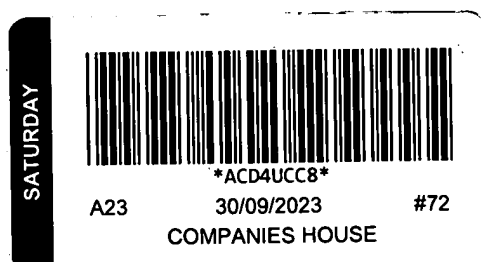


Registered number: 02515428

# **RENDALL & RITTNER LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**



## **RENDALL & RITTNER LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	John Bromilow Richard Daver Paul Denton William Hammond Adewale Oladunjoye Parimal Patel (appointed 1 January 2022) Susan Petri Duncan Rendall John Rittner Catherine Riva Daniel Steer Catherine Orezzi (appointed 24 February 2023)
<b>Company secretary</b>	Duncan Llewelyn Rendall
<b>Registered number</b>	02515428
<b>Registered office</b>	13b St. George Wharf London SW8 2LE
<b>Independent auditors</b>	Haysmacintyre LLP Statutory Auditors 10 Queen Street Place London EC4R 1AG

## **RENDALL & RITTNER LIMITED**

### **CONTENTS**

	<b>Page</b>
<b>Strategic Report</b>	<b>1 - 2</b>
<b>Directors' Report</b>	<b>3 - 6</b>
<b>Independent Auditors' Report</b>	<b>7 - 10</b>
<b>Statement of Comprehensive Income</b>	<b>11</b>
<b>Balance Sheet</b>	<b>12</b>
<b>Statement of Changes in Equity</b>	<b>13</b>
<b>Analysis of Net Debt</b>	<b>14</b>
<b>Notes to the Financial Statements</b>	<b>15 - 31</b>

## **RENDALL & RITTNER LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **Introduction**

The company carried on business as property managers and this was its principal activity throughout the year. This involves the management of residential developments, mainly blocks of flats, as well as some commercial properties where these form part of a development.

#### **Business review**

The company has continued its impressive year on year revenue growth as it continues to grow its client base in London and the rest of the UK. In the year ended 31 December 2022, turnover was £36.9m. Operating profit was £4.1m, whilst earnings before interest tax, depreciation and amortisation (EBITDA) was £5.2m. The company has considerable potential for further growth resulting from the need for professional management of residential developments.

#### **Principal risks and uncertainties**

Management continually monitor the key risks facing the company together with assessing the controls used for managing these risks. The principal risks and uncertainties facing the company as follows:

(i) Market and economic environment

Significant changes in the market and economic environment, particularly factors effecting the property market, could have significant impact on the company's turnover. The company continually monitors the pipeline of new opportunities and looks to develop relationships with a wide range of clients.

(ii) Loss of key personnel

The loss of key individuals may limit the company's ability to grow the business as anticipated. Competitive remuneration packages are offered in order to retain staff.

(iii) Reliance on information technology

The company relies on its IT systems to operate efficiently. Systems are continually reviewed and updated to ensure they meet demands of the business.

(iv) Inflation risk

The main cost inflation risk for the business is staff costs. This risk is reduced to a significant extent as revenues from management fees increase by a contractual inflationary amount each year.

(v) Interest rate risk

The company has no external borrowings and is therefore not directly impacted by increased interest rates. However, increasing interest rates may reduce the general levels of residential development, impacting the number of new residential schemes requiring management.

(vi) Geopolitical risk

The company's activities are UK based and therefore events in Russia and Ukraine have no direct impact on the company's operations.

#### **Environmental matters**

The company recognises that environmental issues are a fundamental challenge for the global community. The business is committed to managing the environmental impacts that arise through the lifecycle of its services.

The company has won awards for various sustainability initiatives. The company uses its resources and engages with the community to foster economic, social and environmental wellbeing, demonstrating a dedication to achieving sustainable solutions.

## RENDALL & RITTNER LIMITED

### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

#### Financial key performance indicators

At the end of the year net assets totalled £5.84m (2021 net liabilities: £2.17m). The company's key financial and other performance indicators during the period were as follows:

Turnover for the year was £36.9m (2021 (18 month period): £59.3m)

Profit before tax was £4.07m (2021 (18 month period): £3.03m)

Net profit as a percentage of turnover was 9.96% (2021: 4.19%)

Profit before interest, tax, depreciation and amortisation was £5.2m (2021 (18 month period): £4.8m).

