

Company registration number: 10044321
Regulator registration number: 4848

Seymour Street Homes Limited

Annual Report and Financial Statements
for the Year Ended 31 March 2021

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Seymour Street Homes Limited

Contents

Strategic Report	1 to 3
Directors' Report	4 to 5
Independent Auditors' Report	6 to 8
Profit and Loss Account	9
Statement of Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 to 21

Seymour Street Homes Limited

Strategic Report for the Year Ended 31 March 2021

The directors present their Strategic Report for the year ended 31 March 2021.

Business review and principal activities

Seymour Street Homes Limited ("the company") is a wholly owned subsidiary of The British Land Company PLC and operates as a constituent of The British Land Company PLC group of companies ("the group").

The company's principal activity is to be a for-profit private registered provider of social housing.

As shown in the company's Profit and Loss Account on page 9, the company's turnover of £129,076 has increased by £3,025 compared with turnover of £126,051 in the prior year, due to a 2.4% increase in both Intermediate and Affordable tenant rents. The surplus on social housing activities before taxation is £31,429 compared to a surplus on social housing activities before taxation of £25,198 in the prior year.

The Balance Sheet on page 11 shows that the company's financial position at the year end has, in net assets terms, increased compared with the prior year.

The value of investment properties held as at 31 March 2021 has remained consistent with 2020 as shown in note 8 to the company's Balance Sheet. Details of how investment properties are valued can be found in note 8 to the company's balance sheet. The movement is determined by the prevailing market conditions at the balance sheet date.

The company's strategy is to be a best practice provider of for-profit private social housing. The Board measures performance against its strategy through Key Performance Indicators ("KPIs") as outlined below.

Qualitative KPIs:

- time taken to carry out repairs. Average days to complete repairs over the year was 11 days (2020: 12 days), compared to a target of 14 days (2020: 14 days).
- compliance with safety standards. This includes gas safety certification, energy performance certificates, fire and workplace risk assessments, and maintenance of all safety systems in communal areas.
- resident satisfaction with management service, value for money and quality of units. Online resident surveys were circulated three times during the year, with residents predominantly responding with highly satisfied or satisfied.

Financial KPIs:

- monitoring cost of repairs and services
- monitoring tenant arrears.
- monitoring managing agent costs

Future developments

The expected future developments of the company are determined by the Board, having regard to the strategy of the wider group. The company continues to pursue opportunities to expand its operating activities through the acquisition of affordable rented homes.

Value for money

The Company aims to provide excellent homes and services to residents which offer value for money and are sensitive and responsive to both the needs of residents and the community in which we operate. For more information please see www.britishland.com/sustainability

The Board of the group uses total return, to monitor the performance of the group. This is a measure of growth in total equity per share, adding back any current year dividend.

Seymour Street Homes Limited

Strategic Report for the Year Ended 31 March 2021 (continued)

Governance

The company is a wholly owned subsidiary of The British Land Company PLC, a publicly listed entity which is in compliance with the provisions of the UK Corporate Governance Code ("the Code"), and reports in line with the Code. The company complies with the Code in a manner appropriate for its size. The company also complies with the Regulator of Social Housing Governance and Financial Viability Standard.

The Board comprises the Chairman, two independent Non-Executive Directors and three Executive Directors. The Non-Executive Directors are able to offer an external perspective on the business, and to constructively challenge the Executive Directors. The strong mix of skills and experience of all the directors provides for constructive debate and careful decision making.

The Board met 7 times during the year (attendance: Emma Cariaga (6/7), Andrew Cowan (7/7), Jeremy Titchen (7/7), Virginia Warr (6/7), Gail Wright (6/7), Michael Youkee (7/7) and key areas considered by the Board were regulatory compliance, the risk register, the asset and liability register, tenant survey results, stress testing, financial viability and strategic direction of the company.

During the year an internal evaluation of the Board's performance was undertaken. In line with the Code, the assessment considered the balance of skills, experience, independence and knowledge of the company on the board, its diversity, Board operations and effective communication. The assessment concluded that the Board was operating effectively.

Any expected future developments of the company are determined by the strategy of the group.

