

Company number 11523248

SIGMA PRS INVESTMENTS (NEWHALL II) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2019

WEDNESDAY



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ANNUAL REPORT AND FINANCIAL STATEMENTS

CONTENTS	PAGE
COMPANY INFORMATION	2
DIRECTORS' REPORT	3
INDEPENDENT AUDITOR'S REPORT	7
STATEMENT OF COMPREHENSIVE INCOME	9
STATEMENT OF FINANCIAL POSITION	10
STATEMENT OF CHANGES IN EQUITY	11
NOTES TO THE FINANCIAL STATEMENTS	12

COMPANY INFORMATION

Directors	Graham Barnett (appointed 17 August 2018) Malcolm Briselden (appointed 17 August 2018) Graeme Hogg (appointed 17 August 2018, resigned 10 September 2019) Michael Scott (appointed 17 August 2018) Matthew Townson (appointed 17 August 2018) Graeme Reay (appointed 28 May 2019)
Company Number	11523248
Registered Office	Floor 3, 1 St. Ann Street Manchester M2 7LR
Auditor	BDO LLP 55 Baker Street London W1U 7EU

DIRECTORS' REPORT

The Company was incorporated on 17 August 2018.

The directors present their report with the audited financial statements for the period ended 31 December 2019. This first reporting period is 16 months and 13 days to align the Company's year end with its ultimate parent company.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption and accordingly no strategic report has been provided.

Principal activity

The principal activity of the Company is the investment in property for private rental sector.

Directors

The directors who served during the period are listed on page 2.

Directors' responsibilities for the financial statements

Company law requires the directors to prepare financial statements for each financial period, which 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 year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable understandable information; and
- state whether applicable 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

Awareness of relevant audit information

At the date of signing of this report and insofar as each of the directors is aware:

- there is no relevant audit information of which the auditor is unaware
- the directors have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Coronavirus and Going concern

Although the Company does not need to rely on its ultimate parent company, Sigma Capital Group plc (the "Group") for funding, it is important to conduct this review looking at the Company and the Group as a whole. This going concern review begins with a summary of the risks that coronavirus continues to pose to the Group together with actions we have already taken and continue to take to ensure that not only does the business weather the storm, but will be also well placed to emerge from the crisis in a position of financial strength.

Countries around the world have been hit by coronavirus. The virus has spread on a global basis and has been designated a "pandemic". Despite significant mitigating action including self-isolation for people suspected of having the virus, and various degrees of lockdown through social distancing for all but essential workers, the impact of the virus looks likely to be significant in terms of extent and timing. This represents a significant risk to house building and letting activity together with the operations of the Group as a whole.

DIRECTORS' REPORT (CONT.)

Coronavirus has the potential to impact the Group in the following areas:

- Staff operating from home or otherwise unable to work or absent from work;
- House builders unable to continue with construction work on sites or forced to reduce construction work on sites due to a combination of the effective lockdown or as staff are unable to work or are absent from work;
- Letting agents unable to progress activities in respect of lettings, repairs and maintenance due to a combination of the effective lockdown or as staff are unable to work or are absent from work;
- Income reduction and potential bad debts as tenants may struggle to maintain rental payments resulting from a loss of income due to a combination of the effective lockdown or as individuals are without work, unable to work or are absent from work;
- Disruption to the supply chain as raw materials and construction products are not produced or imported due to workers unable to work or absent from work;
- General disruption to employees, house builders, letting agents and the supply chain due to restrictions on the movement of goods and people; and
- Impact of the virus on the economy and market sentiment.

The absence of staff has been mitigated by remote working from home. We have adapted our technology to facilitate remote working throughout the business in order to keep our operations and projects as on track as practically possible during the coronavirus lockdown. The Group has not yet furloughed any staff or make use of any of the Government schemes providing support to those companies or individuals in financial difficulty during or because of the crisis. The Group's intention is to keep all employees actively working as far as possible and to maintain contractual terms and conditions throughout.

A greater issue has been in relation to house building and letting activity where the lockdown that commenced in March all but ceased construction activity in the short term. This resulted in numerous partners furloughing employees and is understandably preventing homes from being completed, let and occupied.

Importantly, the Group contractual obligations only provide for payment to house builders in respect of work undertaken and independently certified. The absence of construction activity thereby negates development expenditure thus mitigating cash outflows.

