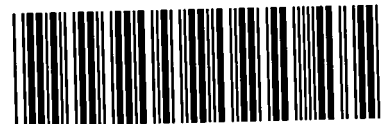


Raven Repairs Limited

Financial Statements For the Year Ended 31 March 2021

Company Registration Number 08948872

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Board and Company information

BOARD OF DIRECTORS

Jonathan Higgs
Mark Baker

SECRETARY

Mark Baker (*resigned 17th March 2021*)
Asantewaa Brenya (*appointed 17th March 2021*)

REGISTERED OFFICE

29 Linkfield Lane
Redhill, Surrey
RH1 1SS

AUDITOR

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 0PA

BANKERS

Barclays Bank plc
Barclays Commercial Bank
Level 12
1 Churchill Place
London
E14 5HP

SOLICITORS

Anthony Collins
134 Edmund Street
Birmingham
B3 2ES

COMPANY REGISTRATION NUMBER

08948872

Directors' report

The Directors present their report and the audited financial statements for the year ended 31 March 2021.

Principal activities

Raven Repairs Limited (the Company) was incorporated on 19 March 2014 and was established to enable the Raven Group to undertake commercial repairs and maintenance services.

Business review

The results for 2020/21 show that turnover reduced to £63k (compared to £291k in 2019/20) due to the impact of the pandemic upon operations. Costs have been managed to minimise the impact of the reduced revenue producing a loss on ordinary activities of £95k (compared to budgeted loss of £96k for the year).

The business plan approved by the parent company Raven Housing Trust Board in May 2019 included investment in staff and resources as activity is stepped up to gain more contracts, with expected losses in the initial years of plan. The losses to date have been lower than the original business plan forecast due to efficiencies in delivery.

The Boards of Raven Repairs Limited and Raven Housing Trust continue to invest and support the Raven Repairs business model. Raven Housing Trust financially supports the growth of the company, maintaining borrowing facilities at £740k and provides an annual letter of support approved by the Raven Group Board.

In keeping with the Business Plan strategy there has been a focus on obtaining contracts from the Business to Business (B2B) market. Despite the pandemic, works have continued with further

orders placed with existing and new customers including renewable energy systems and fire-safety systems and monitoring for properties impacted by cladding issues.

Overheads remain a challenge to our competitiveness when set against smaller, more agile companies. The business plan ambition is to increase scale as rapidly as possible to be able to reduce fixed overheads as a proportion of total costs of the business.

Following the rebranding to 'Raven Works', a new website was launched on 1st December 2020 along with other marketing materials to meet the new brand guidelines, refresh the approach and support the growth of the business.

Key risks

The Company needs to secure more work to maintain growth, turnover and profit in line the business plan. Focussing on the B2B market relies on relationships and being able to competitively quote at the right time. Raven Repairs Limited has a place on some supplier frameworks, which provide a small income stream, but needs to now build on these by quoting for larger opportunities.

To manage the risk of poor quoting for job costs, the company has safeguards in place to ensure jobs are always profitable. Sub-contractors are utilised for jobs with a higher degree of uncertainty, to lock in profits by passing risk to the sub-contractor, instead of holding it within the Raven Group.

Further risks surround scheduling of contract labour to undertake the work when large contracts

Director's report (*continued*)

are secured. Raven Repairs Limited draws upon Raven Housing Trust Limited's vetted contractor framework, when external contractors are required.

Managing cashflow risk is taken into consideration in how payments are structured when bidding for larger opportunities. As per note 10, the Company has £410K of available undrawn facilities from the current loan facility with Raven Housing Trust.

Raven Repairs Limited continues to track risk and operates a risk register which fits with the wider risk framework, operated by the Raven.

Independent auditor

BDO LLP were appointed as auditors in November 2016 after undergoing a competitive tender process.

Disclosure of information to auditor

At the date of making this report each of the Company's Directors, as set out within Board and Company information, confirm the following:

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director 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.

Going concern

The Directors, after making appropriate enquiries, have a reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future. A letter of support has

been obtained from the parent company, Raven Housing Trust Limited, confirming that financial support will be provided to the Company for a period of 12 months from the date of signing of these financial statements.

As a result of the pandemic Raven Repairs Limited have re-forecast the business plans and growth assumptions. These are in line with funding available from Raven Housing Trust. Raven Repairs has successfully tendered for a number of new contracts and is actively pursuing other business streams with a reasonable prospect of new commercial contracts.

It is these opportunities, coupled with a reduction in cost forecasts and a confirmation of support from Raven Housing Trust that support Raven Repairs continuing to operate on a going concern basis.

Directors

Those who held office as Directors during the period are listed, within Board and Company information.

In preparing this report, the Directors have taken advantage of the small companies' exemptions provided by Section 415A of the Companies Act 2006.

