

HOUSING PARTNERS LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2020



HOUSING PARTNERS LIMITED
REGISTERED NUMBER:04667857

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

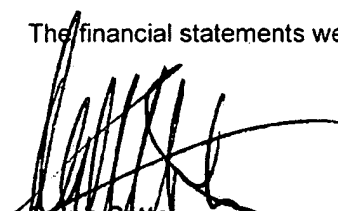
	Note	2020 £	2019 £
FIXED ASSETS			
Intangible assets	5	5,000	10,000
Tangible assets	6	102,681	120,499
		<u>107,681</u>	<u>130,499</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	7	1,712,238	1,546,153
Cash at bank and in hand	8	979,746	899,237
		<u>2,691,984</u>	<u>2,445,390</u>
Creditors: amounts falling due within one year	9	(1,912,350)	(1,977,164)
NET CURRENT ASSETS		<u>779,634</u>	<u>468,226</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>887,315</u>	<u>598,725</u>
Creditors: amounts falling due after more than one year	10	(69,108)	(36,999)
NET ASSETS		<u><u>818,207</u></u>	<u><u>561,726</u></u>
CAPITAL AND RESERVES			
Called up share capital	12	1	1
Profit and loss account		818,206	561,725
		<u><u>818,207</u></u>	<u><u>561,726</u></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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


Ralph Catto
Director

Date: 16 July 2020

The notes on pages 3 to 10 form part of these financial statements.

HOUSING PARTNERS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2019	1	561,725	561,726
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	556,503	556,503
OTHER COMPREHENSIVE INCOME FOR THE YEAR	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	556,503	556,503
Dividends: Equity capital	-	(300,022)	(300,022)
TOTAL TRANSACTIONS WITH OWNERS	-	(300,022)	(300,022)
AT 31 MARCH 2020	1	818,206	818,207

The notes on pages 3 to 10 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2018	1	224,324	224,325
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	337,401	337,401
OTHER COMPREHENSIVE INCOME FOR THE YEAR	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	337,401	337,401
TOTAL TRANSACTIONS WITH OWNERS	-	-	-
AT 31 MARCH 2019	1	561,725	561,726

The notes on pages 3 to 10 form part of these financial statements.

HOUSING PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. GENERAL INFORMATION

Housing Partners Limited is a private company limited by shares incorporated in the UK and registered in England and Wales. The address of the registered office is Whittington Hall, Whittington Road, Worcester, WR5 2ZX.

The financial statements cover the individual entity only, and are presented in £ sterling to the nearest £.

2. ACCOUNTING POLICIES

2.1 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.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

Following the COVID-19 outbreak in early 2020, the directors have considered the impact this has had on the Company and on any future activities.

During the coronavirus lockdown there was an understandable decrease in demand for new business but during this time existing clients continued to renew their agreements, so income was not significantly impacted. The Board reviewed the Government support available and took the decision to furlough a number of members of staff to help reduce any potential financial impact on the business. All other staff were provided with equipment and support to enable them to work effectively and efficiently from home. The effects of COVID-19 are continuing to be monitored on a regular basis to ensure all appropriate actions are being taken to enable the Company to continue to operate for the foreseeable future.

At the date of this report the directors are confident that the Company will continue trade and do not anticipate any material change to the current business model as a result of COVID-19.

2.3 REVENUE

Revenue 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. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue 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 of 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.

2. ACCOUNTING POLICIES (continued)

2.4 INTEREST INCOME

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.5 FINANCE COSTS

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.7 CURRENT AND DEFERRED TAXATION

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

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 in the countries where the Company operates and generates income.

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.

2.8 INTANGIBLE ASSETS

Intangible fixed assets relate to trademarks acquired, capitalised development costs and IP of research portals which are stated at cost less amortisation expense. Amortisation is determined based on a reasonable estimate of the economic life of the underlying intangible fixed asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES (continued)

2.9 TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less depreciation.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- Life of lease straight line
Fixtures and fittings	- 3 years straight line
Computer equipment	- 3 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.10 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.11 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. ACCOUNTING POLICIES (continued)

2.14 RESEARCH AND DEVELOPMENT

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.15 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.16 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and key sources of estimation uncertainty that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Revenue Recognition

The Company operates a SaaS (Software as a service) model for the majority of its products. Management estimates the value of revenue delivered on day one in comparison to its ongoing obligation and records deferred income accordingly. 80% is recognised upfront to recognise the costs of set up and conversion to a customer, and 20% is spread evenly over the remaining life of the contract.

4. EMPLOYEES

The average monthly number of employees, including directors, during the year was 55 (2019:57).

HOUSING PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5. INTANGIBLE ASSETS

	Trademarks, development costs and IP of research portal £
COST	
At 1 April 2019	222,825
At 31 March 2020	222,825
AMORTISATION	
At 1 April 2019	212,825
Charge for the year	5,000
At 31 March 2020	217,825
NET BOOK VALUE	
At 31 March 2020	5,000
At 31 March 2019	10,000

HOUSING PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Fixtures, Fittings and Computer equipment £	Total £
COST OR VALUATION			
At 1 April 2019	188,129	409,602	597,731
Additions	-	25,951	25,951
At 31 March 2020	188,129	435,553	623,682
DEPRECIATION			
At 1 April 2019	99,981	377,251	477,232
Charge for the year on owned assets	18,990	24,779	43,769
At 31 March 2020	118,971	402,030	521,001
NET BOOK VALUE			
At 31 March 2020	69,158	33,523	102,681
At 31 March 2019	88,148	32,351	120,499

7. DEBTORS

	2020 £	2019 £
Trade debtors	1,486,307	1,320,541
Other debtors	2,834	1,612
Prepayments and accrued income	168,200	170,465
Deferred taxation	54,897	53,535
	1,712,238	1,546,153

8. CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash at bank and in hand	979,746	899,237
	979,746	899,237

HOUSING PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	90,710	457,930
Amounts owed to group undertakings	90,318	90,441
Other taxation and social security	429,779	341,116
Other creditors	6,736	5,697
Accruals and deferred income	1,294,807	1,081,980
	<u>1,912,350</u>	<u>1,977,164</u>

Amounts owed to group undertakings do not bear interest and are repayable on demand.

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020 £	2019 £
Accruals and deferred income	69,108	36,999
	<u>69,108</u>	<u>36,999</u>

11. FINANCIAL INSTRUMENTS

	2020 £	2019 £
FINANCIAL ASSETS		
Financial assets measured at fair value through profit or loss	<u>979,746</u>	<u>899,237</u>

Financial assets measured at fair value through profit or loss comprise cash at bank.

12. SHARE CAPITAL

	2020 £	2019 £
ALLOTTED, CALLED UP AND FULLY PAID		
1 (2019:1) Ordinary share of £1.00	<u>1</u>	<u>1</u>

HOUSING PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

13. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in a independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £204,467 (2019: £116,384). Contributions totalling £24,165 (2019: £12,018) were payable to the fund at the balance sheet date.

14. RELATED PARTY TRANSACTIONS

	2020 £	2019 £
Purchases from related parties	75,792	78,118
Sales to related parties	3,051	2,047
Balances owed to related parties	12,400	16,560
	<u>91,243</u>	<u>96,725</u>

15. AUDITORS' INFORMATION

The auditors' report on the financial statements for the year ended 31 March 2020 was unqualified.

The audit report was signed on 16 July 2020 by Andrew Wood FCCA (Senior statutory auditor) on behalf of Bishop Fleming LLP.