In relation to income and bad debts, the Group carefully vets prospective tenants and typically obtains insurance for at least the first year of new lettings. This, together with the geographic spread of multiple sites will help mitigate against the inevitable bad debts. Preserving the employment of staff, rather than furloughing, also enables the Group to work with letting agents as we proactively assist and support those tenants encountering difficulty in a responsible and reasonable manner during the crisis. The adaptation of our technology has meant that this important tenant interaction and engagement can continue through a variety of telephone, e-mail and social media.

In terms of supply chain disruption, significant efforts and contingencies had already been put in place in respect of Brexit through securing additional inventory of supplies, including timber.

Coronavirus Stress Tests

In light of the above, the Group has performed a prudent financial stress test geared towards ensuring that it has sufficient cash resources to weather the pandemic and subsequently emerge in a strong enough condition to continue to implement the focused build to rent strategy. The stress test incorporated the following sensitivities:

- A starting point of £25.8 million of cash balances with no associated borrowings;
- Cessation of construction activities for a period of 4 months from the end of December 2020 albeit currently construction is continuing on all sites;

DIRECTORS' REPORT (CONT.)

- Development fees generated from construction activities in The PRS REIT plc modelled as not being earned during the 4 month period of the cessation of construction activities;
- Reduction of rental income on properties owned by Sigma by 20% with no subsequent recovery therefore reflecting potential on going coronavirus issues;
- Inclusion of only contracted revenue and does not include any additional revenue from any new potential sources;
- For the investment property owned by Sigma a delay of 4 months to current expected forecast sale date
- Continuation of employment costs as currently contracted without any reduction for cost saving initiatives, mitigating action or contribution from any Government backed furlough scheme;
- Maintenance of the Group's overhead base c.£7million per annum without reduction from cost saving initiatives or mitigating action; and
- Prudent assumptions in relation to tax liabilities and the timing of payment in respect thereof.

Conclusion of Coronavirus Stress Tests

The conclusion of our stress test is that the business has more than adequate cash resources to sustain an extended cessation of construction and disruption to letting activity lasting at least 12 months with estimated funding resources of more than £23 million remaining and being maintained even after this time.

Therefore, the Directors believe the Company is well placed to manage its business risks successfully and the Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future and for a period of at least 12 months from the date of the approval of the Company's financial statements for the year ended 31 December 2019. The Board is therefore of the opinion that the going concern basis adopted in the preparation of the financial statements for the year ended 31 December 2019 is appropriate.

Coronavirus Conclusion

Overall, coronavirus remains a real and existing risk which requires careful monitoring and a management in conjunction with our house building partners and Letting Agents in order to mitigate the likely issues as much as possible pending the restoration of a more normal working and living environment. As one would expect the Company will continue to objectively review and assess the impact of the coronavirus outbreak and government response on both its strategy and focus of activities. Importantly, however, the pandemic will ultimately pass and the Company is well placed to thrive thereafter.

Auditor

Moore Stephens LLP were originally appointed as auditors. On 20 February 2019 Moore Stephens LLP merged its practice with BDO LLP and resigned as auditors with effect from that date. BDO LLP were appointed as auditors with effect from that date and a resolution to re-appoint BDO LLP as auditor will be proposed at the Annual General Meeting.

DIRECTORS' REPORT (CONT.)

Small companies note

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

By order of the board



Malcolm Briselden
Director

23 December 2020

INDEPENDENT AUDITOR'S REPORT

to the shareholders of Sigma PRS Investments (Newhall II) Limited

Opinion

We have audited the financial statements of Sigma PRS Investments (Newhall II) Ltd for the period ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (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 31 December 2019 and of its result for the period 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 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 audit opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in 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 Directors are responsible for the other information. The other information comprises the information included in the annual 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.

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.

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.

INDEPENDENT AUDITOR'S REPORT (CONT.)
to the shareholders of Sigma PRS Investments (Newhall II) Limited

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 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 by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company 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 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: 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 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.



Timothy West (Senior Statutory Auditor)
for and on behalf of BDO LLP, Statutory Auditor

London, UK

30 December 2020

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

STATEMENT OF COMPREHENSIVE INCOME

	Notes	Period from 17 August 2018 to 31 December 2019 £
Revenue		-
Cost of sales		-
Operating Profit		-
Unrealised gain on revaluation of investment property		-
Profit on ordinary activities before tax		-
Taxation	4	-
Result on total comprehensive income for the period		-

All the company's activities are classed as continuing and there are no recognised gains and losses other than those included in the profit and loss account.

The accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

	Notes	31 December 2019 £
Investment property	5	-
Current assets		
Debtors	5	3,013,396
Cash and cash equivalents		-
		<u>3,013,396</u>
Creditors: amounts falling due within one year	7	<u>(3,013,296)</u>
Net current assets		100
Net assets		<u>100</u>
Capital and reserves		
Called up share capital	8	100
Retained earnings		-
Shareholders' funds		<u>100</u>

The accompanying notes are an integral part of these financial statements.

