

Regenda Developments Limited

Directors' Report and Financial Statements

Year Ended

31 March 2023

Company Number 03638225

Regenda Developments Limited

Company Information

Directors	Dr M R Birkett Ms S Harrison Mr A L Russell
Company secretary	Miss J Vincent
Registered number	03638225
Registered office	The Foundry 42 Henry Street Liverpool L1 5AY
Independent auditor	BDO LLP 5 Temple Square Temple Street Liverpool L2 5RH

Regenda Developments Limited

Contents

	Page
Directors' Report	1
Directors' Responsibilities Statement	2
Independent Auditor's Report	3 - 6
Statement of Income and Retained Earnings	7
Statement of Financial Position	8
Notes to the Financial Statements	9 - 12

Regenda Developments Limited

Directors' Report For the Year Ended 31 March 2023

The Directors present their report and the audited financial statements for the year ended 31 March 2023.

Principal activity

The principal activities of the Company are to undertake new development work for Regenda Limited, primarily in the field of the provision of Social Housing.

Directors

The Directors who served during the year were:

Dr M R Birkett
Ms S Harrison
Mr A L Russell

Going concern

The Company's latest Business Plan including sensitivity analysis and stress testing was approved in May 2023. The Board are assured that there are sufficient cash reserves in place to meet liabilities as they fall due for a period of at least 12 months from the approval of these financial statements.

The Company carries out the majority of its trading activity within Regenda Limited and forms an important part of the ongoing group strategy. The Board are satisfied that Regenda Limited has sufficient funding facilities in place that will meet planned development and other expenditure over the next two and a half years and that it is fully able to service its debt facilities whilst continuing to comply with all its funders' covenants.

Therefore, the Board continues to adopt the going concern basis in the financial statements.

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information

Auditor

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

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 14 September 2023 and signed on its behalf.

Michael R Birkett

Dr M R Birkett
Director

Regenda Developments Limited

Directors' Responsibilities Statement For the Year Ended 31 March 2023

The Directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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.

Regenda Developments Limited

Independent Auditor's Report to the Members of Regenda Developments Limited

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 2023 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.

We have audited the financial statements of Regenda Developments Limited ("the Company") for the year ended 31 March 2023 which comprise the statement of income and retained earnings, the statement of financial position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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.

Regenda Developments Limited

Independent Auditor's Report to the Members of Regenda Developments Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the report 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 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.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements is prepared is consistent with the financial statements; and
- the directors' report has 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 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; or
- the Directors were not entitled to take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

As explained more fully in the directors' 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.

Regenda Developments Limited

Independent Auditor's Report to the Members of Regenda Developments Limited (continued)

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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the entity and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the entity's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be FRS102 and UK Law & Tax Legislation.

The entity is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be health and safety legislation etc.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the entity's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Regenda Developments Limited

Independent Auditor's Report to the Members of Regenda Developments Limited (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

Fraud (continued)

Based on our risk assessment, we considered the areas most susceptible to fraud to be management's incentives and opportunities for fraudulent manipulation in relation to posting inappropriate journal entries to revenue as well as timing of the recognition of other income items.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias; and
- Selecting a sample of income around the year end and assessing whether the income has been recognised in the correct period.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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:

829727ECC12041D...

Hamid Ghafoor (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Liverpool, UK

Date: 28 September 2023

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

Regenda Developments Limited

Statement of Income and Retained Earnings For the Year Ended 31 March 2023

	Note	2023 £	2022 £
Turnover	4	3,087,645	1,839,998
Cost of sales		(3,051,950)	(1,826,903)
Gross profit		35,695	13,095
Administrative expenses		(38,098)	(12,054)
Operating (loss)/profit		(2,403)	1,041
Interest receivable and similar income		437	9
(Loss)/profit before tax		(1,966)	1,050
Tax on (loss)/profit		1,966	-
Profit after tax		-	1,050
Retained earnings			
Retained earnings at the beginning of the year		103,230	102,180
Profit for the year		-	1,050
Gift aid distribution		(1,050)	-
Retained earnings at the end of the year		102,180	103,230

There were no recognised gains and losses for 2023 or 2022 other than those included in the Statement of Income and Retained Earnings.

