

Company Registration No. 11283973 (England and Wales)

HORIZON HOUSING REIT PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

HORIZON HOUSING REIT PLC

COMPANY INFORMATION

Directors	Mr P Casey Mr H S Griffiths
Secretary	Mr J Sampat
Company number	11283973
Registered office	Eden House Reynolds Road Beaconsfield Buckinghamshire HP9 2FL
Auditor	Littlestone Golding 17 Cavendish Square London W1G 0PH

HORIZON HOUSING REIT PLC

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 6
Profit and loss account	7
Statement of comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12 - 19

HORIZON HOUSING REIT PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2020

The directors present the strategic report for the year ended 30 June 2020.

Fair review of the business

Neither the company nor its subsidiary undertakings have traded since incorporation. The company has net assets of £12,500, as shown in the balance sheet on page 9 which represents its paid up share capital.

As the company is not trading there are no key performance indicators.

Principal risks and uncertainties

The company is not active and therefore no risks and uncertainties have been identified.

Promoting the success of the company

The directors believe that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard to stakeholders and matters set out in Section 172(1)(a-f) of the Companies Act 2006 in the decisions taken during the year.

On behalf of the board

Mr H S Griffiths

Director

10 June 2021

HORIZON HOUSING REIT PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2020

The directors present their annual report and financial statements for the year ended 30 June 2020 with comparative information for the period from incorporation on 29 March 2018 to 30 June 2019.

Principal activities

The company has not traded since incorporation.

Results and dividends

The results for the year are set out on page 7.

No dividends were paid.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr P Casey
Mr H S Griffiths

Qualifying third party indemnity provisions

The company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for directors and officers of the company in respect of liabilities they may incur in defending certain proceedings against them.

Business relationships

Whilst the company is currently inactive, it manages relationships with potential customers, suppliers, and those individuals and bodies that it has dealings with as closely as possible to ensure the services provided meet the company's high standards.

Future developments

There are no expected future developments in the company's activities at the present time.

Auditor

In accordance with the company's articles, a resolution proposing that Littlestone Golding be reappointed as auditor of the company will be put at a General Meeting.

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

HORIZON HOUSING REIT PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mr H S Griffiths
Director

10 June 2021

HORIZON HOUSING REIT PLC

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HORIZON HOUSING REIT PLC

Opinion

We have audited the financial statements of Horizon Housing REIT PLC (the 'company') for the year ended 30 June 2020 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2020 and of its profit 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.

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 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 financial statements 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.

HORIZON HOUSING REIT PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF HORIZON HOUSING REIT PLC

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 strategic report and the directors' report.

We have nothing to report in respect of the following matters where 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 expected to influence the economic decisions of users taken on the basis of these financial statements.

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

HORIZON HOUSING REIT PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED) **TO THE MEMBERS OF HORIZON HOUSING REIT PLC**

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 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.

Michael Wright FCA (Senior Statutory Auditor)
For and on behalf of Littlestone Golding

10 June 2021

Chartered Accountants
Statutory Auditor

17 Cavendish Square
London
W1G 0PH

HORIZON HOUSING REIT PLC

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2020

		Year ended 30 June 2020 £	Period ended 30 June 2019 £
	Notes		
Turnover		-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Administrative expenses		-	-
		<hr/>	<hr/>
Operating profit		-	-
		<hr/>	<hr/>
Profit before taxation		-	-
Tax on profit	4	-	-
		<hr/>	<hr/>
Profit for the financial year		-	-
		<hr/> <hr/>	<hr/> <hr/>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

HORIZON HOUSING REIT PLC

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	Year ended 30 June 2020 £	Period ended 30 June 2019 £
Profit for the year	-	-
Other comprehensive income	-	-
	<hr/>	<hr/>
Total comprehensive income for the year	-	-
	<hr/> <hr/>	<hr/> <hr/>

HORIZON HOUSING REIT PLC

BALANCE SHEET

AS AT 30 JUNE 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Investments	5		-		-
Current assets					
Debtors	8	12,500		12,500	
Creditors: amounts falling due within one year	9	-		-	
Net current assets			12,500		12,500
Capital and reserves					
Called up share capital	10		12,500		12,500

The financial statements were approved by the board of directors and authorised for issue on 10 June 2021 and are signed on its behalf by:

Mr H S Griffiths
Director

Company Registration No. 11283973

HORIZON HOUSING REIT PLC

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 29 March 2018		-	-	-
Period ended 30 June 2019:				
Profit and total comprehensive income for the period		-	-	-
Issue of share capital	10	12,500	-	12,500
Balance at 30 June 2019		12,500	-	12,500
Period ended 30 June 2020:				
Profit and total comprehensive income for the year		-	-	-
Balance at 30 June 2020		12,500	-	12,500

HORIZON HOUSING REIT PLC

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash absorbed by operations	13		-		(12,500)
Investing activities					
Purchase of subsidiaries (2019: £0.03)		-		-	
Net cash used in investing activities			-		-
Financing activities					
Proceeds from issue of shares		-		12,500	
Net cash (used in)/generated from financing activities			-		12,500
Net increase in cash and cash equivalents			-		-
Cash and cash equivalents at beginning of year			-		-
Cash and cash equivalents at end of year			-		-

HORIZON HOUSING REIT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

Company information

Horizon Housing REIT PLC is a public company limited by shares incorporated in England and Wales. The registered office is Eden House, Reynolds Road, Beaconsfield, Buckinghamshire, HP9 2FL.

