

Registered number  
11864894

MSL (107) Ltd  
Report and Accounts  
31 March 2021

## **MSL (107) Ltd**

### **Company Information**

#### **Directors**

M I M Shenkman (appointed 23 December 2020)

A H Precious (appointed 23 December 2020)

E Akram (resigned 23 December 2020)

M A C Jagger (resigned 23 December 2020)

#### **Registered office**

1 King William Street

London

EC4N 7AF

#### **Registered number**

11864894

**MSL (107) Ltd**  
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The following pages do not form part of the statutory financial statements:

**Detailed profit and loss account and summaries**

## **MSL (107) Ltd**

**Registered number:** 11864894

### **Directors' Report**

The directors present their report and accounts for the year ended 31 March 2021.

#### **Principal activities**

The principal activity of the Company is to invest in strategic social housing assets in the supported housing sector which have been adapted to provide care and support for vulnerable tenants.

#### **Directors' responsibilities**

The directors are responsible for preparing the report and accounts 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 (Financial Reporting Standard 102 and applicable law). Under company law the directors must not approve the accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts 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 accounts 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.

#### **Directors**

The following persons served as directors during the year:

M I M Shenkman	(appointed 23 December 2020)
A H Precious	(appointed 23 December 2020)
E Akram	(resigned 23 December 2020)
M A C Jagger	(resigned 23 December 2020)

#### **Results and dividends**

The profit for the period, after taxation, amounted to £80,108.

#### **Small company provisions**

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on 16 February 2022 and signed on its behalf.

M I M Shenkman  
Director

**MSL (107) Ltd****Statement of comprehensive income  
for the year ended 31 March 2021**

	<b>Notes</b>	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
<b>Turnover</b>	4	12,821	-
Administrative expenses		(65,744)	(90)
<b>Operating loss</b>		<u>(52,923)</u>	<u>(90)</u>
Fair value movements	6	167,184	-
<b>Profit/(loss) before taxation</b>		<u>114,261</u>	<u>(90)</u>
Tax on profit/(loss)	10	(34,153)	-
<b>Profit/(loss) for the financial year</b>		<u>80,108</u>	<u>(90)</u>

There were no recognised gains and losses for the period other than those included in the income statement.

There was no other comprehensive income for the period.

The notes on pages 6 to 11 form part of these financial statements.

**MSL (107) Ltd****Registered number:** 11864894**Statement of financial position  
as at 31 March 2021**

	Notes	2021 £	2020 £
<b>Non-current assets</b>			
Investment property	6	600,000	16,473
<b>Current assets</b>			
Debtors	7	12,820	100
<b>Creditors: amounts falling due within one year</b>	8	(2,638)	(16,563)
<b>Net current assets/(liabilities)</b>		10,182	(16,463)
<b>Total assets less current liabilities</b>		610,182	10
<b>Provisions for liabilities</b>		(31,765)	-
<b>Net assets</b>		578,417	10
<b>Capital and reserves</b>			
Called up share capital	11	101	100
Share premium		498,298	-
Profit and loss account		80,018	(90)
<b>Shareholder's funds</b>		578,417	10

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The member has not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

M I M Shenkman  
Director

Approved by the board on 16 February 2022

The notes on pages 6 to 11 form part of these financial statements.



**MSL (107) Ltd**  
**Statement of Changes in Equity**  
**for the year ended 31 March 2021**

	Share capital	Share premium	FV Gain/Loss of investments	Profit and loss account	Total
	£	£	£	£	£
<b>At 6 March 2019</b>	-	-	-	-	-
Loss for the period				(90)	(90)
Shares issued	100	-			100
<b>At 31 March 2020</b>	<u>100</u>	<u>-</u>	<u>-</u>	<u>(90)</u>	<u>10</u>
<b>At 1 April 2020</b>	100	-	-	(90)	10
Loss for the financial year			128,047	(47,939)	80,108
Shares issued	1	498,298			498,299
<b>At 31 March 2021</b>	<u>101</u>	<u>498,298</u>	<u>128,047</u>	<u>(48,029)</u>	<u>578,417</u>

The notes on pages 6 to 11 form part of these financial statements.

**MSL (107) Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2021**

**1 General Informaiton**

MSL (107) Ltd (the "Company") is a company incorporated in England and Wales under Companies Act 2006 as a private company limited by shares on 6 March 2019. The address of the registered office is 1 King William Street, London, EC4N 7AF.

**2 Accounting policies**

**2.1 Basis of preparation**

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

The financial statements have been prepared on a going concern basis under the historical case convention, modified to include investment properties at fair value.

The financial statements are presented in sterling with is the functional currency of the company and rounded to the nearest pound.

The following principal accounting policies have been applied:

**2.2 Going Concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and therefore has prepared these financial statements on the going concern basis.

**2.3 Rental Income**

Rental income from investment property is recognised on a straight line basis over the term of ongoing leases and is shown gross of any UK income tax. A rental adjustment is recognised from the rent review date in relation to unsettled rent reviews, where the directors are reasonably certain that the rental uplift will be agreed.

**2.4 Investment Property**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost, being the fair value of the consideration given, including expenditure that is directly attributable to the acquisition of the investment property. After initial recognition, investment property is stated at its fair value at the Statement of Financial Position date. Gains and losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise in the Profit and Loss Account. Subsequent expenditure is capitalised only when it is probable that future economic benefits are associated with the expenditure.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected to be obtained from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recorded in profit or loss in the period in which the property is derecognised.

## 2.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash held by lawyers and liquidity funds with a term of no more than three months that are readily convertible to a known amount of cash, and which are subject to an insignificant risk of changes in value.

Cash held by lawyers is money held in escrow for expenses expected to be incurred in relation to investment properties pending completion. These funds are available immediately on demand.