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

The financial statements on pages 9 to 16 were approved and authorised for issue by the Board of Directors on 23 December 2020 and were signed on its behalf by:


Malcolm Briselden
Director

Registered number 11523248

SIGMA PRS INVESTMENTS (NEWHALL II) LIMITED
Period ended 31 December 2019

STATEMENT OF CHANGES IN EQUITY

	Called up share capital £	Retained earnings £	Total equity £
2019			
Comprehensive Income			
Profit for the period	-	-	-
Share capital issued in the period	100	-	100
Balance at 31 December 2019	<u>100</u>	<u>-</u>	<u>100</u>

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

Sigma PRS Investments (Newhall II) Limited ("the Company") is a private company limited by shares incorporated and domiciled in the UK. The registered office address is Floor 3, 1 St Ann Street, Manchester, M2 7LR.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("IFRS"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

As at 31 December 2019, the company's ultimate parent undertaking was Sigma Capital Group plc, and included the Company in its consolidated financial statements. The consolidated financial statements of Sigma Capital Group plc, are prepared in accordance with IFRS and are available to the public and may be obtained from www.sigmacapital.co.uk.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs; and
- related party transactions.

As the consolidated financial statements of Sigma Capital Group plc included the equivalent disclosures, the Company has also taken the exemption under FRS101 available in respect of certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS Financial Instrument Disclosures.

Measurement convention

The accounts have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Going Concern

The financial statements have been prepared on a going concern basis. The impact of coronavirus and the ability of the Company and the Group to continue in operational existence for the foreseeable future is discussed in Note 11.

Investment Property

Investment property, including that which is being constructed for future use as investment property, is measured initially at its cost including related transaction costs. After initial recognition, investment property is carried at fair value. The investment properties are initially valued by Savills who are qualified valuation experts and hold a recognised and relevant professional qualification. Subsequently, investment properties are valued by the Directors of the Company. The valuations are undertaken by a Director of the Company who is a qualified chartered surveyor. Gains or losses arising from changes in the fair value of the investment property are included in profit from operations in the income statement of the period in which they arise.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

2. Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and judgements.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(i) Fair value of investment property

The matters taken into account when assessing the fair value of investment property are detailed in the accounting policy on investment property.

3. Operating profit

Auditor's remuneration was borne by a fellow group company in the current period.

4. Taxation

No liability for corporation tax arises on the result for the current period.

5. Investment property

	2019
	£
Cost	
Additions	3,013,496
Disposals	<u>(3,013,496)</u>
At 31 December 2019	<u>-</u>

Investment property, including that which is being constructed for future use as investment property, is measured initially at cost including related transactions costs. After initial recognition, investment property is carried at fair value. The investment properties are initially valued by Savills who are qualified valuation experts and hold a recognised and relevant professional qualification. Subsequently, investment properties are valued by the Directors of the Company. The valuations are undertaken by a Director of the Company who is a qualified chartered surveyor. The valuation basis of market value conforms to international valuation standards. The valuation is based on market evidence of investment yields, expected gross to net income rates and actual and expected rental values.

6. Debtors

	2019
	£
Other debtors	100
Amounts due from parent company	<u>3,013,296</u>
	<u>3,013,396</u>

7. Creditors

	2019
	£
Amounts due to other group undertakings	<u>3,013,296</u>
	<u>3,013,296</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

8. Called up share capital

	2019 £
Authorised: 100 Ordinary Shares of £1 each	<u>100</u>
Allotted and not paid: 100 Ordinary Shares of £1 each	<u>100</u>

All ordinary shares carry the same voting rights.

During the period 100 ordinary shares having a nominal value of £1 was allotted for consideration of £100.

9. Ultimate controlling party

The ultimate parent company and the ultimate controlling party is Sigma Capital Group plc, a company incorporated in England. The consolidated financial statements of Sigma Capital Group plc are available to the public and may be obtained from www.sigmacapital.co.uk.

10. Related party relationships and transactions

As at 31 December 2019 the Company was a subsidiary undertaking of Sigma Capital Group plc and has taken advantage of the exemption in FRS 101 Reduced Disclosure Framework from disclosing transactions with other members of the group headed by Sigma Capital Group plc.

