

# Hackney Housing Company Limited

Annual Report and Financial Statements

Year Ended

31 March 2023

Company Number 11738936

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# Hackney Housing Company Limited

## Company Information

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|----------------------------|---|
| <b>Directors</b>           | J Goddard<br>S A Haynes   |
| <b>Registered number</b>   | 11738936  |
| <b>Registered office</b>   | Hackney Town Hall<br>Mare Street<br>Hackney<br>London<br>E8 1EA                     |
| <b>Independent auditor</b> | Mazars LLP<br>2nd Floor<br>6 Sutton Plaza<br>Sutton Court Road<br>Sutton<br>SM1 4FS |

# Hackney Housing Company Limited

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# Hackney Housing Company Limited

## Directors' Report For the Year Ended 31 March 2023

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The directors present their report and the audited financial statements for the year ended 31 March 2023.

### Directors' responsibilities statement

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.

### Principal activity

The company's principal activity is a holding company for investments in two subsidiaries, Hackney PRS Housing Company Limited and Hackney HLR Housing Company Limited.

### Directors

The directors who served during the year were:

J Goddard  
S A Haynes  
S Theobald (resigned 29 June 2022)

# Hackney Housing Company Limited

## Directors' Report (continued) For the Year Ended 31 March 2023

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### Going concern

Hackney Housing Company Limited's investment holdings are companies which provide homes for rent and the rental and property market outlook is essential to the value of the investments. Over the last couple of years the housing market has shown strength against a poor economic backdrop. In 2022/23, annual rental growth in London was high, with asking rents 14% higher in the first quarter of 2023 than the previous year.

House price growth slowed in 2022/23 and was lower in London than any other region. But rather than the rapid falls in house prices which were forecast, there has so far been a 'soft re-pricing' of the market. Whilst house prices were predicted to fall in 2023 the average price of homes in Hackney rose slightly March to April 2023, overall, sold prices in Hackney were 6.6% up on the previous year. As with recent years, forecast uncertainty remains high given the current economic environment. House prices are forecast to fall in 2024, given the broader economic challenges, and the likelihood that mild downward pressure on house prices continues. Pressure on household finances – notably from inflation and higher interest rates – has impacted housing affordability, leading to fewer completions. A partial recovery in market confidence and transaction volumes is expected in 2024 as interest rates ease and affordability improve.

Whilst house prices are predicted to fall in 2024, our forecasts of house price inflation at 3% per annum over the full borrowing terms remains steady and will result in Hackney Housing Company Limited ultimately holding investments significantly more valuable than the borrowing which supports them.

The London Borough of Hackney has agreed to provide support to the company for a period of at least twelve months following the approval of the company's financial statements.

### Qualifying third party indemnity provisions

During the year the company had in force a qualifying third party indemnity insurance policy in favour of one or more directors.

### Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Auditor

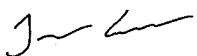
The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

### 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.

This report was approved by the board and signed on its behalf.

J Goddard  
Director



Date: 13/03/2024

# Hackney Housing Company Limited

## Independent Auditor's Report to the Members of Hackney Housing Company Limited

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### Opinion

We have audited the financial statements of Hackney Housing Company Limited (the 'company') for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity 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 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 March 2023 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.

### 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

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.

# **Hackney Housing Company Limited**

## **Independent Auditor's Report to the Members of Hackney Housing Company Limited (continued)**

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### **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 contained within the Annual Report. 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.

### **Matters on which we are required to report by exception**

In 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' exemption in preparing the directors' report and from the requirement to prepare a Strategic Report.

### **Responsibilities of Directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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.

# Hackney Housing Company Limited

## Independent Auditor's Report to the Members of Hackney Housing Company Limited (continued)

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### 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to the valuation of investments in subsidiaries, and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



# Hackney Housing Company Limited

## Independent Auditor's Report to the Members of Hackney Housing Company Limited (continued)

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### Use of the audit 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.

