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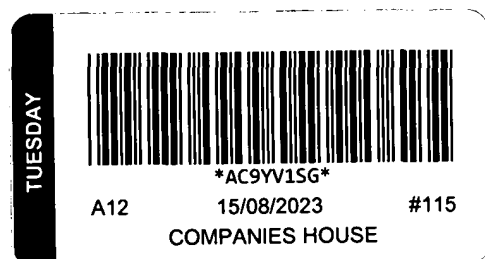
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Company Number 11815073

REALHOUSINGCO LIMITED

Directors' Report and Audited Financial Statements

For the year ended 31 March 2023



Contents

	Page
Company information	3
Directors' report	4
Statement of directors' responsibilities	5
Value for money report	6
Independent auditor's report to the members of Realhousingco Limited	7 to 9
Statement of comprehensive income	10
Statement of financial position	11
Statement of changes in equity	12
Notes to the financial statements	13 to 17

COMPANY INFORMATION

The Board of Directors

T M Hayne
O Ingram
B J Bauman

Company Secretary

Alter Domus (UK) Limited

Registered Office

338 Euston Road
Level 6
London
NW1 3BG

Independent Auditors

Sayers Butterworth LLP
12 Gough Square
London
EC4A 3DW

Company Number

11815073

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors present their report on the affairs of Realhousingco Limited (the "Company") together with the financial statements for the year ended 31 March 2023.

Principal activity

The principal activity of the Company is renting and operating of Housing Association real estate.

As at 31 March 2023, the Company owns a residential property located in Liverpool, comprised of seven units, six of which are let to private tenants and one is currently vacant.

The Company has assessed its compliance with the Governance and Financial Viability Standard and is satisfied it is fully compliant as of the date of signing of these financial statements.

Directors and their interests

The directors of the Company who were in office during the period and up to the date of signing the financial statements were:

T M Hayne
O Ingram
B J Bauman

None of the directors have any beneficial interest in the ordinary share capital of the Company. Directors' contracts and arrangements with the Company are disclosed in the related party notes to these Financial Statements.

Company secretary

The Company secretary during the period, and subsequently, was Alter Domus (UK) Limited.

Results and dividends

The results for the period are set out in the Statement of Comprehensive Income on page 10 of these financial statements. The directors do not recommend a dividend for the year ended 2023 (2022: nil).

Subsequent events

Subsequent events are disclosed in note 13 of the financial statements.

Going concern

The directors have undertaken a review, taking into account potential changes in the operating performance of the investment together with the factors likely to affect its future performance and concluded that the Company has adequate resources, through the support of its parent company to be able to continue in operational existence for the foreseeable future. Therefore the directors consider it appropriate for the financial statements to be prepared on a going concern basis.

Strategic report

The directors have availed of the exemption under section 4.4 of the Housing SORP (2018) and as a result do not include a strategic report in the financial statements.

Principle risks and uncertainties

The principal risks and uncertainties facing the Company can be outlined as follows:

- Rental income and the fair value of the investment property are affected, together with other factors, by general economic conditions and/or by the political and economic climate of the United Kingdom.
- The high inflation levels and increasing utilities costs will put increased pressure on our tenants. This could lead to an increase in bad debts and rental arrears. Management receives regular updates from the property manager. Increase costs will also have an impact on our repairs and maintenance costs, putting pressure on our finances.
- As a registered provider, we will undertake regular regulatory checks to ensure compliance with the Regulatory Standards.

Disclosure of information to the auditor

In the case of each director in office at the date the Directors' Report is approved:

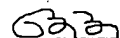
- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 (2) of the Companies Act 2006.

Auditor

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

For and on behalf of the board



B J Bauman
Director

Date: 09 August 2023 | 22:06 BST

Company Number 11815073

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable laws and regulations.

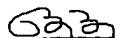
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. These accounts have also been prepared to ensure compliance with the Accounting Direction for Social Housing in England 2022.

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:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in UK Accounting Standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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.

For and on behalf of the board



.....
B J Bauman
Director

Date: 09 August 2023 | 22:06 BST

Company Number 11815073

VALUE FOR MONEY REPORT

Introduction

Our approach to Value for Money (VfM) is to seek to achieve our corporate objectives in the most economical, efficient and effective way. We recognise that delivering VfM is not solely about reducing costs but being able to balance between cost, productivity, and outcomes.