Signed on behalf of the Board of Directors



Jonathan Higgs

Director

01/09/2021

Statement of Directors' responsibilities

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 of 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; and
- 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.

Independent Auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAVEN REPAIRS LIMITED

Opinion

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 loss 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.

We have audited the financial statements of Raven Repairs Limited ("the Company") for the year ended 31 March 2021 which comprise the Statement of 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' 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 Directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the report other than the financial statements and our auditor's report thereon. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.
- 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 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 Statement of Directors' Responsibilities, 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

Auditor's report (continued)

expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the company and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to its registration with the Regulator of Social Housing, and we considered the extent to which non-compliance might have a material effect on the financial statements or their continued operation. We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with the Accounting Direction for Private Registered Providers of Social Housing and tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

The audit procedures to address the risks identified included:

- Challenging assumptions made by management in their significant accounting estimates in particular in relation to the net realisable value

of properties developed for sale, the defined benefit pension liability and finance lease liabilities;

- Identifying and testing journal entries, in particular any journal entries posted from staff members with privilege access rights, journals posted by key management, journals posted and journals posted after the year end.
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and the Regulator of Social Housing.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>.


This description forms part of our auditor's report.

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

Auditor's report (*continued*)

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.

DocuSigned by:

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Philip Cliftlands (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Gatwick, UK

Date: 21 September 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of Income and Retained Earnings for the year ended 31 March 2021

	Note	2021 £	2020 £
Turnover		62,851	290,983
Cost of sales		(46,452)	(237,998)
Gross profit		16,399	52,985
Administrative expenses		(96,323)	(52,569)
Operating (loss) / profit		(79,924)	416
Interest payable and similar charges	6	(14,655)	(12,336)
Loss on ordinary activities before taxation	4	(94,579)	(11,920)
Taxation	5	-	-
Loss and total comprehensive expenditure for the financial period		(94,579)	(11,920)
Retained loss at the beginning of the period		(246,268)	(234,348)
Loss for the period		(94,579)	(11,920)
Retained loss at the end of the period attributable to the owners		(340,847)	(246,268)

All amounts relate to continuing activities.


The accompanying notes form part of these financial statements.


Statement of Financial Position as at 31 March 2021

Company registration number: 08948872	Note	2021 £	2020 £
Current assets			
Debtors	7	19,950	97,610
Cash at bank and in hand		6,049	7,984
		<u>25,999</u>	<u>105,594</u>
Creditors: amounts falling due within one year	8	(366,845)	(351,861)
Net current liabilities		<u>(340,846)</u>	<u>(246,267)</u>
Total assets less current liabilities		<u>(340,846)</u>	<u>(246,267)</u>
Total net liabilities		<u>(340,846)</u>	<u>(246,267)</u>
Capital and reserves			
Called up share capital	9	1	1
Retained earnings / (loss)		(340,847)	(246,268)
Total Capital and reserves		<u>(340,846)</u>	<u>(246,267)</u>

The financial statements have been prepared in accordance with the provision applicable to small companies within Part 15 of the Companies Act 2006.

These financial statements were approved by the Board of Management and authorised for issue on 1 September 2021 and signed on their behalf by:


Jonathan Higgs
 Director
 01/09/2021


Mark Baker
 Director
 01/09/2021

The accompanying notes form part of these financial statements.

Notes to the Financial Statements for the year ended 31 March 2021

1. Legal status

Raven Repairs Limited is a private limited company incorporated in England and Wales. The address of the registered office is 29 Linkfield Lane, Redhill, Surrey RH1 1SS.

Information regarding the principal activities of the Company is included in the Directors' report.

2. Accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, and the Companies Act 2006. All amounts are presented in pound sterling.

The financial statements have been prepared under the historic cost convention in accordance with the Company's accounting policies.

The Company has taken advantage of the following exemptions available under FRS102:

- the exemption from preparing a statement of cash flows;
- the exemption from disclosing key management personnel compensation; and
- the exemption from certain financial instruments disclosures, as equivalent disclosures have been included in the consolidated financial statements of Raven Housing Trust Limited.

2.2 Going concern

The Directors, after making appropriate enquiries, have a reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future. A letter of support has been obtained from the parent company, Raven Housing Trust Limited, confirming that financial support will be provided to the Company for a

period of 12 months from the date of signing of these financial statements.

As a result of the pandemic Raven Repairs Limited have re-forecast the business plans and growth assumptions. These are in line with funding available from Raven Housing Trust. Raven Repairs has successfully tendered for a number of new contracts and is actively pursuing other business streams with a reasonable prospect of new commercial contracts.