For more information also see The British Land Company PLC group annual report.

The performance of the group, which includes the company, is discussed in the group's annual report which does not form part of this report.

Principal risks and uncertainties

The Board determines the extent and nature of the risks it is prepared to take in order to achieve the company's strategy and has put in place appropriate risk management and controls. In addition, the company maintains a risk register which is reviewed regularly at Board meetings. The key risks identified are listed below with mitigating actions in each case.

- political risk that the government changes its policy in relation to affordable housing which adversely affects the company. The Board includes directors with significant experience of the affordable housing sector, and the company has appointed specialist legal advisers who are able to advise on the impact of any such policy changes;
- the economic risk that there is a lack of available funds to enter into future transactions and settle amounts owed to suppliers. The wider group, of which the company is a part, has committed to providing funding for each of the company's ongoing projects and provide liquidity for day-to-day operations if required;
- the risk that there is a RSH regulatory breach. Prompt fulfilment of all RSH regulatory requirements is a key management priority. Regulatory deadlines are reviewed by the Board at Board meetings, and the company engages professional services firms to assist with regulatory compliance.
- the risk that Health and Safety standards are not met. Periodic inspections are made of all units, and regular communication with residents takes place in order to identify and address any Health and Safety deficiencies. The company works with its managing agent to ensure that all relevant legislative requirements are satisfied, included but not limited to gas safety certification, energy performance certificates, fire and workplace risk assessments, and the implementation and maintenance of an appropriate regime to inspect and service all safety systems present in communal areas.

The financial and political risks for the company are managed in accordance with the group financial risk management policy, as disclosed in the consolidated group financial statements.

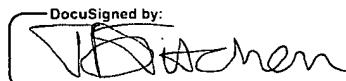
Seymour Street Homes Limited

Strategic Report for the Year Ended 31 March 2021 (continued)

The Covid-19 pandemic has continued to impact global financial markets and market activity in many sectors, with some real estate markets having experienced lower levels of transactional activity and liquidity. In some cases, 'lockdowns' have been applied - in varying degrees - to reflect further 'waves' of Covid-19. While these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact. As at the valuation date property markets are mostly functioning again, with transaction volumes and other relevant evidence returning to levels which our valuers consider to be an adequate quantum of market evidence upon which to base their opinions of value. Accordingly, and for the avoidance of doubt, our valuers have not reported their valuations as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation- Global Standards. Our valuers have, however, highlighted the market context under which their opinions have been prepared and, in recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of Covid-19, the importance of the valuation date.

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Approved by the Board on and signed on its behalf by:

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Jeremy Titchen Director

Seymour Street Homes Limited

Directors' Report for the Year Ended 31 March 2021

The directors present their report and the audited financial statements for the year ended 31 March 2021.

Directors of the company

The directors, who held office during the year, and up to the date of signing the financial statements, were as follows:

E J Cariaga (Executive Director)

A J Cowan (Independent Non-executive Director)

J D T Titchen (Independent Non-executive Director)

M G Youkee (Chairman - Independent Non-executive Director)

G Wright (Executive Director)

V Warr (Executive Director)

Directors' responsibilities statement

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'), the Statement of Recommended Practice for Registered Social Providers ("Housing SORP 2018"), the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing from January 2019 ("Accounting Direction"). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101, the Housing SORP 2018, and the Accounting Direction has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Environmental matters

Across the group, The British Land Company PLC recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that might be caused by the group's activities. The company operates in accordance with group policies. The group's full sustainability report is available online at:

www.britishland.com/sustainability/reporting/latest-reporting

Seymour Street Homes Limited

Directors' Report for the Year Ended 31 March 2021 (continued)

Going concern

The directors consider that the company has adequate resources to continue trading for the foreseeable future, with no external borrowings and a working capital cycle enabling the company to meet all liabilities as they fall due.

As a consequence of this the directors feel that the company is well placed to manage its business risks successfully despite the continued impact that the Covid-19 pandemic has had on the economy. Accordingly, they believe the going concern basis is an appropriate one.

