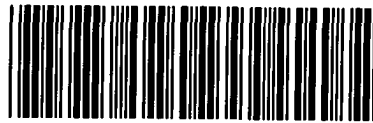


Asett Homes Ltd

Company Number: 09278078
Regulator of Social Housing Number: 4856

Audited Financial Statements
For the year ended 31 March 2023

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Asett Homes Ltd

Financial statements

Year ended 31 March 2023

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Asett Homes Ltd

Officers and professional advisers

Company name	Asett Homes Ltd
Company number	09278078
Homes and communities agency registration number	4856
The board of directors	Mr E C George Mr M J R Aust Mr T P Barrett Mr P M Kirk
Registered office	The Sett Lodge Lane Blundeston Lowestoft Suffolk United Kingdom NR32 5ED
Auditor	Lovewell Blake LLP Chartered Accountants & Statutory Auditor Excelsior House 9 Quay View Business Park Barnards Way Lowestoft NR32 2HD

Asett Homes Ltd

Directors' report

Year ended 31 March 2023

The directors present their report and the financial statements of the company for the year ended 31 March 2023.

Directors

The directors who served the company during the year were as follows:

Mr E C George
Mr M J R Aust
Mr T P Barrett
Mr P M Kirk

Dividends

The directors do not recommend the payment of a dividend.

Strategic report

In preparing this report, the directors have taken advantage of the small companies exemption provided by Section 414B of the Companies Act 2006 not to provide a strategic report.

Governance

The board has adopted the ecoDa Code of Governance (suggested a suitable code by the Regulator of Social Housing) which has 14 principles based on a dynamic phased approach. The code takes into account the degree of openness, size, complexity and level of maturity of individual enterprises.

This code, along with all other key policies, will be reviewed by the Board every two years as a matter of routine, but sooner if there are changes to legislation or in guidance from the Regulator.

Value for Money

The Board is committed to embedding a culture that ensures value for money for all stakeholders.

The Board considers value for money when all decisions are made and when specific areas of the business are reviewed on a regular base. An annual value for money statement is produced which includes any social impact and benefits that can be readily identified.

A Tenancy and Neighbourhood Policy has been established which sets out how a cost-effective approach will be taken to maximise income through consistent rent setting whilst ensuring the satisfaction of tenants. This policy will continue to be reviewed by the board to ensure income value for money is maintained.

Tenant feedback is and will be taken into account when considering cost and quality of the Company's service. Tenants will also be involved in scrutiny and service reviews which focus on delivering clear and credible improvement action plans.

The Board's approach to procurement ensures they can demonstrate value for money. This includes ensuring that they can demonstrate value for money in instances where they are purchasing from the parent company or other family-controlled entities. In such cases they will ensure that:

- They can demonstrate that the consideration paid for goods and services is not more than in the market place;
- Loans to the company will not exceed the market rate for loans on the same terms;
- Homes will not be purchased at more than their market value.

Asett Homes Ltd

Directors' report

Year ended 31 March 2023

The Board is responsible for setting the value for money targets of the Company and has reviewed the following metrics against these targets in line with the value for money section of the Company's Governance and Financial Viability Policy. Comparing the value of money metrics to that of the Company's peers is difficult at this time as the Company has only traded for 4 years and has a relatively small portfolio in comparison. Therefore, the Board does not consider such a comparison to be helpful at this time but will be mindful of it in future years as the Company's portfolio grows.

Metric 1: Reinvestment (%)

This metric looks at the fixed asset investment in properties (existing as well as new supply) as a percentage of the value of total properties held. The Company made reinvestment of 32% during the year and have committed to further investment post year end.

Metric 2: New supply delivered (%)

This metric considers the number of new housing units acquired or built in the year as a proportion of total units owned at year end. The Company has acquired 5 new housing units during the year. This is an increase of 26% on the prior year.

Metric 3: Gearing (%)

As at the end of 2023, the Company's gearing was 45.35%, which the Board feels to be acceptable at this time. All debt was provided by the Company's parent, Badger Building (E. Anglia) Limited. The Company will ensure its debt and gearing levels are appropriate to protect the long term financial viability of the Company, and will ensure the levels, interest and covenant requirements of such debt do not put the business at excessive financial viability risk.