N J Wakefield  
Nicola Wakefield (Mar 28, 2024 10:33 GMT)

**Nicola Wakefield** (Senior Statutory Auditor) for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
2nd Floor  
6 Sutton Plaza  
Sutton Court Road  
Sutton  
SM1 4FS

Date: Mar 28, 2024

# Hackney Housing Company Limited

## Statement of Comprehensive Income For the Year Ended 31 March 2023

|  | Note | 2023<br>£       | 2022<br>£       |
|--|------|-----------------|-----------------|
| Administrative expenses                |      | (24,949)        | (32,941)        |
| <b>Operating loss</b>                  |      | <b>(24,949)</b> | <b>(32,941)</b> |
| Interest receivable and similar income |      | 1               | 2               |
| Interest payable and similar expenses  |      | (32)            | -               |
| <b>Loss before tax</b>                 |      | <b>(24,980)</b> | <b>(32,939)</b> |
| Tax on loss                            | 5    | -               | -               |
| <b>Loss for the financial year</b>     |      | <b>(24,980)</b> | <b>(32,939)</b> |

There was no other comprehensive income for 2023 (2022 - £Nil).

The notes on pages 10 to 15 form part of these financial statements.

# Hackney Housing Company Limited

Registered number: 11738936

## Statement of Financial Position As at 31 March 2023

|  | Note | 2023<br>£    | 2023<br>£               | 2022<br>£     | 2022<br>£               |
|--|------|--------------|-------------------------|---------------|-------------------------|
| <b>Fixed assets</b>                            |      |              |                         |               |                         |
| Investments                                    | 6    |              | 5,800,002               |               | 5,800,002               |
| <b>Current assets</b>                          |      |              |                         |               |                         |
| Debtors: amounts falling due within one year   | 7    | 1            |                         | 1             |                         |
| Cash at bank and in hand                       |      | 4,543        |                         | 15,660        |                         |
|  |      | <u>4,544</u> |                         | <u>15,661</u> |                         |
| <b>Current liabilities</b>                     |      |              |                         |               |                         |
| Creditors: amounts falling due within one year | 8    | (84,972)     |                         | (71,109)      |                         |
| <b>Net current liabilities</b>                 |      |              | <u>(80,428)</u>         |               | <u>(55,448)</u>         |
| <b>Net assets</b>                              |      |              | <u><u>5,719,574</u></u> |               | <u><u>5,744,554</u></u> |
| <b>Capital and reserves</b>                    |      |              |                         |               |                         |
| Called up share capital                        | 9    |              | 1                       |               | 1                       |
| Capital contribution reserve                   | 10   |              | 5,800,000               |               | 5,800,000               |
| Profit and loss account                        | 10   |              | (80,427)                |               | (55,447)                |
|  |      |              | <u><u>5,719,574</u></u> |               | <u><u>5,744,554</u></u> |

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

J Goddard

Director

Date: 13/03/2024

The notes on pages 10 to 15 form part of these financial statements.

# Hackney Housing Company Limited

## Statement of Changes in Equity For the Year Ended 31 March 2023

|  | Called up<br>share<br>capital<br>£ | Capital<br>contribution<br>reserve<br>£ | Profit and<br>loss<br>account<br>£ | Total equity<br>£ |
|--|------------------------------------|---|------------------------------------|-------------------|
| At 1 April 2022                                | 1                                  | 5,800,000                               | (55,447)                           | 5,744,554         |
| <b>Comprehensive income for the year</b>       |                                    |   |                                    |                   |
| Loss for the year                              | -                                  | -                                       | (24,980)                           | (24,980)          |
| <b>Total comprehensive income for the year</b> | -                                  | -                                       | (24,980)                           | (24,980)          |
| <b>At 31 March 2023</b>                        | <b>1</b>                           | <b>5,800,000</b>                        | <b>(80,427)</b>                    | <b>5,719,574</b>  |

## Statement of Changes in Equity For the Year Ended 31 March 2022

|  | Called up<br>share<br>capital<br>£ | Capital<br>contribution<br>reserve<br>£ | Profit and<br>loss<br>account<br>£ | Total equity<br>£ |
|--|------------------------------------|---|------------------------------------|-------------------|
| At 1 April 2021                                | 1                                  | 5,800,000                               | (22,508)                           | 5,777,493         |
| <b>Comprehensive income for the year</b>       |                                    |   |                                    |                   |
| Loss for the year                              | -                                  | -                                       | (32,939)                           | (32,939)          |
| <b>Total comprehensive income for the year</b> | -                                  | -                                       | (32,939)                           | (32,939)          |
| <b>At 31 March 2022</b>                        | <b>1</b>                           | <b>5,800,000</b>                        | <b>(55,447)</b>                    | <b>5,744,554</b>  |

The notes on pages 10 to 15 form part of these financial statements.