11. Post balance sheet events

Coronavirus and Going Concern

Although the Company does not need to rely on its ultimate parent company, Sigma Capital Group plc (the "Group") for funding, it is important to conduct this review looking at the Company and the Group as a whole. This going concern review begins with a summary of the risks that coronavirus continues to pose to the Group together with actions we have already taken and continue to take to ensure that not only does the business weather the storm, but will be also well placed to emerge from the crisis in a position of financial strength.

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Coronavirus has the potential to impact the Group in the following areas:

- Staff operating from home or otherwise unable to work or absent from work;
- House builders unable to continue with construction work on sites or forced to reduce construction work on sites due to a combination of the effective lockdown or as staff are unable to work or are absent from work;
- Letting agents unable to progress activities in respect of lettings, repairs and maintenance due to a combination of the effective lockdown or as staff are unable to work or are absent from work;
- Income reduction and potential bad debts as tenants may struggle to maintain rental payments resulting from a loss of income due to a combination of the effective lockdown or as individuals are without work, unable to work or are absent from work;
- Disruption to the supply chain as raw materials and construction products are not produced or imported due to workers unable to work or absent from work;

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

- General disruption to employees, house builders, letting agents and the supply chain due to restrictions on the movement of goods and people; and
- Impact of the virus on the economy and market sentiment.

The absence of staff has been mitigated by remote working from home. We have adapted our technology to facilitate remote working throughout the business in order to keep our operations and projects as on track as practically possible during the coronavirus lockdown. The Group has not yet furloughed any staff or make use of any of the Government schemes providing support to those companies or individuals in financial difficulty during or because of the crisis. The Group's intention is to keep all employees actively working as far as possible and to maintain contractual terms and conditions throughout.

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Importantly, the Group contractual obligations only provide for payment to house builders in respect of work undertaken and independently certified. The absence of construction activity thereby negates development expenditure thus mitigating cash outflows.

In relation to income and bad debts, the Group carefully vets prospective tenants and typically obtains insurance for at least the first year of new lettings. This, together with the geographic spread of multiple sites will help mitigate against the inevitable bad debts. Preserving the employment of staff, rather than furloughing, also enables the Group to work with letting agents as we proactively assist and support those tenants encountering difficulty in a responsible and reasonable manner during the crisis. The adaptation of our technology has meant that this important tenant interaction and engagement can continue through a variety of telephone, e-mail and social media.

In terms of supply chain disruption, significant efforts and contingencies had already been put in place in respect of Brexit through securing additional inventory of supplies, including timber.

Coronavirus Stress Tests

In light of the above, the Group has performed a prudent financial stress test geared towards ensuring that it has sufficient cash resources to weather the pandemic and subsequently emerge in a strong enough condition to continue to implement the focused build to rent strategy. The stress test incorporated the following sensitivities:

- A starting point of £25.8 million of cash balances with no associated borrowings;
- Cessation of construction activities for a period of 4 months from the end of December 2020 albeit currently construction is continuing on all sites;
- Development fees generated from construction activities in The PRS REIT plc modelled as not being earned during the 4 month period of the cessation of construction activities;
- Reduction of rental income on properties owned by Sigma by 20% with no subsequent recovery therefore reflecting potential on going coronavirus issues;
- Inclusion of only contracted revenue and does not include any additional revenue from any new potential sources;
- For the investment property owned by Sigma a delay of 4 months to current expected forecast sale date
- Continuation of employment costs as currently contracted without any reduction for cost saving initiatives, mitigating action or contribution from any Government backed furlough scheme;
- Maintenance of the Group's overhead base c.£7million per annum without reduction from cost saving initiatives or mitigating action; and

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

- Prudent assumptions in relation to tax liabilities and the timing of payment in respect thereof.

Conclusion of Coronavirus Stress Tests

The conclusion of our stress test is that the business has more than adequate cash resources to sustain an extended cessation of construction and disruption to letting activity lasting at least 12 months with estimated funding resources of more than £23 million remaining and being maintained even after this time.

Therefore, the Directors believe the Company is well placed to manage its business risks successfully and the Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future and for a period of at least 12 months from the date of the approval of the Company's financial statements for the year ended 31 December 2019. The Board is therefore of the opinion that the going concern basis adopted in the preparation of the financial statements for the year ended 31 December 2019 is appropriate.

Coronavirus Conclusion

Overall, coronavirus remains a real and existing risk which requires careful monitoring and a management in conjunction with our house building partners and Letting Agents in order to mitigate the likely issues as much as possible pending the restoration of a more normal working and living environment. As one would expect the Company will continue to objectively review and assess the impact of the coronavirus outbreak and government response on both its strategy and focus of activities. Importantly, however, the pandemic will ultimately pass and the Company is well placed to thrive thereafter.