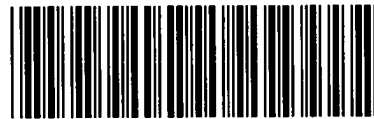


**WESTMINSTER HOUSING INVESTMENTS LIMITED**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2021**

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**WESTMINSTER HOUSING INVESTMENTS LIMITED**  
**REGISTERED NUMBER: 11413846**

**BALANCE SHEET**  
**AS AT 31 MARCH 2021**

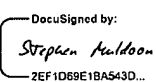
	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	4	5,402,645	-
Investments	5	2	2
		<u>5,402,647</u>	<u>2</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	6	19,659,875	10,302,245
Debtors: amounts falling due within one year	6	151,104	74,409
Cash at bank and in hand		87,177	292,140
		<u>19,898,156</u>	<u>10,668,794</u>
Creditors: amounts falling due within one year	7	(391,317)	(110,335)
<b>Net current assets</b>		19,506,839	10,558,459
Creditors: amounts falling due after more than one year	8	(25,006,138)	(10,342,219)
<b>Net (liabilities)/assets</b>		<u>(96,652)</u>	<u>216,242</u>
<b>Capital and reserves</b>			
Called up share capital	9	1	1
Profit and loss account		(96,653)	216,241
<b>Shareholders' funds</b>		<u>(96,652)</u>	<u>216,242</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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 on

DocuSigned by:  
  
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**S D Muldoon**  
 Director  
 14 December 2021

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

**WESTMINSTER HOUSING INVESTMENTS LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2021**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
<b>At 1 April 2019</b>	1	-	1
Profit for the year	-	216,241	216,241
<b>At 1 April 2020</b>	1	216,241	216,242
Loss for the year	-	(312,894)	(312,894)
<b>At 31 March 2021</b>	1	(96,653)	(96,652)

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

## **WESTMINSTER HOUSING INVESTMENTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **1. General information**

Westminster Housing Investments Limited (the "Company") is a Limited Liability Company incorporated and domiciled in the United Kingdom. The registered address of the Company is 11, The Crescent, London, England, NW2 6HA.

#### **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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

##### **2.2 Disclosure exemptions**

The Company has adopted the following disclosure exemptions:

Under FRS 102 Section 1.12, the Company is exempt from the requirements to prepare a statement of cash flows on the grounds that the parent Entity of the group, Westminster City Council, includes the Company's cash flows in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary of an Entity whose consolidated accounts include the results of the subsidiary and are publically available, the Company has taken advantage of the FRS 102 Section 33.1a exemption from disclosing transactions with group undertakings.

The financial statements present information about the Company as an individual undertaking and not about its group. The Company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Westminster City Council. The group accounts of Westminster City Council are available to the public and can be obtained as set out in note 17.

The following principal accounting policies have been applied:

## **WESTMINSTER HOUSING INVESTMENTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

## **2. Accounting policies (continued)**

### **2.3 Going concern**

The company acts as an investor in various property development projects located within the City Of Westminster which are designed to increase and improve the City's housing provision. The company receives its share of the funding for each project via loans from Westminster City Council which are repaid upon successful completion of each project. At the year end the company had two such projects in progress. Although at the year end the company has a deficit on Shareholders funds of £96,652 (2020 - surplus: £216,242) this is to be expected during the construction phase of both projects, with sales not expected to be made until 2022.

The first project was conducted through Luton Street Development LLP. The project is closely monitored and has a fixed price contract with the main contractor. Any claims in connection with the construction works are covered by a back to back warranty with the contractor. The funding of the project is secured by long term commitments from Westminster City Council and BY Developments Limited, the joint venture partner. At the time of approving these financial statements the project is expected to be profitably completed by its scheduled completion date of June 2022. The proceeds of sale are anticipated to be sufficient to repay all loans associated with the project.

The second project is conducted through the company and related to a development known as Jubilee Road. Again, the project is closely monitored and has a fixed price contract with the main contractor. The funding is secured by long term commitments with Westminster City Council who have also provided a letter of support for the foreseeable future. At the time of approving these financial statements the project is expected to be successfully completed by its scheduled completion date of Winter 2022.

The company carefully monitors the progress of each development, including its associated cashflows. At the date of approving these financial statements the directors are satisfied that the company has sufficient resources available to it to meet its obligations as they fall due. On this basis the financial statements have been prepared on a going concern basis.

### **2.4 Revenue**

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and that 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.

### **2.5 Sale of property**

Revenue from the sale of property is recognised upon legal completion. Deposits received from purchasers are held within creditors as deferred income.

## **WESTMINSTER HOUSING INVESTMENTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **2. Accounting policies (continued)**

##### **2.6 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

##### **2.7 Taxation**

The tax charge for the year comprises of current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date. The income tax charge will also be affected by estimates and judgements made by management on the availability and allocation of tax losses within the group.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

##### **2.8 Finance costs**

Finance costs are charged to profit or loss 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.

Where loans are received from shareholders at rates of interest below market rate a notional interest charge, at an estimated market rate is charged to the profit and loss account, with a corresponding entry made as a "Capital contribution" within Shareholders funds. Given the beneficial loans were received by a public-benefit entity, the loan has remained at cost and no interest has been recognised through the profit and loss account.

##### **2.9 Valuation of investments**

Investments in subsidiaries and joint ventures are measured at cost less accumulated impairment.