Value for Money Performance

Peer Comparison

As we have only one unit, we have not been able to find a suitable benchmark group. As we grow our stock in future, we will look to benchmark with a suitable group then.

Table 1: Outreach performance

RSH Metric	Realhousingco 21/22	Realhousingco 22/23
Metric 1 - Reinvestment (%)	0%	0%
Metric 2A - New Supply Delivered - Social (%)	0%	0%
Metric 2B - New Supply Delivered - Non-social (%)	0%	0%
Metric 3 - Gearing - RSH definition (%)	141.10%	149.38%
Metric 4 - EBITDA MRI - Interest cover (%)	N/A	N/A
Metric 5 - Headline social housing cost per unit (£)	£13,256	£12,408
Metric 6A - Operating margin - social housing lettings (%)	-144.88%	-157.18%
Metric 6B - Operating margin - overall (%)	-144.88%	-157.18%
Metric 7 - Return on capital employed (%)	N/A	N/A

Metric 1 - Reinvestment (%)

This metric looks at the investment in properties (existing stock as well as New Supply) as a percentage of the value of total properties held. As we did not undertake works to existing units, this metric is 0% (2022: 0%).

Metric 2A - New Supply Delivered - Social (%)

This metric considers the number of new social housing units developed in the year as a proportion of the total units owned at period end. Realhousingco did not acquire or develop any new social housing units in this accounting period, therefore, this metric is 0%. (2022: 0%).

Metric 2B - New Supply Delivered - Non-social (%)

We have not acquired or developed any non-social housing units in this accounting period (2022: none).

Metric 3 - Gearing - RSH definition (%)

Whilst Realhousingco does not have any loans, it has £936,592 owed to group undertakings. The gearing ratio is 149.38% (2022: 141.1%).

Metric 4 - EBITDA MRI - Interest cover (%)

N/A – due to the loans being non-interest bearing.

Metric 5 - Headline social housing cost per unit (£)

At the end of our accounting period, we had 7 social housing units and incurred total costs of £86,854 (2022: £92,793). This indicates a headline social housing cost per unit of £12,408 (2022: £13,256). Due to the low stock numbers, we are unable to benefit from economies of scale and therefore our cost per unit is high. However, as we increase our stock, our cost per unit will decrease.

Metric 6A - Operating margin - social housing lettings (%)

At the end of our accounting period, we reported an operating loss of £53,082 (2022: £51,942) compared to total turnover of £33,772 (2022: £35,851). Our operating margin is therefore -157.18% (2022: 144.88%).

Metric 6B - Operating margin - overall (%)

As the entirety of our business is concerned with social lettings, the social housing lettings operating margin is reflective of our overall operating margin.

Metric 7 - Return on capital employed (%)

As the total assets less current liabilities on our balance sheet is negative, this metric cannot be calculated. Whilst the short term balance sheet and operating position is negative, the company forecasts that it will become profit making over time. Until that point, the Company has adequate resources, through the support of its parent company to be able to continue in operational existence for the foreseeable future.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REALHOUSINGCO LIMITED

Opinion

We have audited the financial statements of Realhousingco 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 Financial Reporting Standard 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 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 entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The 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.

Other Matter

The corresponding figures in the financial statements of Realhousingco Limited were not audited.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REALHOUSINGCO LIMITED (CONTINUED)

Matters on which we are required to report by exception (continued)

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5 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.

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

Discussions were held with, and enquiries made of management and those charged with governance with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcome of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity. Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, The Housing and Regeneration Act 2008 and the requirements of the Regulator of Social Housing, GDPR legislation, Tax and Pensions legislation and distributable profits legislation. It is considered that there were no regulations which would be fundamental to the operating aspects of the business.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management, those charged with governance and their consultants as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence and correspondence with the regulator in the year and ensuring that all reporting requirements were met; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REALHOUSINGCO LIMITED (CONTINUED)

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.



Hannah Clegg, Statutory Auditor
For and on behalf of Sayers Butterworth LLP
3rd Floor, 12 Gough Square
London
EC4A 3DW
Date: 10 August 2023

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

		For the year ended 31 March 2023	For the year ended 31 March 2022
	Note	Audited £	Unaudited £
Rent receivable excluding service charges		33,772	35,851
Operating expenditure		(86,854)	(92,793)
Valuation gains on investment properties	7	-	5,000
Operating deficit		(53,082)	(51,942)
Taxation	6	-	-
Total comprehensive loss for the year		(53,082)	(51,942)

All income and expenses relate to social housing.