# Hackney Housing Company Limited

## Notes to the Financial Statements For the Year Ended 31 March 2023

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### 1. General information

Hackney Housing Company Limited is a private company limited by shares incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are given in the directors' report.

### 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 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### 2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

#### 2.3 Exemption from preparing consolidated financial statements

The company is a parent company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the UK law and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

#### 2.4 Impact of new international reporting standards, amendments and interpretations

There were a number of narrow scope amendments to existing standards which were effective from 1 April 2022. None of these had a material impact on the company.

# Hackney Housing Company Limited

## Notes to the Financial Statements For the Year Ended 31 March 2023

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### 2. Accounting policies (continued)

#### 2.5 Going concern

Hackney Housing Company Limited's investment holdings are companies which provide homes for rent and the rental and property market outlook is essential to the value of the investments. Over the last couple of years the housing market has shown strength against a poor economic backdrop. In 2022/23, annual rental growth in London was high, with asking rents 14% higher in the first quarter of 2023 than the previous year.

House price growth slowed in 2022/23 and was lower in London than any other region. But rather than the rapid falls in house prices which were forecast, there has so far been a 'soft re-pricing' of the market. Whilst house prices were predicted to fall in 2023 the average price of homes in Hackney rose slightly March to April 2023, overall, sold prices in Hackney were 6.6% up on the previous year. As with recent years, forecast uncertainty remains high given the current economic environment. House prices are forecast to fall in 2024, given the broader economic challenges, and the likelihood that mild downward pressure on house prices continues. Pressure on household finances – notably from inflation and higher interest rates – has impacted housing affordability, leading to fewer completions. A partial recovery in market confidence and transaction volumes is expected in 2024 as interest rates ease and affordability improve.

Whilst house prices are predicted to fall in 2024, our forecasts of house price inflation at 3% per annum over the full borrowing terms remains steady and will result in Hackney Housing Company Limited ultimately holding investments significantly more valuable than the borrowing which supports them.

The London Borough of Hackney has agreed to provide support to the company for a period of at least twelve months following the approval of the company's financial statements.

#### 2.6 Taxation

Tax is recognised in the statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

# Hackney Housing Company Limited

## Notes to the Financial Statements For the Year Ended 31 March 2023

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### 2. Accounting policies (continued)

#### 2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. During the year the directors performed an impairment review of the investment in subsidiaries. In their opinion, based on their consideration of economic viability and future cashflow and other financial projections of the subsidiary undertakings they consider there to be no impairment (see note 3 for further information).

#### 2.8 Financial assets

The company classifies its financial assets into one category, based on the purpose for which the asset was acquired. The company has not classified any of its financial assets as held to maturity. The company's accounting policy for this category is as follows:

##### *Trade and other receivables*

Trade and other receivables are initially measured at transaction price and subsequently held at cost, less any impairment.

#### 2.9 Financial liabilities

The company classifies its financial liabilities into one category, the company's accounting policy for this category is as follows:

##### *Trade and other payables*

Trade and other payables are initially recognised at price, being fair value of the consideration paid and subsequently carried at amortised cost using the effective interest method.

#### 2.10 Share capital

Financial instruments issued by the company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The company's ordinary shares are classified as equity instruments.

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

The company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The company has not made any significant judgements when applying the accounting policies.

The estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### *Estimates and assumptions*

- Impairment of fixed asset investments

Investments in subsidiaries are measured at cost less accumulated impairment. Factors taken into consideration when considering whether there are indicators of impairment include the economic viability and expected future financial performance of the subsidiary undertakings.

# Hackney Housing Company Limited

## Notes to the Financial Statements For the Year Ended 31 March 2023

### 4. Employees

The company has no employees other than the directors, who did not receive any remuneration (2022 - £Nil).

