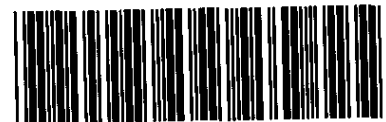


Company Registration No. SC597899 (Scotland)

**HOMES FOR GOOD GLASGOW CIC**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MARCH 2019**  
**PAGES FOR FILING WITH REGISTRAR**

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# **HOMES FOR GOOD GLASGOW CIC**

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# HOMES FOR GOOD GLASGOW CIC

## BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£
<b>Fixed assets</b>			
Tangible assets	3		28,438
Investment properties	4		1,908,854
			<u>1,937,292</u>
<b>Current assets</b>			
Debtors falling due within one year	5	30,243	
Cash at bank and in hand		272,855	
		<u>303,098</u>	
<b>Creditors: amounts falling due within one year</b>	6	(88,378)	
		<u></u>	
<b>Net current assets</b>			214,720
<b>Total assets less current liabilities</b>			<u>2,152,012</u>
<b>Creditors: amounts falling due after more than one year</b>	7		(2,126,000)
			<u></u>
<b>Net assets</b>			<u><u>26,012</u></u>
<b>Capital and reserves</b>			
Called up share capital	8		100
Revaluation reserve			43,020
Profit and loss reserves			(17,108)
			<u></u>
<b>Total equity</b>			<u><u>26,012</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 23 July 2019 and are signed on its behalf by:

  
S Aktemel  
Director

Company Registration No. SC597899

# HOMES FOR GOOD GLASGOW CIC

## STATEMENT OF CHANGES IN EQUITY

**FOR THE PERIOD ENDED 31 MARCH 2019**

		Share capital	Revaluation reserve	Profit and loss reserves	Total
<b>Period ended 31 March 2019:</b>					
Loss for the period		-	-	(17,108)	(17,108)
Other comprehensive income:					
Revaluation of tangible fixed assets		-	43,020	-	43,020
		<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period		-	43,020	(17,108)	25,912
Issue of share capital	8	100	-	-	100
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2019</b>		<u>100</u>	<u>43,020</u>	<u>(17,108)</u>	<u>26,012</u>

# HOMES FOR GOOD GLASGOW CIC

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE PERIOD ENDED 31 MARCH 2019**

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### **1 Accounting policies**

#### **Company information**

Homes For Good Glasgow CIC is a private company limited by shares incorporated in Scotland. The registered office is 123 Main Street, Bridgeton, Glasgow, G40 1QD.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. 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 are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

#### **1.2 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

#### **1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% Reducing balance
-----------------------	----------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Investment properties are included in the Balance Sheet at their market value and are not depreciated.

Although this accounting policy is in accordance with the Financial Reporting Standard 102, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

# HOMES FOR GOOD GLASGOW CIC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE PERIOD ENDED 31 MARCH 2019**

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### 1 Accounting policies

(Continued)

#### 1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in other comprehensive income.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# HOMES FOR GOOD GLASGOW CIC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **1.8 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.9 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Operating profit

	2019
Operating profit for the period is stated after charging:	£
Depreciation of owned tangible fixed assets	9,669

# HOMES FOR GOOD GLASGOW CIC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

### 3 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 22 May 2018	-
Additions	38,107
At 31 March 2019	38,107
<b>Depreciation and impairment</b>	
At 22 May 2018	-
Depreciation charged in the Period	9,669
At 31 March 2019	9,669
<b>Carrying amount</b>	
At 31 March 2019	28,438

### 4 Investment property

	2019 £
<b>Fair value</b>	
At 22 May 2018	-
Additions	1,865,834
Revaluations	43,020
At 31 March 2019	1,908,854

Investment property comprises of properties acquired for the purpose of being let out to tenants. The fair value of the investment property has been arrived at on the basis of a valuation carried out at as and when the properties have been refurbished and are ready for rental by independent Chartered Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

### 5 Debtors

	2019 £
<b>Amounts falling due within one year:</b>	
Trade debtors	3,780
Other debtors	26,463
	30,243



# HOMES FOR GOOD GLASGOW CIC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

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### 6 Creditors: amounts falling due within one year

	2019 £
Trade creditors	11,299
Other creditors	77,079
	<u>88,378</u>

### 7 Creditors: amounts falling due after more than one year

	2019 £
Bank loans and overdrafts	2,126,000
	<u>2,126,000</u>

The long-term loan is secured by fixed charges over the investment properties.

### 8 Called up share capital

	2019 £
<b>Ordinary share capital</b>	
<b>Issued and not fully paid</b>	
100 Ordinary shares of £1 each	100
	<u>100</u>
<b>Total equity share capital</b>	<u>100</u>

### 9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Scott Gillon BA(Hons) FCCA CA.  
The auditor was Wylie & Bisset LLP.

# HOMES FOR GOOD GLASGOW CIC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE PERIOD ENDED 31 MARCH 2019**

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### 10 Related party transactions

Expenses were reimbursed to Susan Aktemel for items purchased personally and refunded totalling £10,421. Also, board expenses reimbursed to Karen Lynch totalling £172. No other director expenses were incurred in the year. No directors waived expenses which they were eligible to claim during the year.

Further related party transactions were carried out with Maydos Development Ltd including contractor fees of £61,125 and materials reimbursed of £20,352.