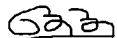
There were no items of other comprehensive income or loss other than those included in the Statement of Comprehensive Income.

The notes on pages 13 to 17 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

		2023	2022
	Note	Audited £	Unaudited £
Fixed assets			
Housing properties	7	625,000	625,000
		<u>625,000</u>	<u>625,000</u>
Current assets			
Debtors	8	5,205	11,653
Cash and cash equivalents		2,948	4,405
Total current assets		<u>8,153</u>	<u>16,058</u>
Creditors: amounts falling due within one year	9	948,024	902,847
Net current liabilities		<u>(939,871)</u>	<u>(886,789)</u>
Net liabilities		<u>(314,871)</u>	<u>(261,789)</u>
Capital and reserves			
Share capital	10	1	1
Revaluation reserve		14,655	14,655
Profit and loss account		(329,527)	(276,445)
Shareholders' deficit		<u>(314,871)</u>	<u>(261,789)</u>

The financial statements are approved and authorised for issue by the Board of Directors on 2023
and signed on its behalf by:



.....
B J Bauman
Director 09 August 2023 | 22:06 BST

Company Number 11815073

The notes on pages 13 to 17 are an integral part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Share capital £	Revaluation reserve £	Profit and loss account £	Total £
Balance as at 1 April 2021	1	9,655	(219,503)	(209,847)
Revaluation reserve	-	5,000	-	5,000
Loss for the year	-	-	(56,942)	(56,942)
Balance as at 31 March 2022 (unaudited)	<u>1</u>	<u>14,655</u>	<u>(276,445)</u>	<u>(261,789)</u>
Balance as at 1 April 2022	1	14,655	(276,445)	(261,789)
Revaluation reserve	-	-	-	-
Loss for the year	-	-	(53,082)	(53,082)
Balance as at 31 March 2023 (audited)	<u>1</u>	<u>14,655</u>	<u>(329,527)</u>	<u>(314,871)</u>

The notes on pages 13 to 17 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

The Company is a private company, limited by shares and incorporated in England and Wales. Its registered office is at 338 Euston Road, Level 6 London, NW1 3BG.

The Company is a private registered provider of social housing (Registration No.: 5136).

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1 Basis of preparation

The financial statements have been prepared in accordance with the Housing SORP 2018 – Statement of Recommended Practice for Registered Social Housing Providers' ("the SORP") and the Accounting Direction for Registered Providers of Social Housing – 2019 ("the Direction"). The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

2.2 Going concern

The financial statements have been prepared on a going concern basis.

The directors have undertaken a review, taking into account potential changes in the operating performance of the investment together with the factors likely to affect its future performance and concluded that the Company has adequate resources, through the support of its parent company to be able to continue in operational existence for the foreseeable future. Therefore the directors consider it appropriate for the financial statements to be prepared on a going concern basis.

2.3 Turnover

Turnover comprises rental income receivable in the period. Rental income is recognised from the point when properties become available for letting, net of any voids.

2.4 Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable surplus for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments.

Unrelieved tax losses and other deferred tax assets are recognised only 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 measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

Current and deferred tax assets and liabilities are not discounted.

2.5 Housing properties

Housing properties are properties held to earn rentals and/or for capital appreciation. Investment properties are initially measured at cost, including transaction costs. Subsequently investment properties whose fair value can be measured reliably without undue cost or effort on an on-going basis are measured at fair value annually. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Summary of significant accounting policies (continued)

2.7 Cash and cash equivalents

Cash is represented by deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Financial instruments

The Company only enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.10 Foreign currency translation

The Company's functional and presentational currency is GBP. Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

2.11 Share capital

Ordinary shares are classified as equity as per the Company's Articles of Association.

2.10 Judgments in applying accounting policies and key sources of estimation uncertainty

The directors acknowledge that there are no applicable accounting estimates used within the financial statements.

2.12 Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates.

The directors have made key assumptions in the determination of the fair value of the investment property in respect of the state of the property market in the location where the property is situated and in respect of the range of reasonable fair value estimates of the asset. The valuation gain has been presented in the statement of comprehensive income.

3. Employees

During the year, the Company had 2 employees (2022: 2 employees) who are all directors of the Company. Their remuneration is disclosed below.

