

Oportunitas Limited

Appendix 1

Report and accounts Contents

	Page
Company information	1
Directors' report	2 - 3
Independent auditor's report	4 - 5
Profit and loss account	6
Balance sheet	7
Statement of changes in equity	8
Notes to the accounts	9 - 11
Detailed profit and loss account	12 - 13

Oportunitas Limited Company Information

Directors

Andrew Blaszkowicz (appointed 23 April 2019) (resigned 5 June 2019)
Peter Charles Gane (appointed 11 June 2019)
David Royce Godfrey (appointed 5 June 2019) (resigned 11 June 2019)
Philip Stanley Martin (resigned 5 June 2019)
Connor Andrew Mcconville (appointed 5 June 2019)
Terence William Mullard (appointed 5 June 2019)
Patricia Spencer Rolfe (appointed 5 June 2019)
Carol Sacre (resigned 3 May 2019)
Russell Tillson (resigned 3 May 2019)
Roger James Wilkins (resigned 3 May 2019)

Auditors

Begbies Chartered Accountants and Registered Auditors
9 Bonhill Street
London
EC2A 4DJ

Bankers

National Westminster Bank
Europa House
49 Sandgate Road
Folkestone
Kent
CT20 1RU

Registered office

Civic Centre
Castle Hill Avenue
Folkestone
Kent
CT20 2QY

Registered number

09038505

Oportunitas Limited

Registered number: 09038505

Directors' Report

The directors present their report and accounts for the year ended 31 March 2020.

Principal activities

Oportunitas Ltd was incorporated in May 2014, commenced its operations in November 2014 and is a wholly owned subsidiary of Folkestone and Hythe District Council providing housing and regeneration services.

Directors

The following persons served as directors during the year and since the balance sheet date:

Andrew Blaszkowicz (appointed 23 April 2019) (resigned 5 June 2019)
Peter Charles Gane (appointed 11 June 2019)
David Royce Godfrey (appointed 5 June 2019) (resigned 11 June 2019)
Philip Stanley Martin (resigned 5 June 2019)
Connor Andrew Mcconville (appointed 5 June 2019)
Terence William Mullard (appointed 5 June 2019)
Patricia Spencer Rolfe (appointed 5 June 2019)
Carol Sacre (resigned 3 May 2019)
Russell Tillson (resigned 3 May 2019)
Roger James Wilkins (resigned 3 May 2019)

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts 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 accounts 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.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Oportunitas Limited

Registered number: 09038505

Directors' Report

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on 2020 and signed on its behalf by

Patricia Rolfe

Director

Oportunitas Limited
Independent auditor's report
to the member of Oportunitas Limited

Opinion

We have audited the accounts of Oportunitas Limited for the year ended 31 March 2020 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and notes to the accounts, 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 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit 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 of 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 accounts section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the accounts 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.

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 accounts section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out below, 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.

In accordance with the exemption provided by FRC's Ethical Standard - Provisions Available for Audits of Small Entities, we have prepared and submitted the company's returns to the tax authorities and assisted with the preparation of the accounts.

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 accounts is not appropriate; or
- the directors have not disclosed in the accounts 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 accounts are authorised for issue.

Other information

The other information comprises the information included in the report and accounts, other than the accounts and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

Oportunitas Limited
Independent auditor's report
to the member of Oportunitas Limited

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 accounts are prepared is consistent with the accounts; 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 accounts 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 accounts 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 accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Daniel Valentine ACA
(Senior Statutory Auditor)
for and on behalf of
Begbies
Accountants and Statutory Auditors

Oportunitas Limited
Profit and Loss Account
for the year ended 31 March 2020

	2020	2019
	£	£
Turnover	284,526	305,030
Cost of sales	(17,480)	(57,349)
Gross profit	267,046	247,681
Administrative expenses	(150,988)	(110,887)
Profit on investment property revaluation	209,993	132,952
Operating profit	326,051	269,746
Interest payable	(173,754)	(169,086)
Profit before tax	152,297	100,660
Tax on profit	(39,898)	(25,261)
Profit after tax	112,399	75,399

Oportunitas Limited
Registered number:
Balance Sheet
as at 31 March 2020

09038505

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	3		4,852,551		4,563,500
Current assets					
Debtors	4	1,296,414		38,120	
Cash at bank and in hand		<u>206,284</u>		<u>47,113</u>	
		1,502,698		85,233	
Creditors: amounts falling due within one year	5	(52,303)		(19,992)	
Net current assets			<u>1,450,395</u>		<u>65,241</u>
Total assets less current liabilities			<u>6,302,946</u>		<u>4,628,741</u>
Creditors: amounts falling due after more than one year	6		(4,281,306)		(4,069,399)
Provisions for liabilities			(69,728)		(29,830)
Current assets			<u>1,951,912</u>		<u>529,512</u>
Capital and reserves					
Called up share capital			955		300
Share premium			1,787,796		478,451
Profit and loss account			163,161		50,761
Shareholder's funds			<u>1,951,912</u>		<u>529,512</u>

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

Patricia Rolfe
Director

Approved by the board on

Oportunitas Limited
Statement of Changes in Equity
for the year ended 31 March 2020

