

BEEVER AND STRUTHERS

Statutory Auditor

St George's House

215/219 Chester Road

Manchester

M15 4JE

Date: 24 September 2021

Patterdale Developments Limited
Statement of Comprehensive Income
for the Year Ended 31 March 2021

| | Note | 2021 £'000 | 2020 £'000 |
|---|------|---------------|---------------|
| Turnover | 4 | 5,886 | 14,395 |
| Cost of sales | | (5,824) | (14,085) |
| Gross Profit | | 62 | 310 |
| Administrative expenses | | (62) | (307) |
| Operating profit | 5 | 0 | 3 |
| Interest receivable and other income | | - | - |
| Profit before tax | | 0 | 3 |
| Taxation | 6 | 0 | (1) |
| Profit and total comprehensive income for the year | | 0 | 2 |

There are no other recognised gains and losses other than those reported above.

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

Patterdale Developments Limited

Statement of Financial Position as at 31 March 2021

| | Note | 2021 £'000 | 2020 £'000 |
|--|------|-----------------|-----------------|
| Current assets | | | |
| Debtors: due within one year | 7 | 3,395 | 167 |
| Cash and Bank | | <u>88</u> | <u>2</u> |
| | | 3483 | 169 |
| Creditors | | | |
| Amounts falling due within one year | 8 | (3,481) | (167) |
| | | <u></u> | <u></u> |
| Total assets less current liabilities | | <u>2</u> | <u>2</u> |
| Equity shareholders' funds | | | |
| Share capital | 9 | | - |
| Profit and loss account | 10 | 2 | 2 |
| | | <u>2</u> | <u>2</u> |
| Shareholder's funds | | <u>2</u> | <u>2</u> |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

These financial statements were approved by the Board on 22 July 2021 and were signed on its behalf by:-



Craig Garner - Director

Patterdale Developments Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

1. Accounting policies

Basis of preparation

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland, and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Sterling (£), the functional currency of the entity.

Significant judgements and estimates

Management have not made any judgements, estimates or assumptions that affect the amounts reported in the financial statements.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

The outbreak of Covid-19 and the lockdown measures announced on 23 March 2020, presented operational and financial risks that have to date been successfully managed. Patterdale Developments Limited's income is generated through the delivery of Community Gateway Association's development programme and as Community Gateway Association has demonstrated that the financial impact of Covid-19 can be managed within the approved Business Plan the Group will continue to have the liquidity to manage the risks.

2. Employee information

The Company does not employ staff directly. Administrative services including staffing are provided by Community Gateway Association Limited and these are recharged to the Company in accordance with the signed Master Development Agreement. The directors and key management personnel are remunerated by the parent entity.

3. Turnover

Turnover was generated from principal activities wholly in the UK.

Notes to the Financial Statements for the Year Ended 31 March 2021

4. Operating profit on ordinary activities before taxation

| | 2021 £'000 | 2020 £'000 |
|--|---------------|---------------|
| Stated after charging | | |
| Auditors' remuneration (excluding VAT) | <u>4</u> | <u>4</u> |

5. Taxation on surplus on ordinary activities

| | 2021 £'000 | 2020 £'000 |
|---|-----------------|-----------------|
| Analysis of tax charge in the year | | |
| UK corporation tax | | |
| Current tax on income for the year | - | 1 |
| Adjustment in respect of prior periods | <u>-</u> | <u>-</u> |
| | | 1 |
| Deferred Tax | | |
| Accelerated capital allowances | - | - |
| Adjustments in respect of prior periods | <u>-</u> | <u>-</u> |
| Total tax | <u><u>-</u></u> | <u><u>1</u></u> |

6. Debtors: due within one year

| | 2021 £'000 | 2020 £'000 |
|----------------|--------------------|-------------------|
| Other debtors | 3,360 | 115 |
| Other taxation | 35 | 52 |
| | <u><u>3395</u></u> | <u><u>167</u></u> |

Notes to the Financial Statements for the Year Ended 31 March 2021

7. Creditors due within one year

| | 2021 £'000 | 2020 £'000 |
|-----------------------------------|---------------|---------------|
| Trade Creditors | 340 | 26 |
| Amounts due to group undertakings | 3,134 | - |
| Accruals and deferred income | 8 | 140 |
| Corporation Tax | - | 1 |
| | <u>3,481</u> | <u>167</u> |

8. Share Capital

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Issued, allotted, authorised and fully paid | | |
| At 1 April | - | - |
| Issued during the year | - | - |
| At 31 March | <u>0</u> | <u>0</u> |

10. Profit and loss account

| | 2021 £'000 | 2020 £'000 |
|-----------------------|---------------|---------------|
| At 1 April | 2 | - |
| Profit for the period | - | 2 |
| At 31 March | <u>2</u> | <u>2</u> |

11. Contingent liabilities

There are no known contingent liabilities at 31 March 2021 (2020: none).

12. Related Parties

The Company has taken advantage of the exemption available under FRS102 Section 1A not to disclose transactions between Group companies.

There are no other related party transactions to disclose.

13. Ultimate parent company

The Company's immediate and ultimate parent is Community Gateway Association Limited. Community Gateway Association's consolidated financial statements can be obtained from the Group's registered office:

Harbour House
Portway
Preston
PR2 2DW