#### Directors' statement of compliance with duty to promote the success of the company

Under section 172 of the Companies Act a director of a company must act in the way he/she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- The likely consequences of any decision in the long term
- The interests of the company's employees
- The need to foster the company's business relationships with suppliers, customers and others
- The impact of the company's operations on the community and the environment
- The desirability of the company maintaining a reputation for high standards of business conduct, and
- The need to act fairly as between members of the company.

Our statement sets out the key stakeholder groups, their interests and how the company engages with them.

This report was approved by the board on 23 September 2023

and signed on its behalf.



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**Duncan Rendall**  
Director

## **RENDALL & RITTNER LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their report and the financial statements for the year ended 31 December 2022.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Strategic Report, 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 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'. 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 for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £3,674,687 (2021 - £2,914,114).

The directors do not recommend the payment of a dividend in respect of the financial year ended 31 December 2022 (2021: £nil).

#### **Directors**

The directors who served during the year were:

John Bromilow  
Richard Daver  
Paul Denton  
William Hammond  
Adewale Oladunjoye  
Parimal Patel (appointed 1 January 2022)  
Susan Petri  
Duncan Rendall  
John Rittner  
Catherine Riva  
Daniel Steer  
Stephen Ellman (resigned 1 February 2023)

## **RENDALL & RITTNER LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **Future developments**

The company has continued to invest in key areas of infrastructure during the past eighteen months, especially its employees and IT systems. The investment together with the company's strong financial position should enable the company to take advantage of further opportunities for profitable growth.

#### **Employee engagement**

Our people are the primary asset of the business. Effective employee engagement provides a more rewarding working environment for employees. It also creates a more sustainable base for the business, and also its people, to grow and develop.

Our engagement with our people aims to address all areas of their work-life including, but not limited to, welfare, health and safety, stress related issues, training, personal development, and career progression. We also aim to, wherever possible, promote from within the company. The company offers flexible working arrangements wherever possible, including remote working and part-time contracts. Engagement with our people starts from the board and is driven effectively throughout the company by a structure which is continually reviewed and developed.

#### **Engagement with suppliers, customers and others**

Our suppliers are key to the effective running of our business. Effective suppliers create a strong platform for service delivery to clients. Our engagement with suppliers aims to build strong relationships with them, which in turns creates opportunities for them to grow and develop. We believe in fostering and developing relationships with our suppliers, many of which have provided us with services over many years. We meet with key suppliers on a regular basis to understand their issues and ensure that performance is continually reviewed.

Our clients have unique requirements that require diligence and trust from the service we provide. We aim to respond to the needs of our clients by engaging with them on a regular basis; we meet with many on a monthly basis. We ensure that we are transparent with the information that is provided and that concerns are dealt with in a timely and professional manner.

#### **Corporate governance**

The company has not formally adopted any specific corporate governance code. However due to its size, the company has a formal board structure, with each board member assigned key areas of responsibility. Board meetings are held on a monthly basis, the CEO sets the agenda, board papers are submitted ahead of meetings and minutes are taken as a formal record of the meeting.

#### **Regulatory bodies**

The company's operations are subject to a wide range of laws such as data protection, UK tax, employment, environmental and health & safety legislation. In addition, we are regulated by RICS, ARMA and also by the FCA in relation to insurance intermediation. We are subject to periodic audit by our regulators and also engage with them from time to time on relevant matters that affect the business.

## **RENDALL & RITTNER LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **Financial instruments**

Objectives and policies:

Income received from customers is matched to the performance and outgoings of suppliers and employees to reduce the possibility of losses from each contract or job undertaken. Bank receipts and payments are closely monitored and reconciled regularly.

Financial risk management objectives and policies:

The business' principle financial instruments comprise bank balances, trade debtors and trade creditors. The main purpose of these instruments is to finance the business operations. In respect of debtors, the liquidity risk is minimised by ensuring policies are implemented concerning the credit offered to customers and a regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors. Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

#### **Consumption and energy efficiency action**

We take our environmental responsibilities extremely seriously and understand that as a large organisation we have a responsibility to minimise our carbon footprint.