	Share capital	Share premium	Profit and loss account	Total
	£	£	£	£
At 1 April 2018	300	478,451	(24,638)	454,113
Profit for the financial year			75,399	75,399
At 31 March 2019	<u>300</u>	<u>478,451</u>	<u>50,761</u>	<u>529,512</u>
At 1 April 2019	300	478,451	50,761	529,512
Profit for the financial year			112,400	112,400
Shares issued	655	1,309,345		1,310,000
At 31 March 2020	<u>955</u>	<u>1,787,796</u>	<u>163,161</u>	<u>1,951,912</u>
Distributable profit and loss reserve			(316,156)	
Non distributable profit and loss reserve			<u>479,317</u>	
			<u><u>163,161</u></u>	

Oportunitas Limited
Notes to the Accounts
for the year ended 31 March 2020

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by Section 1A of the Standard).

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the rendering of services and the rent of investment property. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. Turnover from rent of investment property is recognised by reference to the date rents become payable under tenancy agreements.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	over 50 years
Leasehold land and buildings	over the lease term
Plant and machinery	over 5 years
Fixtures, fittings, tools and equipment	over 5 years

Investment property

Investment property, which is property held to earn rental income and capital appreciation, is measured using the fair value model and stated at its fair value as at the reporting end date. The surplus or deficit on revaluation is recognised on the profit and loss account.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, save that financial assets recoverable in less than 12 months are not amortised.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods where appropriate. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date. The deferred tax provision currently booked in the accounts relates to latent capital gains on the revaluation of investment properties. Current and deferred tax assets and liabilities are not discounted.

Oportunitas Limited
Notes to the Accounts
for the year ended 31 March 2020

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

2 Audit information

The audit report is unqualified.

Senior statutory auditor: Daniel Valentine ACA
 Firm: Begbies
 Date of audit report:

3 Tangible fixed assets

	Investment properties
	£
Cost	
At 1 April 2019	4,563,501
Additions	79,057
Surplus on revaluation	<u>209,993</u>
At 31 March 2020	<u>4,852,551</u>
Net book value	
At 31 March 2020	<u>4,852,551</u>
At 31 March 2019	<u>4,563,501</u>
Freehold land and buildings:	
	2020
	£
Historical cost	<u>4,303,506</u>
	2019
	£
	<u>4,224,449</u>

The investment properties were valued by Taylor Riley, Chartered Surveyors, an independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of the investment properties being valued. The investment properties have been valued on the basis of open market value and using comparable property data, in accordance with the current RICS Valuation Standards by the Royal Institution of Chartered Surveyors.

4 Debtors

	2020	2019
	£	£
Trade debtors	2,205	2,831
Royal Victoria deposit	1,275,000	-
Other debtors	<u>19,209</u>	<u>35,289</u>
	<u>1,296,414</u>	<u>38,120</u>

Oportunitas Limited
Notes to the Accounts
for the year ended 31 March 2020

5 Creditors: amounts falling due within one year	2020	2019
	£	£
Other loans	27,444	-
Other taxes and social security costs	428	-
Other creditors	<u>24,431</u>	<u>19,992</u>
	<u>52,303</u>	<u>19,992</u>

6 Creditors: amounts falling due after one year	2020	2019
	£	£
Other loans	<u>4,281,306</u>	<u>4,069,399</u>
	<u>4,281,306</u>	<u>4,069,399</u>

7 Loans	2020	2019
	£	£
Creditors include:		
Instalments falling due for payment within one year	27,444	-
Instalments falling due for payment in two to five years	124,019	662,522
Instalments falling due for payment after more than five years	<u>4,157,287</u>	<u>3,406,877</u>
	<u>4,308,750</u>	<u>4,069,399</u>
Secured loans	<u>4,308,750</u>	<u>4,069,399</u>

Amounts payable to Folkestone and Hythe District Council are secured by fixed and floating charges over the company's properties.

8 Events after the reporting date

On 4th August 2020, the company raised capital by a further share issue of 520 shares at a price of £2,000 per share to its sole shareholder and controlling party, Folkestone & Hythe District Council. This is principally intended to fund further payments under the ongoing development contract disclosed in note 9.

9 Capital commitments	2020	2019
	£	£
Amounts contracted for but not provided in the accounts	<u>5,125,000</u>	<u>-</u>

During the year the company entered into a contract with a property developer to agree to purchase residential accommodation over the next two years for a price of £6.4m. A deposit of £1.275m was paid before the year end and this prepayment is included within other debtors in note 8. Under the terms of the contract, the balance of £5,125,000, disclosed as a commitment above, is payable in instalments over the next two years as the development progresses.

Oportunitas Limited
Notes to the Accounts
for the year ended 31 March 2020

10 Related party transactions

The company has taken advantage of the exemption in FRS 102 whereby it has not disclosed transactions with its ultimate parent company. Such transactions were on normal commercial terms as part of the company's ongoing investment and operating activities.

11 Controlling party

For the current and previous year, the company was a wholly owned subsidiary of Folkestone and Hythe District Council.

12 Other information

Oportunitas Limited is a private company limited by shares and incorporated in England. Its registered office is c/o Folkestone and Hythe District Council, Castle Hill Avenue, Folkestone, CT20 2QY.