##### **2.10 Assets under construction**

The company has begun construction during the year on the Jubilee Regeneration Scheme and the contractor aims to achieve practical completion by Winter 2022. The costs in relation to this asset are currently being recognised within fixed assets with no depreciation being charged.

The asset under construction relates to 19 units held for intermediary rent which will be held for long term rental post practical completion.

##### **2.11 Financial instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors and loans to and from related parties.

All financial assets and liabilities are initially measured at transaction price and subsequently at amortised cost.

# WESTMINSTER HOUSING INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 3. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2020 - £NIL).

### 4. Tangible fixed assets

	Asset under construction £
<b>At 1 April 2020</b>	
Additions	5,402,645
At 31 March 2021	<u>5,402,645</u>
<b>Net book value</b>	
At 31 March 2021	<u>5,402,645</u>
At 31 March 2020	<u>-</u>

Asset under construction relates to costs incurred to date in the construction of 19 housing units at Jubilee Road which will be retained and rented out by the company at completion.

### 5. Fixed asset investments

	Investments in subsidiary companies £	Investment in joint ventures £	Total £
<b>Cost or valuation</b>			
At 1 April 2020 and 31 March 2021	<u>1</u>	<u>1</u>	<u>2</u>

**WESTMINSTER HOUSING INVESTMENTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021****5. Fixed asset investments (continued)****Subsidiary undertakings**

The following were subsidiary and joint venture undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
Westminster Housing Developments Limited	11, The Crescent, London, England, NW2 6HA.	Ordinary	100%
Luton Street Development LLP	Becket House, 1 Lambeth Palace Road, London, SE1 7EU	Ordinary	50%

Westminster Housing Developments Limited did not trade during the year. Luton Street Development LLP is engaged in the construction of 109 residential units for open market sale. The project is due to be completed in June 2022. At the date of signing these financial statements the directors are satisfied with the progress made by Luton Street Development LLP.



**WESTMINSTER HOUSING INVESTMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**6. Debtors**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Due after more than one year</b>		
Amounts owed by Joint Venture entities	19,659,875	10,302,245
	<u>19,659,875</u>	<u>10,302,245</u>
<b>Due within one year</b>		
Trade debtors	241	40
Amounts owed by group undertakings	144,244	-
Other debtors	39	4,600
Unpaid share capital	-	1
Prepayments and accrued income	6,580	69,768
	<u>151,104</u>	<u>74,409</u>

**7. Creditors: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Unpaid share capital	-	1
Trade creditors	11,047	-
Accruals and deferred income	380,270	110,334
	<u>391,317</u>	<u>110,335</u>

## WESTMINSTER HOUSING INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

## 8. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Amounts owed to parent Company	25,006,138	10,342,219
	<u>25,006,138</u>	<u>10,342,219</u>

The company has entered into an agreement to borrow funds totalling £28m from Westminster City Council in order for the company in turn to provide funds to the joint venture, Luton Street Development LLP, in which the company is a 50% shareholder. At the year end funds of £4,458,840 had been drawn against this facility. Interest at 5.4% per annum is charged on these loans and are repayable in August 2024.

The company has issued loan notes of £15,187,298 to Westminster City Council, also to assist with the funding of Luton Street Development LLP. The loan notes do not carry interest and are repayable in October 2024. The company has issued security to Westminster City Council over all of its assets in respect of both loans.

The company has entered into an agreement to borrow funds totalling £3,642,000 from Westminster City Council in order to assist with the funding of the Jubilee Regeneration Scheme. At the year end funds of £nil had been drawn against this facility. Interest at 5.54% per annum is charged on these loans and are repayable in April 2029.

The company has issued loan notes of £5,360,000 to Westminster City Council, also to assist with the funding of the Jubilee Regeneration Scheme. The loan notes do not carry interest and are repayable in August 2040.

## 9. Share capital

	2021 £	2020 £
<b>Allotted, called up and paid</b>		
1 ordinary share of £1.00	1	1
	<u>1</u>	<u>1</u>

## 10. Related party transactions

The Company has taken advantage of the exemption in FRS 102 and has not disclosed transactions with group undertakings as those transactions are eliminated in the consolidated accounts of the parent company.

## 11. Contingent liabilities

The company has provided an undertaking to Luton Street Development LLP (see note 2.3) to purchase any residential units within the development which remain unsold 12 months after the practical completion date of June 2022. Demands for the units to date has been strong, and although possible, the directors consider it unlikely that any liability will arise.

## **WESTMINSTER HOUSING INVESTMENTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **12. Post balance sheet events**

Since the year end the company has acquired a further £12m of completed properties, and properties due to be completed within the next 12 months, for intermediate rent. The acquisitions have been funded by debt provided by Westminster City Council. The properties were acquired from the council and the values supported by independent third party valuations.

#### **13. Ultimate parent undertaking and controlling party**

The Company is a subsidiary of Westminster City Council which is the ultimate parent undertaking.

The largest and smallest group in which the results of the Company are consolidated is that headed by Westminster City Council. The consolidated accounts of this entity are available to the public and may be obtained from 64 Victoria Street, London, SW1E 6QP.

No other group accounts include the results of the Company.

#### **14. Auditors' information**

The auditors' report on the financial statements for the year ended 31 March 2021 was unqualified.

The audit report was signed on 14 December 2021 by Peter Sterling (Senior statutory auditor) on behalf of Cooper Parry Group Limited.