Our environmental information includes the following:

- Energy use: 181,000 kWh of electricity.
- Intensity ratio: 0.08 tonnes of CO<sub>2</sub> per employee per annum.
- Initiatives that we have undertaken to reduce our CO<sub>2</sub> emission levels include:
  - o Reducing our use of paper by encouraging our customers to opt out of paper communication and receive information online.
  - o Operating a cycle to work scheme.
  - o Using only eco-friendly cleaning products in the building we manage and in our own offices.
  - o Introducing work-from-home following the Coronavirus pandemic.

#### **Disclosure of information to auditors**

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 auditors are 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 auditors are aware of that information.

#### **Post balance sheet events**

Details of post balance sheet events are given in note 23.

#### **Auditors**

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



**RENDALL & RITTNER LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

This report was approved by the board on 23 September 2023 and signed on its behalf.

*D.Ll.Rendall*

Duncan Rendall  
Director

## **RENDALL & RITTNER LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RENDALL & RITTNER LIMITED**

#### **Opinion**

We have audited the financial statements of Rendall & Rittner Limited (the 'Company') for the year ended 31 December 2022, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, 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 December 2022 and of its profit 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

#### **Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

## **RENDALL & RITTNER LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RENDALL & RITTNER LIMITED (CONTINUED)**

#### **Opinion 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or 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 3, 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.

## **RENDALL & RITTNER LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RENDALL & RITTNER LIMITED (CONTINUED)**

#### **Auditors' 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 Auditors' 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.

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

#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the operational business, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries which are identified as higher or elevated risk based on the 'HI' feature on info journals testing, which identifies risky journals and selects them for testing; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' Report.

**RENDALL & RITTNER LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RENDALL & RITTNER 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 Auditors' 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.



Andrew Broome (Senior Statutory Auditor)

for and on behalf of  
**Haysmacintyre LLP**

Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: 23 September 2023

# RENDALL & RITTNER LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

		31 December 2022 £	18 months to 31 December 2021 £
	Note		
Turnover	4	36,897,514	59,345,678
<b>Gross profit</b>		<u>36,897,514</u>	<u>59,345,678</u>
Administrative expenses		(32,788,324)	(56,482,382)
Other operating income	5	-	208,330
<b>Operating profit</b>	6	<u>4,109,190</u>	<u>3,071,626</u>
Amounts written off investments		-	(6,976)
Interest payable and similar expenses	10	(34,977)	(31,399)
<b>Profit before tax</b>		<u>4,074,213</u>	<u>3,033,251</u>
Tax on profit	11	(399,526)	(119,137)
<b>Profit for the financial year</b>		<u>3,674,687</u>	<u>2,914,114</u>
<b>Other comprehensive income for the year</b>			
Amortisation of intangible fixed assets charged to reserves		-	(429,006)
<b>Other comprehensive income for the year</b>		-	(429,006)
<b>Total comprehensive income for the year</b>		<u>3,674,687</u>	<u>2,485,108</u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

The notes on pages 15 to 31 form part of these financial statements.

**RENDALL & RITTNER LIMITED**  
**REGISTERED NUMBER: 02515428**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	12	1,772,619	1,343,570
Tangible assets	13	595,108	713,129
		<u>2,367,727</u>	<u>2,056,699</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	14	17,776,769	13,311,847
Cash at bank and in hand	15	1,355,809	1,827,788
		<u>19,132,578</u>	<u>15,139,635</u>
Creditors: amounts falling due within one year	16	(15,653,811)	(14,907,222)
<b>Net current assets</b>		<u>3,478,767</u>	<u>232,413</u>
<b>Total assets less current liabilities</b>		<u>5,846,494</u>	<u>2,289,112</u>
<b>Provisions for liabilities</b>			
Deferred tax	17	(1,832)	(119,137)
		<u>(1,832)</u>	<u>(119,137)</u>
<b>Net assets</b>		<u><u>5,844,662</u></u>	<u><u>2,169,975</u></u>
<b>Capital and reserves</b>			
Called up share capital	18	7,000	7,000
Profit and loss account	19	5,837,662	2,162,975
		<u><u>5,844,662</u></u>	<u><u>2,169,975</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 September 2023.

*D.L. Rendall*

**Duncan Rendall**  
Director

The notes on pages 15 to 31 form part of these financial statements.