Subsequent Events

Details of significant events since the Balance Sheet date, if any, are contained in note 16.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

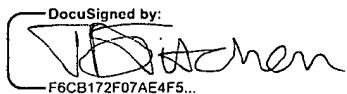
Independent auditors

During the year PricewaterhouseCoopers LLP resigned as auditor and BDO LLP were appointed as auditor.

The auditors BDO LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

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Approved by the Board on and signed on its behalf by:

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Jeremy Titchen Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SEYMOUR STREET HOMES

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 and of the Company's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

We have audited the financial statements of Seymour Street Homes ("the Company") for the year ended 31 March 2021 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, *including Financial Reporting Standard 101 Reduced Disclosure Framework* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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 Directors are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Other Companies Act 2006 reporting

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 Directors' Report have been prepared in accordance with applicable legal requirements.

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

Responsibilities of Directors

As explained more fully in the Director's responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

- We gained an understanding using our general commercial and sector experience and through discussion with the Directors and other senior management of the legal and regulatory framework applicable to the Company and the industry in which it operates, and considered the risk of acts by the Company that were contrary to applicable laws and regulations, including fraud;
- We enquired of management and the Directors as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;
- We performed our own checks of compliance with relevant areas identified which included financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation and anti-money laundering;
- We communicated identified laws and regulations and potential fraud risks throughout our team and remained alert to any indications of non-compliance or fraud throughout the audit;
- We agreed the financial statement disclosures to underlying supporting documentation to assess compliance with those laws and regulations having an impact on the financial statements
- We reviewed Board meeting minutes and enquired of the Directors and management as to the risks of non-compliance and any instances thereof.
- We challenged assumptions and judgements made by management in their significant accounting estimates, in particular in relation to Investment property valuations
- In relation to the risk of management override of internal controls, we undertook procedures to review journal entries processed during and subsequent to the year end and evaluated whether there was a risk of material misstatement due to fraud;
- We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



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Christopher Young (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

London, UK

Date: 30 September 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Seymour Street Homes Limited**Profit and Loss Account for the Year Ended 31 March 2021**

	Note	2021 £	2020 £
Turnover	4	129,076	126,051
Cost of sales		<u>(82,462)</u>	<u>(88,829)</u>
Gross profit		46,614	37,222
Administrative expenses		<u>(15,185)</u>	<u>(12,024)</u>
Operating surplus		31,429	25,198
Surplus on social housing activities before taxation		31,429	25,198
Tax on surplus on social housing activities	7	<u>-</u>	<u>-</u>
Surplus for the year		<u>31,429</u>	<u>25,198</u>

Turnover and results were derived from continuing operations within the United Kingdom.

The notes on pages 13 to 21 form an integral part of these financial statements.

Seymour Street Homes Limited

Statement of Comprehensive Income for the Year Ended 31 March 2021

	2021 £	2020 £
Surplus for the year	31,429	25,198
Total comprehensive income for the year	31,429	25,198

The notes on pages 13 to 21 form an integral part of these financial statements.

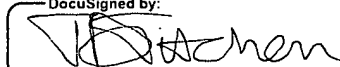
Seymour Street Homes Limited

(Registration number: 10044321)

Balance Sheet as at 31 March 2021

	Note	31 March 2021 £	31 March 2020 £
Fixed assets			
Investment properties	8	<u>2,070,000</u>	<u>2,070,000</u>
		<u>2,070,000</u>	<u>2,070,000</u>
Current assets			
Debtors	9	56,320	71,183
Cash and cash equivalents	10	<u>125,373</u>	<u>79,411</u>
		181,693	150,594
Creditors due within one year	11	<u>-</u>	<u>(330)</u>
Net current assets		<u>181,693</u>	<u>150,264</u>
Net assets		<u>2,251,693</u>	<u>2,220,264</u>
Capital and reserves			
Share capital	12	2,320,000	2,320,000
Profit and loss account		<u>(68,307)</u>	<u>(99,736)</u>
Total shareholders' funds		<u>2,251,693</u>	<u>2,220,264</u>

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 Approved by the Board on and signed on its behalf by:

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Jeremy Titchen Director

The notes on pages 13 to 21 form an integral part of these financial statements.

