

Company Registration No. 08938527 (England and Wales)

HOUSING GATEWAY LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018
PAGES FOR FILING WITH REGISTRAR



HOUSING GATEWAY LIMITED

COMPANY INFORMATION

Directors

Mr A Georgiou
Ms S A McTernan
Mr P C M Nwosu
Mr A Oykenner
Mr J Rolfe
Mr C C D Lemonides
Ms Jayne Middleton-Albooye
Ms J Embling

Company number

08938527

Registered office

Civic Centre
Silver Street
Enfield
EN1 3XA

Auditor

Moore Stephens Northern Home Counties Limited
Nicholas House
River Front
Enfield
Middlesex
EN1 3FG

HOUSING GATEWAY LIMITED

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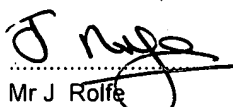
HOUSING GATEWAY LIMITED**BALANCE SHEET****AS AT 31 MARCH 2018**

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	5		152,656		130,541
Investment properties	6		122,539,147		109,225,173
			<u>122,691,803</u>		<u>109,355,714</u>
Current assets					
Debtors	8	799,066		922,488	
Cash at bank and in hand		4,828,962		481,448	
		<u>5,628,028</u>		<u>1,403,936</u>	
Creditors: amounts falling due within one year	9	<u>(4,029,006)</u>		<u>(7,469,608)</u>	
Net current assets/(liabilities)			<u>1,599,022</u>		<u>(6,065,672)</u>
Total assets less current liabilities			<u>124,290,825</u>		<u>103,290,042</u>
Creditors: amounts falling due after more than one year	10		<u>(117,303,092)</u>		<u>(96,490,404)</u>
Provisions for liabilities	11		<u>(886,686)</u>		<u>(1,140,793)</u>
Net assets			<u><u>6,101,047</u></u>		<u><u>5,658,845</u></u>
Capital and reserves					
Called up share capital	14		1		1
Profit and loss reserves	23		6,101,046		5,658,844
Total equity			<u><u>6,101,047</u></u>		<u><u>5,658,845</u></u>

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

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

The financial statements were approved by the board of directors and authorised for issue on 31/7/2018 and are signed on its behalf by:


 Mr J Rolfe
 Director

Company Registration No. 08938527

HOUSING GATEWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

Housing Gateway Limited is a private company limited by shares incorporated in England and Wales. The registered office is Civic Centre, Silver Street, Enfield, EN1 3XA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Turnover

Turnover represents rental income receivable from housing benefit tenants and is recognised on a straight-line basis over the term of the tenancy agreement.

1.3 Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided to write off the cost of tangible fixed assets as follows:

Leasehold improvements	- Over 5 to 7 years
Fixtures, fittings & equipment	- 20% on cost

1.4 Investment properties

Investment properties are included in the balance sheet at their open market value in accordance with the Financial Reporting Standards 102 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

HOUSING GATEWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.5 Taxation

Current tax

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.

Deferred tax

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gain and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.6 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.7 Government grants

Government grants in respect of capital expenditure are deferred and released to the profit and loss over the estimated useful life of the relevant asset which is fifty years.

1.8 Going concern

The financial statements have been prepared on a going concern basis as the shareholder, Enfield Council, has agreed to provide financial support to the company for a period of not less than one year from the date the financial statements are approved.

HOUSING GATEWAY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2018****2 Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2017: 2)

4 Directors' remuneration

	2018 £	2017 £
Remuneration for qualifying services	5,134	4,950

Directors' remuneration represents salaries of non-executive Directors for their services.

5 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Total £
Cost			
At 1 April 2017	-	175,624	175,624
Additions	54,714	11,801	66,515
At 31 March 2018	54,714	187,425	242,139
Depreciation and impairment			
At 1 April 2017	-	45,083	45,083
Depreciation charged in the year	8,614	35,786	44,400
At 31 March 2018	8,614	80,869	89,483
Carrying amount			
At 31 March 2018	46,100	106,556	152,656
At 31 March 2017	-	130,541	130,541

HOUSING GATEWAY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2018****6 Investment property**

	2018
	£
Fair value	
At 1 April 2017	109,225,174
Additions through external acquisition	15,839,463
Disposals	(1,030,742)
Net gains or losses through fair value adjustments	(1,494,748)
	<u>122,539,147</u>
At 31 March 2018	<u>122,539,147</u>

In the opinion of the directors, the total carrying value of the investment properties is not significantly different from its open market value at the balance sheet date. This opinion is based on an assessment of similar land and properties in the area.

