

COMPANY REGISTRATION NUMBER: 3532867

Renaissi Limited
Company Limited by Guarantee
Financial statements
31 March 2023



Renaissi Limited

Company Limited by Guarantee

Directors' responsibilities statement

Year ended 31 March 2023

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom 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 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;
- 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.

Renaishi Limited

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Statement of financial position


31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	6	39,449	2,983
Investments	7	<u>447,630</u>	<u>526,309</u>
		487,079	529,292
Current assets			
Debtors	8	516,145	281,427
Cash at bank and in hand		<u>130,527</u>	<u>417,573</u>
		646,672	699,000
Creditors: Amounts falling due within one year	9	<u>(468,361)</u>	<u>(494,034)</u>
Net current assets		178,311	204,966
Total assets less current liabilities		<u>665,390</u>	<u>734,258</u>
Net assets excluding defined benefit pension plan liability		665,390	734,258
Defined benefit pension plan liability	10	—	<u>(1,033,000)</u>
Net assets/(liabilities) including defined benefit pension plan liability		<u>665,390</u>	<u>(298,742)</u>
Capital and reserves			
Profit and loss account		665,390	<u>(298,742)</u>
Members funds/(deficit)		<u>665,390</u>	<u>(298,742)</u>

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

In accordance with section 444 of the Companies Act 2006, the income statement has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 24/11/2023, and are signed on behalf of the board by:


Rohati Chapman (Non-executive Chair)
Director


John Hitchin
Director

Company registration number: 3532867

The notes on pages 3 to 11 form part of these financial statements.

Renaishi Limited

Company Limited by Guarantee

Notes to the financial statements

Year ended 31 March 2023

1. General information

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office is The Green House, Unit 1.2, 244-254 Cambridge Heath Road, London, E2 9DA.

2. Statement of compliance

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'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis as the directors believe that no material uncertainties exist. The directors have considered the level of reserves held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the company to be able to continue as a going concern.

The directors note that following their review of forthcoming contract activity and opportunities in the marketplace, and despite the difficulties of this year, they remain confident in the company's ability to continue to trade successfully for the forthcoming twelve months, and to be more resilient for the years ahead.

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Notes to the financial statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Revenue recognition

Turnover represents net invoiced sales of services, excluding value added tax.

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Turnover is measured where the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all the following conditions are satisfied:

- the amount of revenue can be measured reliably.
- it is probable that the Company will receive the consideration due under the contract.
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Income from our employment support services is accounted for when Renaishi is entitled to the income under the range of contracts. Sustainability payments relating to individuals within those employment contracts that have only partially completed the sustainability outcome at the balance sheet date are not accrued as there is insufficient certainty in relation to the outcomes.

Management fees are recognised when receivable.

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Income Statement at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Income statement in the same period as the related expenditure.

Operating leases

Rentals paid under operating leases are charged to the Income Statement and expenditure on a straightline basis over the lease term.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Renaissi Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Office equipment	-	20% - 25% on straight line basis
Fixtures and fittings	-	20% - 25% on straight line basis
Project assets	-	20% - 25% on straight line basis

Investments

Investments in listed company shares are remeasured to market value at each Statement of Financial Position date. Gains and losses on remeasurement are recognised in surplus or deficit for the period.

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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term creditors are measured at the transaction price.

Defined benefit plans

The company recognises a defined net benefit pension asset or liability in the statement of financial position as the net total of the present value of its obligations and the fair value of plan assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high quality corporate bonds. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Plan surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the plan.

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Notes to the financial statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Defined benefit plans *(continued)*

Changes in the net defined benefit asset or liability arising from employee service are recognised in profit or loss as a current service cost where it relates to services in the current period and as a past service cost where it relates to services in prior periods. Costs relating to plan introductions, benefit changes, curtailments and settlements are recognised in profit or loss in the period in which they occur.

Net interest is determined by multiplying the net defined benefit liability by the discount rate, both as determined at the start of the reporting period, taking account of any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. Net interest is recognised in profit or loss.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Current and deferred tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income Statement except that a charge attributable to an item of income and expense recognised as other comprehensive income is also recognised in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and

Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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Notes to the financial statements (continued)

Year ended 31 March 2023

3. Accounting policies (continued)

Pensions

The service and finance costs of the company's defined contribution pension scheme are charged to the Income Statement.

In previous years the company made contributions to a defined benefit pension scheme which provided benefits based on final pensionable pay. The assets of the scheme were held separately from those of the company and were invested in the Local Government Pension Scheme which is operated by the London Borough of Hackney. The liabilities of the Scheme were included in the Balance Sheet on an actuarial basis using the projected unit method, i.e., an assessment of the future payments that would be made in relation to retirement benefits earned by employees, based on assumptions about mortality rates, employee turnover rates etc and projected earnings for current employees.

The company's share of the assets of the pension fund was included in the Balance Sheet at fair value on the following bases:

Quoted securities – bid or last traded price
Unquoted securities – professional estimate
Unitised securities – bid or the latest single market price
Property – Market value

During the year the company exited from the defined benefit pension scheme as detailed in note 11.

4. Company limited by guarantee

The liability of the members is limited. Each member undertakes to contribute to the assets of the Company in the event of the Company being wound up while they are a member of the Company or within one year after they cease to be a member of the Company for payment of the debts and liabilities of the Company contracted before they cease to be a member of the Company and of the costs charges and expenses of winding up such amount as may be required not exceeding £1.