Seymour Street Homes Limited**Statement of Changes in Equity for the Year Ended 31 March 2021**

	Share capital £	Profit and loss account £	Total £
Balance at 1 April 2019	2,320,000	(124,934)	2,195,066
Surplus for the year	-	25,198	25,198
Total comprehensive income for the year	-	25,198	25,198
Balance at 31 March 2020	2,320,000	(99,736)	2,220,264
Balance at 1 April 2020	2,320,000	(99,736)	2,220,264
Surplus for the year	-	31,429	31,429
Total comprehensive income for the year	-	31,429	31,429
Balance at 31 March 2021	2,320,000	(68,307)	2,251,693

The notes on pages 13 to 21 form an integral part of these financial statements.

Seymour Street Homes Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

1 General information

The company is a public benefit for-profit private registered provider of social housing. The company is a private company limited by share capital, incorporated and domiciled in England, United Kingdom.

The address of its registered office is:

York House
45 Seymour Street
London
W1H 7LX

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements were prepared in accordance with, and are compliant with, Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"), the Statement of Recommended Practice for Registered Social Housing Providers ("Housing SORP 2018") and the Housing and Regeneration Act 2008, and comply with the Accounting Direction for Private Registered Providers of Social Housing from January 2019 ("Accounting Direction").

The financial statements are prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, the Housing SORP 2018 and the Accounting Direction. Instances in which advantage of the FRS 101 disclosure exemptions have been taken are set out below.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments properties. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

Summary of disclosure exemptions

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

- (a) The requirements of IAS 1 to provide a Balance Sheet at the beginning of the year in the event of a prior year adjustment;
- (b) The requirements of IAS 1 to provide a Statement of Cash flows for the year;
- (c) The requirements of IAS 1 to disclose information on the management of capital;
- (d) The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to disclose new IFRS's that have been issued but are not yet effective;
- (e) The requirements of IFRS 7 to disclose financial instruments; and
- (f) The requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement to disclose information of fair value valuation techniques and inputs.

Seymour Street Homes Limited

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

2 Accounting policies (continued)

Disclosure exemptions for subsidiaries are permitted where the relevant disclosure requirements are met in the consolidated financial statements. Where required, equivalent disclosures are given in the group financial statements of The British Land Company PLC. The group financial statements of The British Land Company PLC are available to the public and can be obtained as set out in note 19.

Adoption status of relevant new financial reporting standards and interpretations

In the current financial year the Company has adopted a number of minor amendments to standards effective in the year issued by the IASB, none of which have had a material impact on the Company.

These amendments include IAS 1 and IAS 8 (amended) - Definition of Material, IFRS 3 (amended) - Definition of a Business, IFRS 9 (amended) - criteria for hedge accounting on transition from LIBOR to IBOR and IFRS 16 (amended).

Going concern

The directors consider that the company has adequate resources to continue trading for the foreseeable future, with no external borrowings and a working capital cycle enabling the company to meet all liabilities as they fall due.

As a consequence of this the directors feel that the company is well placed to manage its business risks successfully despite the continued impact that the Covid-19 pandemic has had on the economy. Accordingly, they believe the going concern basis is an appropriate one.

Turnover

Rental income from investment property

Turnover comprises rental income receivable in the year generated from affordable and intermediate units. Rental income is recognised on an accruals basis.

Taxation

Current tax is based on taxable surplus for the year and is calculated using tax rates that have been enacted or substantively enacted. Taxable surplus differs from net surplus as reported in the Profit and Loss Account because it excludes items of income or expense that are not taxable (or tax deductible).

Deferred tax is provided on items that may become taxable at a later date, on the difference between the balance sheet value and tax base value, on an undiscounted basis.

Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequently to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Any surplus or deficit arising on revaluing investment properties is recognised in the Profit and Loss Account as a fair value movement.