Metric 4: EBITDA MRI – Interest cover (%)

This metric seeks to measure the level of surplus that a registered provider generates compared to interest payable and as such is a key indicator for liquidity and investment capacity. For this accounting year, the Company's EBITDA was £254,553 and interest payable and financing costs were £21,937. This resulted in the Company having an EBITDA MRI – Interest cover of 1160.38% which the Board believes is more than sufficient at this stage.

Metric 5: Headline social housing cost per unit (£)

The Company's headline social housing cost per unit is £267.37 which the Board believes is very good in comparison to the Company's targets.

Metric 6A: Operating margin – social housing lettings (%)

For this year, the Company had a turnover of £61,235 from social housing lettings and an operating surplus from those lettings of £56,155. This gave the Company an operating margin from social housing lettings of 91.70%. The Board is happy with the level of operating income achieved in the year.

Metric 6B: Operating margin – overall (%)

The overall operating margin for the company was 37.20% which the Board believes is adequate.

Metric 7: Return on capital employed (%)

This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources. The ROCE for the Company was 81.13% which the Board believes is reasonable for the Company at this stage.

Compliance with Governance and Financial Viability Standard

The Board certifies that it meets the requirements of the Housing Regulator's Governance and Financial Viability Standard.

The Board have adopted an internal policy which ensures compliance with the standard.

The internal Governance and Financial Viability policy sets out the roles, responsibilities and accountabilities of the Board; these take into account the concepts within the ecoDa Code of Governance that are deemed to be the foundations of good governance.

Asett Homes Ltd

Directors' report

Year ended 31 March 2023

Statement of Directors' Responsibilities

The directors are responsible for preparing the Report of the Directors 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;
- 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 taking responsible steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Lovewell Blake LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report was approved by the board of directors on **29.09.23** and signed on behalf of the board by:

Mr E C George
Director

Registered office:
The Sett Lodge Lane
Blundeston
Lowestoft
Suffolk
United Kingdom
NR32 5ED

Asett Homes Ltd

Independent auditor's report to the members of Asett Homes Limited

Year ended 31 March 2023

Opinion

We have audited the financial statements of Asett Homes Limited (the 'company') for the year ended 31 March 2023 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows 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 FRS 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 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 auditor's 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 UK, including the FRC'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.

Asett Homes Ltd

Independent auditor's report to the members of Asett Homes Limited *(continued)*

Year ended 31 March 2023

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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.

Opinions 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 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 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.

Asett Homes Ltd

Independent auditor's report to the members of Asett Homes Limited *(continued)*

Year ended 31 March 2023

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.

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:

- Enquiry of management and those charged with governance to confirm there are no instances of fraud or non-compliance with laws and regulations.
- Review of key accounting estimates to ensure reasonable and no signs of management bias.
- Review of disclosures within the financial statements to ensure compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including reviewing journal entries to ensure they are appropriate.

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. 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.

Gary Platt FCA FCCA (Senior Statutory Auditor)



For and on behalf of
Lovewell Blake LLP
Chartered accountants & statutory auditor
Excelsior House
9 Quay View Business Park
Barnards Way
Lowestoft
NR32 2HD

3 October 2023

Asett Homes Ltd

Statement of comprehensive income

Year ended 31 March 2023

		2023	2022
	Note	£	£
Turnover	4	785,953	52,969
Cost of sales		(509,771)	(2,404)
Gross profit		276,182	50,565
Administrative expenses		42,901	(23,040)
Operating profit	5	319,083	27,525
Interest payable and similar expenses	8	(21,802)	(14,160)
Profit before taxation		297,281	13,365
Tax on profit	9	(57,921)	(3,535)
Profit for the financial year and total comprehensive income		<u>239,360</u>	<u>9,830</u>

All the activities of the company are from continuing operations.

The notes on pages 12 to 18 form part of these financial statements.