5. Staff costs

The average number of employees during the year was 53 (2022: 56).

The aggregate payroll costs incurred during the year, relating to the above, were:

	2023	2022
	£	£
Wages and salaries	1,721,425	1,801,698
Social security costs	184,836	182,197
Other pension costs	67,089	87,403
	<u>1,973,350</u>	<u>2,071,298</u>

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Notes to the financial statements *(continued)*

Year ended 31 March 2023

6. Tangible assets

	Office equipment £	Fixtures and fittings £	Project Assets £	Total £
Cost				
At 1 April 2022	150,455	169,119	77,708	397,282
Additions	–	41,394	–	41,394
Disposals	(145,403)	(43,536)	(66,377)	(255,316)
At 31 March 2023	<u>5,052</u>	<u>166,977</u>	<u>11,331</u>	<u>183,360</u>
Depreciation				
At 1 April 2022	148,117	168,802	77,380	394,299
Charge for the year	1,295	3,401	232	4,928
Disposals	(145,653)	(43,289)	(66,374)	(255,316)
At 31 March 2023	<u>3,759</u>	<u>128,914</u>	<u>11,238</u>	<u>143,911</u>
Carrying amount				
At 31 March 2023	<u>1,293</u>	<u>38,063</u>	<u>93</u>	<u>39,449</u>
At 31 March 2022	<u>2,338</u>	<u>317</u>	<u>328</u>	<u>2,983</u>

7. Investments

	Other investments other than loans £
Cost	
At 1 April 2022	526,309
Disposals	(50,000)
Revaluations	(28,679)
At 31 March 2023	<u>447,630</u>
Impairment	
At 1 April 2022 and 31 March 2023	<u>–</u>
Carrying amount	
At 31 March 2023	<u>447,630</u>
At 31 March 2022	<u>526,309</u>

8. Debtors

	2023 £	2022 £
Trade debtors	269,203	148,888
Prepayments and accrued income	183,123	57,612
Other debtors	63,819	74,927
	<u>516,145</u>	<u>281,427</u>

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Notes to the financial statements *(continued)*

Year ended 31 March 2023

9. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	44,956	137,983
Accruals and deferred income	137,968	133,061
Social security and other taxes	274,918	196,822
Other creditors	10,519	26,168
	<u>468,361</u>	<u>494,034</u>

10. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £67,089 (2022: £87,403).

Defined benefit plans

The last triennial formal valuation of the Scheme was carried out by the Scheme's actuary, Hymans Robertson LLP as at 31 March 2019.

In the previous year an annual actuarial valuation to 31 March 2022 was carried out for the purpose of complying with FRS102. As at 31 March 2022 the Scheme's liabilities exceeded its assets by £1,033,000. During the year, the company exited from the Scheme following discussions with Hackney Council as the Scheme's assets exceeded its liabilities.

No payment was made to the company in respect of this asset, so its gain on exiting the scheme has been restricted to the amount of the liability as at 31 March 2022. The prior year defined benefit liabilities were measured using the projected unit method.

The statement of financial position net defined benefit liability is determined as follows:

	2023	2022
	£	£
Present value of defined benefit obligations	–	(10,997,000)
Fair value of plan assets	–	9,964,000
	<u>–</u>	<u>(1,033,000)</u>

Changes in the present value of the defined benefit obligations are as follows:

	2023
	£
At 1 April 2022	10,997,000
Gain on closure of scheme	(10,997,000)
At 31 March 2023	<u>–</u>

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Notes to the financial statements *(continued)*

Year ended 31 March 2023

10. Employee benefits *(continued)*

Changes in the fair value of plan assets are as follows:

	2023
	£
At 1 April 2022	9,964,000
Loss on closure of scheme	(9,964,000)
At 31 March 2023	—

The total costs for the year in relation to defined benefit plans are as follows:

	2023	2022
	£	£
Recognised in profit or loss:		
Current service credit	—	24,000
Net interest income	—	47,000
	<u>—</u>	<u>71,000</u>

The fair value of the major categories of plan assets are as follows:

	2023	2022
	%	%
Equity instruments	—	62.00
Debt instruments	—	25.00
Property	—	10.00
Cash and cash equivalents	—	3.00

The return on plan assets are as follows:

	2023	2022
	£	£
Return on assets of benefit plan	—	572,000

The principal actuarial assumptions as at the statement of financial position date were:

	2023	2022
	%	%
Discount rate	—	2.80
Expected rate of salary increase	—	3.50
Expected rate of increase in pensions	—	3.20
Mortality rates:		
Current pensioners at 65 - male	—	86.10
Current pensioners at 65 - female	—	88.60
Future pensioners at 65 - male	—	87.50
Future pensioners at 65 - female	—	90.60

11. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Not later than 1 year	107,791	67,474
Later than 1 year and not later than 5 years	115,403	—
	<u>223,194</u>	<u>67,474</u>

Renaissi Limited

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Notes to the financial statements *(continued)*

Year ended 31 March 2023

12. Summary audit opinion

The auditors report for the year ended 31 March 2023 was unqualified with no emphasis of matter.

The senior statutory auditor was Mark Proctor FCA DChA, for and on behalf of Lovewell Blake LLP.

13. Controlling party

Other than the members as a body (who are the directors of the company), the company has no ultimate controlling party. It is a company limited by guarantee with members having one vote each. In the event of the company is wound up, the liability of the members is limited to £1 each.