Where properties held for investment are appropriated to trading stock, they are transferred at market value. If properties held for trading are appropriated to investment, they are transferred at book value.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Seymour Street Homes Limited**Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)****2 Accounting policies (continued)****Debtors**

Trade and other debtors are initially recognised at fair value and subsequently measured at amortised cost and discounted as appropriate. The Company calculates the expected credit loss for debtors based on lifetime expected credit losses under the IFRS 9 simplified approach.

Creditors

Trade and other creditors are initially recognised at fair value and subsequently measured at amortised cost and discounted as appropriate.

3 Significant accounting judgements and key sources of estimation uncertainty

The key source of estimation uncertainty relates to the valuation of the property portfolio where an external valuation is obtained. In accounting for net rental income, the group is required to judge the recoverability of any income accrued and provides against the credit risk on these amounts. The potential for management to make judgements or estimates relating to those items which would have a significant impact on the financial statements is considered, by the nature of the group's business, to be limited.

The Company has chosen to classify the social housing property as an investment property under IAS 40, which is consistent with the accounting treatment for property held for the long-term used by the wider British Land group. This is a significant accounting judgement which is reviewed by management at each reporting period.

4 Turnover

The analysis of the company's turnover for the year from continuing operations is as follows:

	2021	2020
	£	£
Rental income from social housing investment property	<u>129,076</u>	<u>126,051</u>
	<u>129,076</u>	<u>126,051</u>

5 Auditors' remuneration

Audit fees of £2,000 (2020: £2,832) were paid to BDO LLP in the current year, and PricewaterhouseCoopers LLP in the prior year, in respect of the audit of the financial statements for the year ended 31 March 2021.

No non-audit fees (2020: £nil) were paid to BDO LLP in the current year, and PricewaterhouseCoopers LLP in the prior year.

Seymour Street Homes Limited**Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)****6 Staff costs**

The director's aggregate remuneration in respect of qualifying services was:

	2021 £	2020 £
Remuneration	<u>10,000</u>	<u>10,000</u>

The remuneration of Michael Youkee, Andrew Cowan and Jeremy Titchen totalled £10,000 (2020: £10,000). This was the total remuneration of all key management personnel. The remuneration paid to the highest paid director totalled £5,000 (2020: £5,000).

Average number of employees, excluding directors, of the company during the year was nil (2020: nil)

7 Tax on surplus on social housing activities

	2021 £	2020 £
Current taxation		
UK corporation tax	-	-
Tax charge in the profit and loss account	-	-
	2021 £	2020 £
Tax reconciliation		
Surplus on social housing activities	31,429	25,198
Tax on surplus on ordinary activities at UK corporation tax rate of 19% (2020: 19%)	5,972	4,788
Effects of:		
REIT exempt income and gains	(5,972)	(4,788)
Total tax charge	-	-

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. At the balance sheet date, the proposal to increase the rate to 25% had not been substantively enacted, substantive enactment occurred on 24 May 2021, therefore, its effects are not included in these financial statements. It is likely that the overall effect of the change, had it been substantively enacted by the balance sheet date, would not be material.

Seymour Street Homes Limited**Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)****8 Investment properties**

£

Fair value

1 April 2020	<u>2,070,000</u>
--------------	------------------

31 March 2021	<u>2,070,000</u>
---------------	------------------

Fair value

1 April 2019	<u>2,070,000</u>
--------------	------------------

31 March 2020	<u>2,070,000</u>
---------------	------------------

Analysis of cost and valuation**31 March 2021**

Cost	2,107,584
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Valuation	<u>(37,584)</u>
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Net book value	<u>2,070,000</u>
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31 March 2020

Cost	2,107,584
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Valuation	<u>(37,584)</u>
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Net book value	<u>2,070,000</u>
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At 31 March 2021 the book value of leasehold investment properties owned by the company was £2,070,000 (2020: £2,070,000).

Investment properties are valued by adopting the "investment method" of valuation. This approach involves applying capitalisation yields to current and estimated future rental streams net of income voids arising from vacancies or rent-free periods and associated running costs. These capitalisation yields and rental values are based on comparable property and leasing transactions in the market, using the valuers' professional judgement and market observation, and taking into account the continued use of the property for social housing. Other factors taken into account in the valuations include the tenure of the property, tenancy details and ground and structural conditions.