Asett Homes Ltd

Statement of financial position

31 March 2023

	Note	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	11		835,180		567,202
Current assets					
Debtors	12	3,545		2,794	
Cash at bank and in hand		<u>33,259</u>		<u>40,436</u>	
		36,804		43,230	
Creditors: Amounts falling due within one year	13	<u>(478,681)</u>		<u>(456,489)</u>	
Net current liabilities			(441,877)		(413,259)
Total assets less current liabilities			<u>393,303</u>		<u>153,943</u>
Net assets			<u>393,303</u>		<u>153,943</u>
Capital and reserves					
Called up share capital	14		100		100
Profit and loss account			<u>393,203</u>		<u>153,843</u>
Shareholders funds			<u>393,303</u>		<u>153,943</u>

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

These financial statements were approved by the board of directors and authorised for issue on 29.09.23, and are signed on behalf of the board by:



Mr E C George
Director

Company registration number: 09278078

The notes on pages 12 to 18 form part of these financial statements.

Asett Homes Ltd

Statement of changes in equity

Year ended 31 March 2023

	Called up share capital £	Profit and loss account £	Total £
At 1 April 2021	100	144,013	144,113
Profit for the year	–	9,830	9,830
Total comprehensive income for the year	–	9,830	9,830
At 31 March 2022	100	153,843	153,943
Profit for the year	–	239,360	239,360
Total comprehensive income for the year	–	239,360	239,360
At 31 March 2023	100	393,203	393,303

The notes on pages 12 to 18 form part of these financial statements.

Asett Homes Ltd

Statement of cash flows

Year ended 31 March 2023

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	239,360	9,830
<i>Adjustments for:</i>		
Depreciation of tangible assets	7,210	5,238
Interest payable and similar expenses	21,802	14,160
Gains on disposal of tangible assets	(71,875)	–
Tax on profit	57,921	3,535
Accrued expenses	2,219	361
<i>Changes in:</i>		
Trade and other debtors	(751)	(217)
Cash generated from operations	255,886	32,907
Interest paid	(21,802)	(14,160)
Tax paid	–	(45,573)
Net cash from/(used in) operating activities	<u>234,084</u>	<u>(26,826)</u>
Cash flows from investing activities		
Purchase of tangible assets	(275,188)	–
Proceeds from sale of tangible assets	71,875	–
Net cash used in investing activities	<u>(203,313)</u>	<u>–</u>
Cash flows from financing activities		
Proceeds from loans from group undertakings	(37,948)	(6,177)
Net cash used in financing activities	<u>(37,948)</u>	<u>(6,177)</u>
Net decrease in cash and cash equivalents	<u>(7,177)</u>	<u>(33,003)</u>
Cash and cash equivalents at beginning of year	<u>40,436</u>	<u>73,439</u>
Cash and cash equivalents at end of year	<u>33,259</u>	<u>40,436</u>

The notes on pages 12 to 18 form part of these financial statements.

Asett Homes Ltd

Notes to the financial statements

Year ended 31 March 2023

1. General information

The company is a private company limited by shares, registered in England and Wales. Asett Homes Ltd is a private registered provider of social housing in the United Kingdom. The address of the registered office is The Sett Lodge Lane, Blundeston, Lowestoft, Suffolk, NR32 5ED, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006.

The company constitutes a public benefit entity as defined by FRS 102.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Badger Building (E.Anglia) Limited which can be obtained from the Registrar of Companies. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) Disclosures in respect of financial instruments have not been presented.
- (c) No disclosure has been given for the aggregate remuneration of key management personnel.

The Company is a subsidiary undertaking of Badger Building (E.Anglia) Limited of the registered address; The Sett, Lodge Lane, Blundeston, Lowestoft, Suffolk, United Kingdom, NR32 5ED.

Judgements 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.

Revenue recognition

Turnover is comprised of rents received from social housing lettings, premiums charged for the granting of leases and insurances recharges.

Asett Homes Ltd

Notes to the financial statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Social housing properties are valued at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, development costs, interest charges on loans during the development period and expenditure on improvements.

Expenditure on improvements will only be capitalised when it results in incremental future benefits such as incremental of the benefits such as increasing rental income, reducing maintenance costs or resulting in a significant extension of the useful economic life of the property.