It is these opportunities, coupled with a reduction in cost forecasts and a confirmation of support from Raven Housing Trust that support Raven Repairs continuing to operate on a going concern basis.

2.3 Revenue

All revenue is derived from the provision of repair and maintenance services in the United Kingdom. Revenue is measured at the fair value of consideration received or receivable and represents the amounts receivable net of discounts and VAT.

An assessment of the works carried out on projects that span the year end is undertaken at the end of each financial period to determine the value of work in progress and corresponding income to be recognised.

2.4 Taxation

The tax expense represents the sum of the tax currently payable. The current tax charge is based on the taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never

Notes to Financial Statements year ending 31 March 2021 (*continued*)

taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences between taxable profits and total comprehensive income that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle on a net basis.

2.5 Cash and cash equivalents

Cash and cash equivalents consist of cash at bank, in hand, deposits, bank overdrafts and short term investments with an original maturity of three months or less.

2.6 Financial instruments

The Company accounts for financial instruments as basic, in accordance with the recognition criteria in Section 11 of FRS 102.

Basic financial assets, including trade and other debtors, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. In this case, the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar instrument. Basic financial instruments are subsequently measured at amortised cost using the effective interest method.

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. In this case, the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Basic financial liabilities are subsequently measured at amortised cost, using the effective interest rate method.

Financial assets and liabilities classified as payable or receivable within one year on initial recognition are measured at the undiscounted amounts of the cash or other consideration expected to be paid or received, net of impairment.

2.7 Key sources of estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities, as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Bad debt provision

The provision for bad debt represents a provision for debt, which is deemed unlikely to be recovered, after an assessment of all invoices due at the year end.

Notes to Financial Statements year ending 31 March 2021 *(continued)***3. Directors' emoluments**

In the year ended 31 March 2021, the total emoluments paid to the Directors of the Company were £0 (2020: £0). The total expenses were £0 (2020: £0).

4. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging:

	2021	2020
	£	£
Auditor's remuneration (excluding VAT)	4,660	4,200
	<u>4,660</u>	<u>4,200</u>

5. Taxation

	2021	2020
	£	£
Current tax		
In respect of current period	-	-
	<u>-</u>	<u>-</u>
Total tax charge for the period	-	-

The tax assessed for the period is the same as the standard rate of corporation tax of 19% in the UK (2020: 19%). The differences are explained below:

	2021	2020
	£	£
Loss on ordinary activities before tax	(94,579)	(11,920)
Group relief	<u>94,579</u>	<u>-</u>
	-	(11,920)
Tax on loss at the standard rate of corporation tax	-	(2,265)
Effects of:		
Surrender as group relief	(17,970)	-
Tax losses not relieved	<u>17,970</u>	<u>2,265</u>
	-	-
Total tax charge for the period	-	-

Subject to the UK tax authority's agreement, the Company has tax losses of approximately £207k (2020: -)

Notes to Financial Statements year ending 31 March 2021 *(continued)*

£224k) available for carry forward and offset against future non-trading profits. The Company has a potential deferred tax asset of £39k (2020: £43k) which has not been recognised in the financial statements as there is uncertainty whether the Company will have taxable profits in the near future.

6. Interest payable

	2021	2020
	£	£
On loans from group undertakings	14,655	12,336
	14,655	12,336

7. Debtors

	2021	2020
	£	£
Accrued income	12,800	11,389
Trade debtors	7,150	85,782
Other debtors	-	439
	19,950	97,610

8. Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxes and social security costs	4,465	11,839
Accruals and deferred income	31,539	39,518
Trade creditors	841	504
Amounts due to group undertakings	-	-
Loan from parent company	330,000	300,000
	366,845	351,861

Raven Repairs Limited had an agreed borrowing facility of £290k with its parent company. The facility has been extended on the 10 December 2019 to a value of £740k for a term of 12 years from the original date of the facility. As at 31 March 2021 the Company had drawn £330k from this facility (2020: £300k) which is secured by a floating charge on assets. The fixed interest rate is 4.75%.

Notes to Financial Statements year ending 31 March 2021 *(continued)***9. Called up Share Capital**

	2021	2020
	£	£
Authorised		
1 ordinary share of £1 each	1	1
Called up, allotted and fully paid		
1 ordinary share of £1 each	1	1

10. Reserves

Retained earnings relates to the cumulative retained earnings less amounts distributed to shareholders.

11. Ultimate Parent Company

Raven Repairs Limited is a wholly owned subsidiary of Raven Housing Trust Limited, which is the ultimate parent and ultimate controlling entity. Raven Housing Trust is incorporated in the United Kingdom under the Co-Operative and Community Benefit Societies Act 2014. The financial statements of the ultimate parent are available from 29 Linkfield Lane, Redhill, Surrey RH1 1SS.