## 2.6 Trade and other receivables

Trade and other receivables are amounts due in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non current assets.

Receivables are initially recognised at fair value plus transaction costs and are subsequently carried at amortised cost, less provision for impairment.

Impairment provisions for amounts due from subsidiaries are recognised based on a forward looking expected credit loss model using the general approach. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

## 2.7 Trade and other payables

Trade and other payables are classified as current liabilities if payment is due within one year or less from the end of the current accounting period. If not, they are presented as non current liabilities. Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost until settled.

## 2.8 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an interim 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 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 value 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.

## 2.9 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company has determined that it retains all the significant risks and rewards of ownership of the properties it has acquired to date and accounts for the contracts as operating leases as discussed in note 3.

Properties leased out under operating leases are included in investment property in the Statement of Financial Position. Rental income from operating leases is recognised on a straight line basis over the term of the relevant leases.

## 2.10 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the Statement of Financial Position date, taking into account the risks and uncertainties surrounding the obligation.

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

### Estimates:

#### 3.1 Investment Properties

The Company uses the valuation carried out by its independent valuers as the fair value of its property portfolio. The valuation is based upon assumptions including future rental income and the appropriate discount rate. The valuers also make reference to market evidence of transaction prices for similar properties.

The Company's properties have been independently valued by Jones Lang LaSalle Limited ("JLL" or the "Valuer") in accordance with the definitions published by the Royal Institute of Chartered Surveyors' ("RICS") Valuation - Professional Standards, July 2017, Global and UK Editions (commonly known as the "Red Book"). JLL is one of the most recognised professional firms within social housing valuation and has sufficient current local and national knowledge of both social housing generally and specialist supported housing ("SSH") and has the skills and understanding to undertake the valuations competently.

With respect to the Company's Financial Statements, investment properties are valued at their fair value at each Statement of Financial Position date which recognises a variety of fair value inputs depending upon the nature of the investment. Specifically:

Level 1 - Unadjusted, quoted prices for identical assets and liabilities in active (typically quoted) markets;

Level 2 - Quoted prices for similar assets and liabilities in active markets

Level 3 - External inputs are "unobservable". Value is the Director's best estimate, based on advice from relevant knowledgeable experts, use of recognised valuation techniques and a determination of which assumptions should be applied in valuing such assets and with particular focus on the specific attributes of the investments themselves.

Given the bespoke nature of the Company's investment, the Company's investment properties are included in Level 3.

## Judgements

### 3.2 Company as lessor

The Company has acquired investment properties that are subject to commercial property leases with Registered Providers. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, including the duration of the lease terms compared to the economic life of the asset, the minimum lease payments discounted using an average cost of borrowing rate compared to the fair value of the asset at acquisition, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the leases as operating leases.

<b>4 Turnover</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Rent Receivable	12,821	-
	<u>12,821</u>	<u>-</u>

All turnover arose within the United Kingdom.

The lease agreement between the Company and the Registered Provider is a full repairing and insuring lease. The Registered Provider is responsible for the settlement of all present and future rates, taxes, costs and other impositions payable in respect of the property. As a result, no direct property expenses were incurred.

<b>5 Employees</b>	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Average number of persons employed by the company	<u>0</u>	<u>0</u>

The Company has no employees other than the Directors, who did not receive any remuneration.

## 6 Investment Property

	<b>Total</b>
	<b>£</b>
<b>Valuation</b>	
At 1 April 2020	16,473
Additions at cost	416,343
Surplus on revaluation	167,184
At 31 March 2021	<u>600,000</u>

In the current year, the Company's investment properties have been independently valued at fair

value by CBRE Limited, an accredited external valuer with recognised and relevant professional qualifications.

The investment property was revalued on ownership of the entity which was 3 months prior to the year end. The directors considered that the fair value of the investment property remained the same and no further adjustment to fair value was considered necessary.

<b>7 Debtors</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade debtors	3,680	-
Other debtors	9,140	100
	<u>12,820</u>	<u>100</u>

The Directors consider that the carrying value of trade and other receivables approximate their fair value. All amounts are due to be received within one year from the reporting date.

<b>8 Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Taxation and social security costs	2,388	-
Accruals and deferred income	250	16,563
	<u>2,638</u>	<u>16,563</u>

The Directors consider that the carrying value of trade and other payables approximate to their fair value. All amounts are due for payment within one year from the reporting date.

## **9 Related party transactions**

During the year the company was sold to TP Impact Housing 6 Limited and the loan accounts with Mersten Limited were repaid. At the year end the balance due to Mersten Limited was £NIL (2020: £16,563).

<b>10 Taxation</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Analysis of charge in period</b>		
Current tax:		-
UK Corporation tax on profits of the period	2,388	-
Deferred tax:		-
19% Charged on gains on property valuation	31,765	-
	<u>34,153</u>	<u>-</u>

## **11 Share Capital**

	<b>2021</b>
	<b>£</b>
Alloted, called up and fully paid	

Bought forward share capital	1
1 Ordinary shares of £1.00 each	100
	<hr/>
	101
	<hr/>

During the period, the Company issued 1 ordinary £1 shares for total premiums of £498,398

## 12 Controlling party

The Company's immediate parent undertaking is TP Impact Housing 6 Limited, a company incorporated and registered in the UK.

At the year end, the ultimate parent entity, which is also the parent for the largest and smallest group of undertakings for which the group financial statements are drawn up for and of which the company is a member is Triple Point LLP, an entity whose registered office is 1 King William Street, London, EC4N 7AF.

## 13 Other information

MSL (107) Ltd is a private company limited by shares and incorporated in England. Its registered office is:

1 King William Street  
London  
EC4N 7AF

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