1.1 Accounting convention

These financial statements have been prepared in accordance with applicable accounting standards in compliance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group or would qualify as a small group if the parent company were not a public company. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Reporting period

These financial statements are prepared for the year ended 30 June 2020 with comparative information for the period from incorporation on 29 March 2018 to 30 June 2019.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.5 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

HORIZON HOUSING REIT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

HORIZON HOUSING REIT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

HORIZON HOUSING REIT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Employees	-	-
	==	==

4 Taxation

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
Profit before taxation	-	-
	==	==
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	-	-
	==	==
Taxation charge in the financial statements	-	-
	==	==

5 Fixed asset investments

	2020 £	2019 £
Investments in subsidiaries (£0.03)	-	-
	==	==

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 July 2019 & 30 June 2020	-
	==
Carrying amount	
At 30 June 2020	-
	==
At 30 June 2019	-
	==

HORIZON HOUSING REIT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

6 Subsidiaries

Details of the company's subsidiaries at 30 June 2020 are as follows:

Name of undertaking	Registered office key	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Horizon Investment Holdings (One) Limited	1	Dormant	Ordinary	100.00	0
Horizon Investment Holdings (Two) Limited	1	Dormant	Ordinary	100.00	0
Horizon Investments (One) Limited	1	Dormant	Ordinary	0	100.00
Horizon Investments (Two) Limited	1	Dormant	Ordinary	0	100.00
Horizon (Scotland) GP Limited	2	Dormant	Ordinary	100.00	0

Registered Office addresses:

1 Eden House, Reynolds Road, Beaconsfield, Buckinghamshire, HP9 2FL

2 101 Rose Street South Lane, Edinburgh, Scotland, EH2 3JG

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Horizon Investment Holdings (One) Limited	-	-
Horizon Investment Holdings (Two) Limited	-	-
Horizon Investments (One) Limited	-	-
Horizon Investments (Two) Limited	-	-
Horizon (Scotland) GP Limited	-	-

7 Financial instruments

	2020	2019
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	12,500	12,500
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	-	-
	<u> </u>	<u> </u>

HORIZON HOUSING REIT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

8	Debtors	2020	2019
		£	£
	Amounts falling due within one year:		
	Other debtors	12,500	12,500
		<u> </u>	<u> </u>
9	Creditors: amounts falling due within one year	2020	2019
		£	£
	Amounts owed to group undertakings (£0.03)	-	-
		<u> </u>	<u> </u>

HORIZON HOUSING REIT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

10 Share capital

	2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
1 Ordinary shares of 1p each	-	-
	<u> </u>	<u> </u>
Other share capital		
Issued and fully paid		
50,000 Restricted shares of £1 each - 25% paid up	12,500	12,500
	<u> </u>	<u> </u>
Other shares classified as equity	12,500	12,500
	<u> </u>	<u> </u>
Total equity share capital	<u>12,500</u>	<u>12,500</u>

Each ordinary share is entitled to one vote, has equal rights to dividends, and equal rights to participate in a distribution arising from a winding up.

The holders of restricted shares do not have the right to receive notice of or vote at any general meeting. The restricted shares carry the right to receive a fixed annual dividend equal to 0.01% of the nominal amount of each of the restricted shares payable on demand. Each restricted share is entitled and has equal rights to participate in a distribution arising from a winding up or return of capital to a sum equal to the amount paid up or treated as paid up on each restricted share. The restricted shares can be redeemed at any time by the company for an amount equal to their nominal value.

The 1 ordinary share has been issued and fully paid. The 50,000 restricted shares have been issued but are not fully paid.

HORIZON HOUSING REIT PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

11 Related party transactions

	2020 £	2019 £
--	-----------	-----------

Amounts due to related parties

Entities over which the entity has control, joint control or significant influence (£0.03)

-	-
---	---

The following amounts were outstanding at the reporting end date:

	2020 £	2019 £
--	-----------	-----------

Amounts due from related parties

Entities controlled by key management personnel

12,500	12,500
--------	--------

12 Ultimate controlling party

The company's ultimate controlling party is Mr H S Griffiths.

13 Cash absorbed by operations

	2020 £	2019 £
Profit for the year after tax	-	-
Movements in working capital:		
Increase in debtors	-	(12,500)
Cash absorbed by operations	-	(12,500)

14 Analysis of changes in net funds

	1 July 2019 £	30 June 2020 £
Cash at bank and in hand (£0.01 at 30 June 2019)	-	-

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.