**RENDALL & RITTNER LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £	Profit and loss account £	Total equity £
<b>At 1 July 2020</b>	7,000	(322,133)	(315,133)
<b>Comprehensive income for the period</b>			
Profit for the period	-	2,914,114	2,914,114
Amortisation of intangible fixed assets charged to reserves	-	(429,006)	(429,006)
<b>At 1 January 2022</b>	<u>7,000</u>	<u>2,162,975</u>	<u>2,169,975</u>
<b>Comprehensive income for the year</b>			
Profit for the year	-	3,674,687	3,674,687
<b>At 31 December 2022</b>	<u><u>7,000</u></u>	<u><u>5,837,662</u></u>	<u><u>5,844,662</u></u>

The notes on pages 15 to 31 form part of these financial statements.



# RENDALL & RITTNER LIMITED

## ANALYSIS OF NET DEBT FOR THE YEAR ENDED 31 DECEMBER 2022

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	1,827,788	(471,979)	1,355,809
	<u>1,827,788</u>	<u>(471,979)</u>	<u>1,355,809</u>

The notes on pages 15 to 31 form part of these financial statements.

## RENDALL & RITTNER LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1. General information

The company carried on business as property managers and this was its principal activity throughout the period. The company is a private company limited by shares, registered in England and Wales, company registration number 02515428. The address of the registered office is Rendall & Rittner Limited, 13b St. George Wharf, London SW8 2LE.

#### 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 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the entity and rounded to the nearest £.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### 2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

The information is included in the consolidation financial statements of Odevo AB, a company incorporated in Sweden Reg. No. 559185-5787, as at 31 December 2022 and these financial statements can be obtained from the directors, Odevo AB, Hammarbybacken 31, 120 30 Stockholm.

##### 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 a larger group by a parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006. The larger group is Odevo AB, details of which are included within 2.2 above.

##### 2.4 Going concern

The financial statements are prepared on a going concern basis. The Statement of Comprehensive income shows that the company made a profit in the year of £3.67m with a net asset position of £5.84m. In making their going concern assessment, the Directors took into account the liquidity of the company and the expected future cash flows.

The directors consider that they have sufficient mitigating actions available to them to manage the business risks successfully despite the current economic climate. Accordingly, the directors believe the going concern basis is appropriate as the basis of preparation for these financial statements.

## **RENDALL & RITTNER LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **2. Accounting policies (continued)**

##### **2.5 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### **Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

##### **2.6 On-site staff**

The employment costs of on-site staff are recharged at cost as they are incurred.

##### **2.7 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### **2.8 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

##### **2.9 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

## RENDALL & RITTNER LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 2. Accounting policies (continued)

##### 2.10 Pensions

###### Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

##### 2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 balance sheet 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 balance sheet 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 balance sheet date.

## RENDALL & RITTNER LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 2. Accounting policies (continued)

##### 2.12 Intangible assets

###### Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of Comprehensive Income over its useful economic life.

###### Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	5	years
Computer Software	-	3	years

##### 2.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	25%
Computer equipment	-	33%
Leasehold improvements	-	20%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

##### 2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

## **RENDALL & RITTNER LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **2. Accounting policies (continued)**

##### **2.15 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.

##### **2.16 Cash and cash equivalents**

Cash is represented by cash in hand and 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.

##### **2.17 Creditors**

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

##### **2.18 Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

##### **2.19 Provisions for liabilities**

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

##### **2.20 Financial instruments**

The company only enters into basic financial instrument transactions 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

## **RENDALL & RITTNER LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **2. Accounting policies (continued)**

##### **2.20 Financial instruments (continued)**

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

##### **2.21 Exemption from preparing a cash flow statement**

The company qualifies for exemption under FRS102 paragraph 1.12 and has therefore not prepared a cash flow statement and related notes.

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. These areas include:

- Amortisation rates - the company applies a reasonable industry standard to amortise acquired intangibles over a 3-5 year period.
- Impairment of goodwill - the company assesses the discounted future cashflows of acquired companies using reasonable measures of discount factors and growth rates, in line with industry standards.
- Impairment of investments - the company values investments using reasonable measures of future cash flows.
- Bad debt provision - all debts outstanding are reviewed and where reasonable doubt exists over its recoverability a provision is made.
- Going Concern - the company's assessment of going concern requires projections of revenues and costs, which is a combination of confirmed contracts and estimated future contracts based upon the experienced judgement of Directors and management.

