

P1 REVERSIONS LIMITED

**Company Registration Number:
06064226 (England and Wales)**

Unaudited statutory accounts for the year ended 31 March 2023

Period of accounts

Start date: 1 April 2022

End date: 31 March 2023

P1 REVERSIONS LIMITED

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Directors' report period ended 31 March 2023

The directors present their report with the financial statements of the company for the period ended 31 March 2023

Principal activities of the company

The principal activity of the company is the ownership and management of rights under a contract of a portfolio of residential property reversions located throughout the United Kingdom ("UK"). The interest in the portfolio is documented by way of a Total Return Swap.

Additional information

The ongoing conflict in Ukraine is clearly of concern to the directors. In addition to the humanitarian and political crisis which is unfolding, the events are adversely impacting global commercial activity and have contributed to volatility in financial, currency and commodities markets. The directors note that to date the impact of such events on the company has been limited and driven by the wider macro-economic ramifications. The company itself has no exposure to Russian or Ukrainian investors, and the investments are not significantly exposed to either region and therefore no material impact to the financial statements. The directors will continue to monitor the situation of the regional and global impact of the invasion that is rapidly evolving and could negatively affect the performance of the company's remaining investment due to the wider macro-economic ramifications.

Directors

The directors shown below have held office during the whole of the period from
1 April 2022 to 31 March 2023

J N Spinney
A Berry

The director shown below has held office during the period of
1 April 2022 to 21 November 2022

M J Northover

The director shown below has held office during the period of
21 November 2022 to 31 March 2023

D Wason

The above report has been prepared in accordance with the special provisions in part 15 of the Companies Act 2006

This report was approved by the board of directors on
20 June 2023

And signed on behalf of the board by:

Name: A Berry
Status: Director

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Profit And Loss Account for the Period Ended 31 March 2023

	2023	2022
	£	£
Turnover:	14,809,000	14,569,000
Cost of sales:	(13,536,000)	(13,162,000)
Gross profit(or loss):	1,273,000	1,407,000
Administrative expenses:	(618,000)	(579,000)
Other operating income:	1,011,000	5,212,000
Operating profit(or loss):	1,666,000	6,040,000
Interest receivable and similar income:	49,000	1,000
Interest payable and similar charges:	(2,370,000)	(2,806,000)
Profit(or loss) before tax:	(655,000)	3,235,000
Tax:	0	0
Profit(or loss) for the financial year:	(655,000)	3,235,000

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Balance sheet

As at 31 March 2023

	<i>Notes</i>	<i>2023</i>	<i>2022</i>
		<i>£</i>	<i>£</i>
Fixed assets			
Investments:	3	57,734,000	70,259,000
Total fixed assets:		<u>57,734,000</u>	<u>70,259,000</u>
Current assets			
Debtors:	4	2,721,000	925,000
Cash at bank and in hand:		1,981,000	1,270,000
Total current assets:		<u>4,702,000</u>	<u>2,195,000</u>
Creditors: amounts falling due within one year:	5	(501,000)	(627,000)
Net current assets (liabilities):		<u>4,201,000</u>	<u>1,568,000</u>
Total assets less current liabilities:		<u>61,935,000</u>	<u>71,827,000</u>
Creditors: amounts falling due after more than one year:	6	(53,171,000)	(62,408,000)
Total net assets (liabilities):		<u>8,764,000</u>	<u>9,419,000</u>
Capital and reserves			
Called up share capital:		23,472,000	23,472,000
Profit and loss account:		(14,708,000)	(14,053,000)
Total Shareholders' funds:		<u>8,764,000</u>	<u>9,419,000</u>

The notes form part of these financial statements

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Balance sheet statements

For the year ending 31 March 2023 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

**This report was approved by the board of directors on 20 June 2023
and signed on behalf of the board by:**

Name: A Berry
Status: Director

The notes form part of these financial statements

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Notes to the Financial Statements

for the Period Ended 31 March 2023

1. Accounting policies

Basis of measurement and preparation

These financial statements have been prepared in accordance with the provisions of Section 1A (Small Entities) of Financial Reporting Standard 102

Valuation information and policy

Property reversion rights are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognized in profit or loss under revaluation of reversion rights. The company carries its investments in residential property reversions at fair value. Fair value would normally be based on quoted market prices, broker or dealer quotations, or alternative price sources, but in the absence of these quoted prices, the investments residential property reversions are measured at fair value as determined by the Investment Advisor. Due to the inherent uncertainties of valuation, certain estimated fair values may differ significantly from the values that would have been realised had a ready market for these investments existed and these differences could be material. Valuations are generally based on discounted cash flow techniques, for which the significant inputs are the amount and timing of expected future cash flows. The Investment Advisor has developed a model for determining the fair value of the portfolio of loans based on a desktop valuation of each underlying property at the end of the year, expected property price changes and a discount factor which reflects the discount rate appropriate for each individual loan.

Other accounting policies

Policies on other asset and liabilities in accordance with FRS102

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Notes to the Financial Statements for the Period Ended 31 March 2023

2. Employees

	<i>2023</i>	<i>2022</i>
Average number of employees during the period	1	1

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Notes to the Financial Statements

for the Period Ended 31 March 2023

3. Fixed assets investments note

The company has a right to a share in the proceeds from the future disposals of properties owned by third parties located throughout the UK. As at 31 March 2023, 374 (2022: 466) reversions remained with the portfolio representing a fair value of £57.7 million (2022: £70.3 million). The £1.0m represents the valuation uplift from the existing 374 properties for the year ended 31 March 2023. The (£13.5m) represents the disposal of the 92 properties at fair value which comprises of an acquisition cost of (£9.7m) plus the (£3.8m) of valuation uplift that was attributed to these properties from prior years. The valuation of the portfolio is estimated by the directors with the assistance of the Investment Advisor. It is derived from the current vacant possession value ("VPV") of each property in the portfolio adjusted for expected HPI and then discounted from the reversion date that is estimated using actuarial assumptions (average life expectancy) about the owners. Finally, the VPV is adjusted by the percentage share of the property retained by the tenant and the relevant percentage share of sale proceeds that would be received by the company in the year that the property is considered likely to revert. HPI is estimated using 5-year regional HPI assumptions published by Savills Plc, to the expected date of valuation. The 5 year CAGR used in 2023 was 0.7% (2022: 2.1%). The other key assumptions underlying the valuation are as follows: Discount rate of 6.62% (2022: 6.62%) Average life expectancy of 3.7 years (2022: 3.9 years)

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Notes to the Financial Statements for the Period Ended 31 March 2023

4. Debtors

	<i>2023</i>	<i>2022</i>
	£	£
Prepayments and accrued income	2,721,000	925,000
Total	<u>2,721,000</u>	<u>925,000</u>

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Notes to the Financial Statements

for the Period Ended 31 March 2023

5. Creditors: amounts falling due within one year note

	2023	2022
	£	£
Accruals and deferred income	501,000	627,000
Total	<u>501,000</u>	<u>627,000</u>

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Notes to the Financial Statements

for the Period Ended 31 March 2023

6. Creditors: amounts falling due after more than one year note

	<i>2023</i>	<i>2022</i>
	£	£
Other creditors	53,171,000	62,408,000
Total	<u>53,171,000</u>	<u>62,408,000</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.