Depreciation

Major components of housing properties are depreciated at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Structure (including roofs)	-	2% on a straight line basis
Windows and doors	-	4% on a straight line basis
Internal fixtures and fittings	-	5% on a straight line basis

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Asett Homes Ltd

Notes to the financial statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Turnover

Turnover arises from:

	2023	2022
	£	£
Rental income	61,235	52,492
Grant of leases	724,375	–
Insurance recharges	343	477
	<u>785,953</u>	<u>52,969</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

Asett Homes Ltd

Notes to the financial statements *(continued)*

Year ended 31 March 2023

5. Operating profit

Operating profit or loss is stated after charging/crediting:

	2023	2022
	£	£
Depreciation of tangible assets	7,210	5,238
Gains on disposal of tangible assets	(71,875)	—

6. Auditor's remuneration

	2023	2022
	£	£
Fees payable for the audit of the financial statements	4,350	3,000

7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2023	2022
	No.	No.
Management staff	4	4

8. Interest payable and similar expenses

	2023	2022
	£	£
Interest payable	21,802	13,823
Other interest payable and similar charges	—	337
	21,802	14,160

9. Tax on profit

Major components of tax expense

	2023	2022
	£	£
Current tax:		
UK current tax expense	57,872	3,535
Adjustments in respect of prior periods	49	—
Total current tax	57,921	3,535
Tax on profit	57,921	3,535

Asett Homes Ltd

Notes to the financial statements (continued)

Year ended 31 March 2023

9. Tax on profit (continued)

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2022: higher than) the standard rate of corporation tax in the UK of 19% (2022: 19%).

The differences are explained below:-

	2023 £	2022 £
Profit on ordinary activities before taxation	297,281	13,365
Profit on ordinary activities by rate of tax	56,483	2,540
Adjustment to tax charge in respect of prior periods	49	—
Effect of expenses not deductible for tax purposes	19	—
Effect of capital allowances and depreciation	(12,286)	995
Effects of gross chargeable gains	13,656	—
Tax on profit	57,921	3,535

10. Social housing turnover and costs

	2023 £	2022 £
Rent receivable	61,235	52,492
Social housing activity expenditure	(2,043)	(2,404)
Operating surplus /(deficit) from social housing activities	59,192	50,088

11. Tangible assets

	Freehold property £
Cost	
At 1 April 2022	582,010
Additions	275,188
At 31 March 2023	857,198
Depreciation	
At 1 April 2022	14,808
Charge for the year	7,210
At 31 March 2023	22,018
Carrying amount	
At 31 March 2023	835,180
At 31 March 2022	567,202

12. Debtors

	2023 £	2022 £
Trade debtors	1,123	264
Prepayments and accrued income	2,422	2,530
	3,545	2,794

Asett Homes Ltd

Notes to the financial statements (continued)

Year ended 31 March 2023

13. Creditors: Amounts falling due within one year

	2023 £	2022 £
Amounts owed to group undertakings	412,006	449,954
Accruals and deferred income	5,219	3,000
Corporation tax	61,456	3,535
	<u>478,681</u>	<u>456,489</u>

14. Called up share capital

Issued, called up and fully paid

	2023 No.	£	2022 No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Shares issued and fully paid

	2023 No.	£	2022 No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

15. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	40,436	(7,177)	33,259
Debt due within one year	<u>(449,954)</u>	<u>37,948</u>	<u>(412,006)</u>
	<u>(409,518)</u>	<u>30,771</u>	<u>(378,747)</u>

16. Capital commitments

Capital expenditure contracted for but not provided for in the financial statements is as follows:

	2023 £	2022 £
Tangible assets	<u>156,800</u>	<u>275,188</u>

17. Reserves

	Retained earnings £
At 1 April 2022	153,843
Profit for the year	239,360
At 31 March 2023	<u>393,203</u>

Asett Homes Ltd

Notes to the financial statements *(continued)*

Year ended 31 March 2023

18. Related party transactions

During the year a total of £7,500 (2022: £7,500) was paid to related parties in connection with consultancy services provided to the company.

Amounts owed to group undertakings includes a balance of £412,006 (2022: £449,954) owed to Badger Building (E. Anglia) Limited, on which interest is being charged at 3%. Interest of £21,802 (2022: £13,823) was charged during the year.

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the company. The total compensation paid to key management personnel for services provided to the company was £Nil (2022: £Nil).

19. Controlling party

The company's immediate party undertaking is Badger Building (E. Anglia) Limited which owns 100% of the issued share capital of the company. The registered office is The Sett, Lodge Lane, Blundeston, Lowestoft, Suffolk, NR32 5ED.

Badger Building (E. Anglia) Limited is not a registered provider of social housing.