# RENDALL & RITTNER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 4. Turnover

An analysis of turnover by class of business is as follows:

	31 December 2022 £	18 months to 31 December 2021 £
Management and other property management fees	36,754,997	45,989,341
Company secretarial fees	142,517	206,703
On-site staff salaries recharged	-	13,149,634
	<u>36,897,514</u>	<u>59,345,678</u>

Analysis of turnover by country of destination:

	31 December 2022 £	18 months to 31 December 2021 £
United Kingdom	36,897,514	59,345,678
	<u>36,897,514</u>	<u>59,345,678</u>

### 5. Other operating income

	31 December 2022 £	18 months to 31 December 2021 £
Government grants receivable	-	208,330
	<u>-</u>	<u>208,330</u>



# RENDALL & RITTNER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 6. Operating profit

The operating profit is stated after charging:

	31 December 2022 £	18 months to 31 December 2021 £
Other operating lease rentals	487,308	906,656
Amortisation of intangible fixed assets	691,453	1,165,855
Depreciation of tangible fixed assets	421,250	594,731
	<u>          </u>	<u>          </u>

### 7. Auditors' remuneration

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

	31 December 2022 £	18 months to 31 December 2021 £
Fees payable to the Company's auditors and their associates for the audit of the Company's financial statements	91,297	92,289

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent Company.

# RENDALL & RITTNER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 8. Employees

Staff costs, including directors' remuneration, were as follows:

	31 December 2022 £	18 months to 31 December 2021 £
Wages and salaries	21,462,088	39,577,810
Social security costs	2,368,689	4,047,001
Cost of defined contribution scheme	541,349	918,718
	<u>24,372,126</u>	<u>44,543,529</u>

The average monthly number of employees, including the directors, during the year was as follows:

	31 December 2022 No.	18 months to 31 December 2021 No.
Directors	12	12
Administrative staff	19	133
Property management	255	229
Operations	211	71
On-site staff	-	291
	<u>497</u>	<u>736</u>

# RENDALL & RITTNER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 9. Directors' remuneration

	31 December 2022 £	18 months to 31 December 2021 £
Directors' emoluments	1,302,108	2,528,054
Company contributions to defined contribution pension schemes	38,489	62,993
	<u>1,340,597</u>	<u>2,591,047</u>

During the year retirement benefits were accruing to 10 directors (2021 - 10) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £191,250 (2021 - £296,012).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £5,738 (2021 - £8,325).

### 10. Interest payable and similar expenses

	31 December 2022 £	18 months to 31 December 2021 £
Bank interest payable	34,977	31,399
	<u>34,977</u>	<u>31,399</u>

RENDALL & RITTNER LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

11. Taxation

	31 December 2022 £	18 months to 31 December 2021 £
<b>Corporation tax</b>		
Current tax on profits for the year	516,831	-
	<u>516,831</u>	<u>-</u>
<b>Total current tax</b>	<u>516,831</u>	<u>-</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(117,745)	119,137
Changes to tax rates	440	-
<b>Total deferred tax</b>	<u>(117,305)</u>	<u>119,137</u>
<b>Taxation on profit on ordinary activities</b>	<u>399,526</u>	<u>119,137</u>

# RENDALL & RITTNER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 11. Taxation (continued)

#### Factors affecting tax charge for the period

The tax assessed for the period is lower than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	31 December 2022 £	18 months to 31 December 2021 £
Profit on ordinary activities before tax	4,074,213	3,033,251
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	774,100	576,318
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	531	504
Capital allowances for year/period in excess of depreciation	(30,564)	212,198
Utilisation of tax losses	(344,981)	(255,261)
Employee share acquisition relief	-	(413,297)
Unrelieved loss on disposal of operation	-	(1,325)
Other differences leading to an increase (decrease) in the tax charge	440	-
<b>Total tax charge for the year/period</b>	<b>399,526</b>	<b>119,137</b>

#### Factors that may affect future tax charges

Tax rate rises are likely to affect future tax charges. The quantum effect of this change is dependent on the company's, group's level of profits or losses, and government policy at the time.

RENDALL & RITTNER LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

12. Intangible assets

	Computer software £	Goodwill £	Total £
<b>Cost</b>			
At 1 January 2022	539,893	3,840,524	4,380,417
Additions	839,189	-	839,189
Transfers between classes	502,280	-	502,280
At 31 December 2022	<u>1,881,362</u>	<u>3,840,524</u>	<u>5,721,886</u>
<b>Amortisation</b>			
At 1 January 2022	-	3,036,847	3,036,847
Charge for the year on owned assets	4,815	686,638	691,453
Transfers between classes	220,967	-	220,967
At 31 December 2022	<u>225,782</u>	<u>3,723,485</u>	<u>3,949,267</u>
<b>Net book value</b>			
At 31 December 2022	<u>1,655,580</u>	<u>117,039</u>	<u>1,772,619</u>
At 31 December 2021	<u>539,893</u>	<u>803,677</u>	<u>1,343,570</u>

The individual intangible assets which are material to the financial statements are software being developed to improve the overall efficiencies of the group.