The notes on pages 9 to 12 form part of these financial statements.

Regenda Developments Limited
Registered number: 03638225

Statement of Financial Position
As at 31 March 2023

	Note	2023 £	2023 £	2022 £	2022 £
Current assets					
Debtors: amounts falling due within one year	6	685,466		291,166	
Cash at bank and in hand		187,511		95,278	
		<hr/> 872,977		<hr/> 386,444	
Current liabilities					
Creditors: amounts falling due within one year	7	(770,795)		(283,212)	
Net current assets		<hr/> 102,182		<hr/> 103,232	
Total assets less current liabilities		<hr/> 102,182		<hr/> 103,232	
Net assets		<hr/> 102,182		<hr/> 103,232	
Capital and reserves					
Called up share capital	8	2		2	
Profit and loss account		102,180		103,230	
Total equity		<hr/> 102,182		<hr/> 103,232	

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 September 2023.

Michael R Birkett

Dr M R Birkett
Director

The notes on pages 9 to 12 form part of these financial statements.

Regenda Developments Limited

Notes to the Financial Statements For the Year Ended 31 March 2023

1. General information

Regenda Developments Limited is a private company, limited by shares, incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given on the Company Information page and the nature of the Company's operations and its principal activities are set out in the Directors' Report.

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 Section 1A of 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 GBP and rounded to the nearest pound.

The preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The Company's latest Business Plan including sensitivity analysis and stress testing was approved in May 2023. The Board are assured that there are sufficient cash reserves in place to meet liabilities as they fall due for a period of at least 12 months from the approval of these financial statements.

The Company carries out the majority of its trading activity within Regenda Limited and forms an important part of the ongoing group strategy. The Board are satisfied that Regenda Limited has sufficient funding facilities in place that will meet planned development and other expenditure over the next two and a half years and that it is fully able to service its debt facilities whilst continuing to comply with all its funders' covenants.

Therefore, the Board continues to adopt the going concern basis in the financial statements.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover 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 turnover 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 turnover 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.

Regenda Developments Limited

Notes to the Financial Statements For the Year Ended 31 March 2023

2. Accounting policies (continued)

2.4 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.6 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.

2.7 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.

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 Income and Retained Earnings.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 Creditors

Short term creditors are measured at the transaction price.

2.9 Gift aid

Taxable profits transferred to the parent company, a registered housing association, are recognised as distributions from equity when the Company has made an irrevocable commitment to the parent to pay the taxable profit.

2.10 Taxation

Tax is recognised in the Statement of Income and Retained Earnings 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 reporting date in the countries where the Company operates and generates income.

Regenda Developments Limited

Notes to the Financial Statements For the Year Ended 31 March 2023

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

The Directors have made no significant judgements in preparing these financial statements.

4. Turnover

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

	2023 £	2022 £
Provision of development project management services	<u>3,087,645</u>	<u>1,839,998</u>

All turnover was within the United Kingdom.

5. Employees

The Company had no employees other than the Directors in the current or prior year.

6. Debtors: amounts falling due within one year

	2023 £	2022 £
Amounts owed by group undertakings	684,214	258,301
Social security & other taxes	1,252	32,865
	<u>685,466</u>	<u>291,166</u>

Amounts owed by group undertakings are interest-free and repayable on demand.

7. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	39,543	64,207
Amounts owed to group undertakings	643,590	217,071
Accruals and deferred income	87,662	1,934
	<u>770,795</u>	<u>283,212</u>

Amounts owed to group undertakings are interest-free and repayable on demand.

Regenda Developments Limited

Notes to the Financial Statements For the Year Ended 31 March 2023

8. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
2 (2022 - 2) Ordinary shares of £1.00 each	2	2

9. Related party transactions

The Company has taken advantage of the exemption available in Section 1AC.35 of FRS 102 Section 1A whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

10. Controlling party

The Company's immediate and ultimate parent company is Regenda Limited, a company incorporated in England and Wales.

As at 31 March 2023, the largest and smallest group in which the results are consolidated is that headed by Regenda Limited. The consolidated accounts of the Company are available to the public and may be obtained from its registered office: The Foundry, 42 Henry Street, Liverpool, L1 5AY. No other group accounts include the results of the Company.