Properties were valued to fair value at 31 March 2021 by Cushman & Wakefield, independent valuers not connected with the company, in accordance with the RICS Valuation - Professional Standards 2014, Ninth Edition, published by The Royal Institution of Chartered Surveyors.

Seymour Street Homes Limited**Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)****8 Investment properties (continued)**

The Covid-19 pandemic has continued to impact global financial markets and market activity in many sectors, with some real estate markets having experienced lower levels of transactional activity and liquidity. In some cases, 'lockdowns' have been applied - in varying degrees - to reflect further 'waves' of Covid-19. While these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact. As at the valuation date property markets are mostly functioning again, with transaction volumes and other relevant evidence returning to levels which our valuers consider to be an adequate quantum of market evidence upon which to base their opinions of value. Accordingly, and for the avoidance of doubt, our valuers have not reported their valuations as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation- Global Standards. Our valuers have, however, highlighted the market context under which their opinions have been prepared and, in recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of Covid-19, the importance of the valuation date.

The company leases out all of its investment properties under shorthold tenancy agreements. The future aggregate minimum rentals receivable under non-cancellable agreements are as follows:

	31 March 2021 £	31 March 2020 £
Leases less than one year	<u>10,108</u>	<u>9,929</u>
	<u>10,108</u>	<u>9,929</u>

Units owned and managed

	2021 Units	2020 Units
Affordable rent	6	6
Intermediate rent	<u>5</u>	<u>5</u>
General needs	<u>11</u>	<u>11</u>

Seymour Street Homes Limited**Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)****9 Debtors**

	31 March 2021 £	31 March 2020 £
Trade debtors	838	1,322
Provision for impairment of trade debtors	-	(1,136)
Net trade debtors	838	186
Amounts due from related parties	50,382	70,997
Other debtors	5,100	-
	56,320	71,183

Debtors from related parties relate to amounts due from group companies which are repayable on demand. There is no interest charged on these balances (2020: nil).

10 Cash at bank and in hand

	31 March 2021 £	31 March 2020 £
Cash at bank	125,373	79,411
	125,373	79,411

11 Creditors due within one year

	31 March 2021 £	31 March 2020 £
Accrued expenses	-	330
	-	330

Seymour Street Homes Limited**Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)****12 Share capital****Allotted, called up and fully paid shares**

	No.	31 March 2021 £	No.	31 March 2020 £
Ordinary shares of £1 each	2,320,000	2,320,000	2,320,000	2,320,000

13 Capital commitments

The total amount contracted for but not provided in the financial statements was £nil (2020: £nil)

14 Contingent liabilities

The company had no contingent liabilities as at 31 March 2021.

15 Related party transactions

At the year end the company was due an amount from BL Intermediate Holding Company Limited of £50,382 (2020: £70,997). There is no interest charged on amounts due from group companies which are repayable on demand.

BL Intermediate Holding Company Limited is a wholly owned subsidiary of The British Land Company PLC and is not a for-profit registered provider of social housing.

16 Subsequent events

There have been no significant events since the year end.

17 Recycled Capital Grant Fund (RCGF)

From incorporation to the balance sheet date the Company has received no capital grants. Therefore there are no balances to disclose in respect of capital grant funds in accordance with the Accounting Direction for Private Registered Providers of Social Housing, issued by Homes England.

18 Disposal Proceeds Fund (DPF)

From incorporation to the balance sheet date the Company has made no disposals of property. Therefore there are no balances to disclose in respect of disposal proceeds in accordance with the Accounting Direction for Private Registered Providers of Social Housing, issued by the Homes England.

Seymour Street Homes Limited

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

19 Parent and ultimate parent undertaking

The immediate parent company is BL Intermediate Holding Company Limited.

The British Land Company PLC is the smallest and largest group for which group accounts are available and which include the company. No other entities within the group are for-profit private registered providers of social housing. The ultimate holding company and controlling party is The British Land Company PLC. Group accounts for this company are available on request from British Land, York House, 45 Seymour Street, London, W1H 7LX.