**RENDALL & RITTNER LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**13. Tangible fixed assets**

	Office equipment £	Computer equipment £	Leasehold improvements £	Total £
<b>Cost</b>				
At 1 January 2022	708,080	1,843,680	178,957	2,730,717
Additions	4,776	531,433	48,333	584,542
Disposals	(491,561)	(963,048)	-	(1,454,609)
Transfers between classes	-	(502,280)	-	(502,280)
At 31 December 2022	221,295	909,785	227,290	1,358,370
<b>Depreciation</b>				
At 1 January 2022	615,095	1,317,973	84,520	2,017,588
Charge for the year on owned assets	59,356	324,902	36,992	421,250
Disposals	(491,561)	(963,048)	-	(1,454,609)
Transfers between classes	-	(220,967)	-	(220,967)
At 31 December 2022	182,890	458,860	121,512	763,262
<b>Net book value</b>				
At 31 December 2022	38,405	450,925	105,778	595,108
At 31 December 2021	92,985	525,707	94,437	713,129

**14. Debtors**

	2022 £	2021 £
Trade debtors	9,896,162	8,614,801
Amounts owed by group undertakings	4,178,256	1,314,654
Other debtors	411,946	517,887
Prepayments and accrued income	3,287,547	2,688,730
Tax recoverable	2,858	175,775
	<u>17,776,769</u>	<u>13,311,847</u>

# RENDALL & RITTNER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 15. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	1,355,809	1,827,788
	<u>1,355,809</u>	<u>1,827,788</u>

### 16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	1,625,098	1,310,935
Amounts owed to group undertakings	1,587,628	1,347,416
Other taxation and social security	3,370,547	3,920,788
Other creditors	2,615,238	1,915,784
Accruals and deferred income	6,455,300	6,412,299
	<u>15,653,811</u>	<u>14,907,222</u>

### 17. Deferred taxation

	2022 £
At beginning of year	(119,137)
Charged to the profit or loss	117,305
<b>At end of year</b>	<u><u>(1,832)</u></u>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	(1,832)	(119,137)
	<u>(1,832)</u>	<u>(119,137)</u>



# RENDALL & RITTNER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 18. Share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
7,000 (2021 - 7,000) Ordinary shares of £1.00 each	7,000	7,000
	<u>7,000</u>	<u>7,000</u>

### 19. Reserves

#### Profit and loss account

The profit and loss account includes all current and prior period retained profits.

### 20. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £541,349 (2021 - £918,718).

### 21. Commitments under operating leases

At 31 December 2022 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	539,033	372,529
Later than 1 year and not later than 5 years	729,677	594,129
	<u>1,268,710</u>	<u>966,658</u>

### 22. Related party transactions

The company was charged rent totalling £68,100 (2021: £76,850) by the Rendall and Rittner Limited Executive Retirements Benefits Scheme, of which D L Rendall and J W M Rittner are both beneficiaries. As at the balance sheet date, £Nil (2021: £Nil) was owed by the company as included within creditors falling due within one year. As at the balance sheet date, the company has entered into an operating lease of which instalments totalling £641,250 (2021: £9,040) remain outstanding as at the balance sheet date.

The company charged a management fee of £38,761 (2021: £31,106) to Wapping Wharf (Block A Resident) Limited, a company in which J W M Rittner has a significant influence. At the end of the year the the amount due to the company was £nil (20201 £nil).

Transactions with other companies in the group have not been disclosed in accordance with section 33.1A of FRS 102.

## **RENDALL & RITTNER LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **23. Post balance sheet events**

On 3 July 2023, the company issued a fixed charge over investments and material intra-group loans and a floating charge over the undertaking and all its assets to the favour of Nordic Trustee & Agency AB as part of a financing arrangement of the wider Group.

#### **24. Controlling party**

The ultimate controlling party is Berghamnen AB (company number 556805-6625) which has a controlling interest in the company's immediate parent company, R & R Residential Management Limited, 06549794, a company incorporated in England and Wales.