7 Financial instruments

	2018	2017
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	721,322	761,574
	<u>721,322</u>	<u>761,574</u>
Carrying amount of financial liabilities		
Measured at amortised cost	118,708,236	101,510,012
	<u>118,708,236</u>	<u>101,510,012</u>

8 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	329,445	454,509
Other debtors	391,877	307,065
Prepayments and accrued income	77,744	-
	<u>799,066</u>	<u>761,574</u>
Deferred tax asset (note 12)	-	160,914
	<u>799,066</u>	<u>922,488</u>

The recovery of the deferred tax asset is dependant on the company's future taxable profits arising.

HOUSING GATEWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

9 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Corporation tax		223,862	-
Government grants	13	50,000	50,000
Other creditors		60,473	435,214
Accruals and deferred income		3,694,671	6,984,394
		<u>4,029,006</u>	<u>7,469,608</u>

Included in creditors due within one year is £3,673,971 (2017: £7,402,058) owed to the London Borough of Enfield in respect of recharges for goods and services in the year.

10 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Other borrowings		114,953,092	94,090,404
Government grants	13	2,350,000	2,400,000
		<u>117,303,092</u>	<u>96,490,404</u>

Included in creditors are loans of £114,953,092 (2017: £94,090,404) secured against the company's investment properties.

11 Provisions for liabilities

	Notes	2018 £	2017 £
Deferred tax liabilities	12	886,686	1,140,793
		<u>886,686</u>	<u>1,140,793</u>

12 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2018 £	Liabilities 2017 £	Assets 2018 £	Assets 2017 £
Balances:				
Tax losses	-	-	-	160,914
Revaluations	886,686	1,140,793	-	-
	<u>886,686</u>	<u>1,140,793</u>	<u>-</u>	<u>160,914</u>

HOUSING GATEWAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

12	Deferred taxation	(Continued)
		2018
		£
	Movements in the year:	
	Liability at 1 April 2017	979,879
	Credit to profit or loss	(93,193)
		<u> </u>
	Liability at 31 March 2018	<u>886,686</u>

The deferred tax liability set out above relates to gain on revaluation of investment properties and is not expected to reverse within 12 months from the year end.

The deferred tax asset, which has been reversed in the current year, was in relation to tax losses brought forward from previous years which have been utilised against current year's taxable profits.

13 Government grants

Deferred income is included in the financial statements as follows:

	2018	2017
	£	£
Current liabilities	50,000	50,000
Non-current liabilities	2,350,000	2,400,000
	<u> </u>	<u> </u>
	<u>2,400,000</u>	<u>2,450,000</u>

14 Share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
1 Ordinary of £1 each	1	1
	<u> </u>	<u> </u>
	<u>1</u>	<u>1</u>

15 Audit report information

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

The auditor's report was unqualified.

The senior statutory auditor was Francis Corbishley.

The auditor was Moore Stephens Northern Home Counties Limited.

HOUSING GATEWAY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2018****16 Operating lease commitments****Lessee**

Leased rental properties

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	38,301	32,680
Between two and five years	134,116	128,496
In over five years	23,304	29,872
	<u>195,721</u>	<u>191,048</u>

17 Ultimate controlling party

The ultimate controlling party is the London Borough of Enfield by virtue of 100% ownership of the company's shares held by The Mayor and Burgesses of the Borough on behalf of the Council.

18 Related party transactions

The company's ultimate parent undertaking is the London Borough of Enfield by virtue of 100% ownership held by The Mayor and Burgesses of the Borough on behalf of the Council. The company has taken advantage of the exemptions available under Financial Reporting Standard 102 not to disclose any transactions or balances with entities that are 100% controlled by the Council.

19 Profit and loss reserve

Included in profit and loss reserve at the year end, are revaluation gains totalling £5,215,799 (2017: £6,710,547) arising from the revaluation of the company's portfolio of properties.

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