### 5. Taxation

|  | 2023<br>£ | 2022<br>£ |
|--|-----------|-----------|
| <b>Current tax</b>                             |           |           |
| Current tax on loss for the year               | -         | -         |
| <b>Total current tax</b>                       | -         | -         |
| <b>Deferred tax</b>                            |           |           |
| Origination and reversal of timing differences | -         | -         |
| <b>Total deferred tax</b>                      | -         | -         |
| <b>Taxation on loss on ordinary activities</b> | -         | -         |

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022 - higher than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

|  | 2023<br>£ | 2022<br>£ |
|--|-----------|-----------|
| Loss on ordinary activities before tax   | (24,980)  | (32,939)  |
| Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%) | (4,746)   | (6,258)   |
| <b>Effects of:</b>   |           |           |
| Unrelieved tax losses carried forward  | 6,245     | 9,585     |
| Remeasurement of deferred tax for changes in tax rates   | (1,499)   | (3,327)   |
| <b>Total tax charge for the year</b>   | -         | -         |



# Hackney Housing Company Limited

## Notes to the Financial Statements For the Year Ended 31 March 2023

### 5. Taxation (continued)

#### Factors that may affect future tax charges

At 31 March 2023, the company has taxable losses of £80,427 (2022 - £55,447) available for offset against future taxable profits. No deferred tax asset has been recognised in the financial statements as there is insufficient persuasive and reliable evidence that the losses will be utilised in the foreseeable future.

The March 2021 Budget announced an increase to the main rate of corporation tax to 25% from April 2023. This rate has been substantively enacted at the balance sheet date. As a result the unrecognised deferred tax as at 31 March 2023 is measured at 25%.

### 6. Fixed asset investments

|                                   | Investments<br>in subsidiary<br>companies<br>£ |
|-----------------------------------|--|
| <b>Cost and net book value</b>    |  |
| At 1 April 2022 and 31 March 2023 | <u>5,800,002</u>                               |

#### Subsidiary undertakings

The following were subsidiary undertakings of the company:

| Name                                | Class of<br>shares | Holding |
|-------------------------------------|--------------------|---------|
| Hackney PRS Housing Company Limited | Ordinary           | 100%    |
| Hackney HLR Housing Company Limited | Ordinary           | 100%    |

The registered office address of both subsidiaries is Hackney Town Hall, Mare Street, Hackney, London, E8 1EA.

### 7. Debtors

|                                  | 2023<br>£ | 2022<br>£ |
|----------------------------------|-----------|-----------|
| <b>Due within one year</b>       |           |           |
| Called up share capital not paid | <u>1</u>  | <u>1</u>  |

# Hackney Housing Company Limited

## Notes to the Financial Statements For the Year Ended 31 March 2023

### 8. Creditors: amounts falling due within one year

|                                    | 2023<br>£     | 2022<br>£     |
|------------------------------------|---------------|---------------|
| Trade creditors                    | 1,493         | 21,592        |
| Amounts owed to group undertakings | 66,956        | 37,478        |
| Accruals and deferred income       | 16,523        | 12,039        |
|                                    | <u>84,972</u> | <u>71,109</u> |

### 9. Share capital

|                                      | 2023<br>£ | 2022<br>£ |
|--------------------------------------|-----------|-----------|
| <b>Authorised, issued and unpaid</b> |           |           |
| 1 Ordinary share of £1               | <u>1</u>  | <u>1</u>  |

The ordinary share has no restrictions on the receipt of dividends or repayment of capital.

### 10. Reserves

The company's reserves are as follows:

#### Share capital

Nominal value of share capital subscribed for.

#### Capital contribution reserve

An accumulation of the injection of capital into the company without any obligation for the company to repay it or to do anything in consideration for receiving it.

#### Profit and loss account

All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

### 11. Controlling party

The company is a 100% subsidiary of the London Borough of Hackney which is the company's ultimate parent.

The largest and smallest group in which the results of the company are consolidated is that headed by the London Borough of Hackney, whose principal place of business is 1 Hillman Street, London, E8 1DY. The consolidated accounts of the London Borough of Hackney are available to the public and may be obtained from <https://hackney.gov.uk/>. No other group accounts include the results of the company.

The directors consider there to be no ultimate controlling party.