In addition, the following transactions took place amongst the respective companies:

	Sales £	Purchases £	Total owed/(due) £
Homes for Good (Scotland) CIC	-	75,444	-
Homes for Good Investments Ltd	-	45,898	-
Homes for Good Property Care Ltd	1,756	-	140

### 11 Parent company

The ultimate controlling party is Homes For Good (Scotland) CIC, the majority shareholder.

# CIC 34

## Community Interest Company Report

<b>For official use</b> <i>(Please leave blank)</i>	
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*Please  
complete in  
typescript, or  
in bold black  
capitals.*

<b>Company Name in full</b>	Homes for Good Glasgow CIC
<b>Company Number</b>	SC597899
<b>Year Ending</b>	31 March 2019

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

**(N.B. A Filing Fee of £15 is payable on this document. Please enclose a cheque or postal order payable to Companies House)**

## **PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT**

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a description of how they have benefited the community.

Home for Good Good Glasgow (HFGG), incorporated in 2018, is part of an evolving group of companies, which has grown and developed according to the needs and opportunities identified through working in the private rented sector. Each entity within the group has a clear role and function which ties back directly into Homes for Good's (HFG) core social aims:

1. To improve quality of property condition and property management within the PRS;
2. To lead by example to enable and inspire others to improve within the PRS;
3. To enable people with very limited housing choice access quality homes within the PRS;
4. To develop solutions and test new ideas which tackle systemic barriers within the PRS.

HFGG is a community interest company limited by shares, established to purchase and renovate dilapidated properties. The property portfolio is located in the Greater Glasgow Area with 79% of the portfolio located within Glasgow City boundaries. The other 21% of the portfolio are located in North Lanarkshire, Renfrewshire, West Dunbartonshire and North Ayrshire. The average rent in each local authority area is close to the Local Housing Allowance Rates to ensure properties are accessible to tenants on low incomes or accessing benefits.

To date HFGG has raised £2.85m from partners Social & Sustainable Capital LLP To date 38 homes have been purchased in this growing portfolio. Once refurbished, the majority of homes are rented to people from either a homelessness background, on low incomes, and/or accessing housing related benefits.

HFG values the importance of working in collaboration with other organisations to help achieve its social aims. This year we have been working in partnership with The Simon Community & Glasgow City Mission, providing homes for a Housing First in the Private Rented Sector pilot. HFG is also the preferred accommodation provider to YPeople, providing temporary accommodation for those facing homelessness in Glasgow, as well as homes to tenants accessing YPeople's deposit guarantee scheme.

Due to the support provided by HFG's Tenancy Support Team, HFGG is able to provide homes to tenants with additional support needs and work with them to ensure that they can sustain their tenancy. Of current tenants, 69% have been in previous significant housing need including 41% with a homelessness background. 97% of current tenants are either unemployed, economically inactive, students or working on a low income.

Property management, tenancy support and central corporate services are provided by Homes for Good Scotland (HFGS), a social enterprise letting agency, which owns 51% shares of HFGG. HFGG pays for these services through a management fee deducted at source by HFGS from any rental income received, therefore also helping to sustain another social enterprise.

*(If applicable, please just state "A social audit report covering these points is attached").*

***(Please continue on separate continuation sheet if necessary.)***

**PART 2 – CONSULTATION WITH STAKEHOLDERS** – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

Key stakeholders include YPeople, Glasgow City Mission, The Simon Community & Glasgow Homelessness Network, all of whom we work closely with to try to alleviate homelessness in Glasgow. YPeople lease a number of properties owned by HFGG which are used to provide temporary accommodation to people facing homelessness. The Simon Community, Glasgow City Mission and Glasgow Homelessness Network work with HFG to provide support & to underwrite Housing First tenancies, in properties provided by HFGG.

All HFGG tenants are key stakeholders, these stakeholders are provided with support and assistance through our sister social enterprise, HFGS.

HFGG has received investment from Social & Sustainable Capital, an impact fund, and in line with this they are a key stakeholder in the organisation.

*(If applicable, please just state "A social audit report covering these points is attached").*

**PART 3 – DIRECTORS' REMUNERATION** – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, "There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed" (See example with full notes). If no remuneration was received you must state that "no remuneration was received" below.

Director's remunerations are fully detailed in our accounts, there are no other transactions or arrangements in connection with the remuneration of directors or compensation for director's loss of office, which require to be disclosed.

**PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION** – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that "no transfer of assets other than for full consideration has been made" below.

No transfer of assets other than for full consideration has been made

*(Please continue on separate continuation sheet if necessary.)*

## PART 5 – SIGNATORY

**The original report must be signed by a director or secretary of the company**

Signed

*Ali SL*

Date

22/8/19

Office held Director

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Homes for Good Glasgow CIC	
123 Main Street	
Glasgow G40 1QD	
Tel 0141 406 1830	
DX Number	DX Exchange

**When you have completed and signed the form, please attach it to the accounts and send both forms by post to the Registrar of Companies at:**

*For companies registered in England and Wales:* Companies House, Crown Way, Cardiff, CF14 3UZ  
DX 33050 Cardiff

*For companies registered in Scotland:* Companies House, 4<sup>th</sup> Floor, Edinburgh Quay 2, 139  
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

*For companies registered in Northern Ireland:* Companies House, 2nd Floor, The Linenhall, 32-38  
Linenhall Street, Belfast, BT2 8BG

The accounts and CIC34 **cannot** be filed online

**(N.B. Please enclose a cheque for £15 payable to Companies House)**