4. Key management personnel

The aggregate remuneration paid during the year to the non-executive directors, T M Hayne and O Ingram, in respect of services rendered to the Company were:

	2023 (audited)	2022 (unaudited)
	£	£
Salary	15,131	15,160

The remuneration of the highest paid director was £10,000 (2022: £10,000).

During the year, the Company paid the directors consultancy fees of £15,000 (2022: £15,000).

B J Bauman, executive Director, received no remuneration during the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

5. Auditor's remuneration

During the year, the Company obtained the following services from the Company's auditors:

	2023 (audited) £	2022 (unaudited) £
Fees payable for audit services	10,200	-
Fees payable for non-audit services	<u>3,120</u>	<u>6,240</u>

6. Taxation

a. Tax expense included in profit or loss

	2023 (audited) £	2022 (unaudited) £
Current tax:		
UK corporation tax on loss for the year	-	-
Total current tax	<u>-</u>	<u>-</u>
Deferred tax:		
Origination and reversal of timing differences	-	-
Total deferred tax	<u>-</u>	<u>-</u>
Total tax charge	<u>-</u>	<u>-</u>

b. Reconciliation of the tax charge

Reconciliation between the tax charge and the product of accounting loss multiplied by UK's domestic corporation tax rate is as follows:

	2023 (audited) £	2022 (unaudited) £
Loss before tax	(53,082)	(51,942)
Tax calculated at domestic rates applicable to profits at 19%	(10,086)	(9,869)
Effects of:		
Deferred tax not recognised	10,086	9,869
Tax charge for the year	<u>-</u>	<u>-</u>

Tax rate changes

The current tax rate applied during the year was 19% based on the standard rate of corporation tax substantively enacted at the reporting date.

Within the Finance Bill 2021 published on 11 March 2021 and substantively enacted on 24 May 2021, the standard rate of corporation tax is set to increase from 19% to 25% with effect from 1 April 2023.

This rate increase has no effect on the tax charge for the period ended 31 December 2022.

c. Deferred tax assets

The deferred tax asset is not recognised due to uncertainty regarding the recoverability of the asset as the Company has not generated any profit since inception.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

7. Housing properties

	2023 (audited)	2022 (unaudited)
	£	£
Balance at 1 April	625,000	620,000
Fair value gain	-	5,000
Valuation at 31 March	<u>625,000</u>	<u>625,000</u>
Cost at 31 March	<u>610,345</u>	<u>610,345</u>

The investment property was acquired in November 2019. The fair value of the property was valued as at the year end, using an external valuation undertaken by Ashall Surveyors Limited.

The investment property consists of 7 (2022: 7) low-cost home ownership accommodation located in Liverpool, England and being managed by Orchard & Shipman.

8. Debtors

	2023 (audited)	2022 (unaudited)
	£	£
Accrued income	2,458	10,560
Other debtors	<u>2,747</u>	<u>1,093</u>
	<u>5,205</u>	<u>11,653</u>

9. Creditors: amounts falling due within one year

	2023 (audited)	2022 (unaudited)
	£	£
Deferred income	-	648
Other creditors	440	440
Amounts owed to group undertaking	936,592	886,592
Accruals	10,992	12,657
Trade creditors	<u>-</u>	<u>2,510</u>
	<u>948,024</u>	<u>902,847</u>

Amounts owed to group undertaking are unsecured, interest free and repayable on demand.

10. Share capital

Called up, allotted and fully paid

	2023 (audited)	2022 (unaudited)
	£	£
1 ordinary share of £1 each	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

11. Related parties

Parties are deemed related when one has an ability to control the other or make significant influence while making financial and operational decisions.

During the year, the Company received non-interest bearing loans of £50,000 (2022: £70,750) from Alpha Real Trust Limited ('ART'), the Company's ultimate controlling party. At 31 March 2023, non-interest bearing loans of £936,592 (2022: £886,592) were due to ART.

During the year, the Company paid the directors consultancy fees of £15,000 (2022: £15,000), the amount outstanding at the year end was nil (2022: £1,250).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

12. Ultimate controlling party

The Company's immediate parent company is RHC No 2 Limited, a company incorporated in England & Wales and whose registered office is at 338 Euston Road, London, England, NW1 3BG, United Kingdom.

The Company's ultimate controlling party is Alpha Real Trust Limited, a company incorporated in Guernsey and whose registered office is at PO Box 286, Floor 2, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 4LY.

13. Subsequent events

There were no transactions after the reporting date requiring disclosure or adjustments to these financial statements.