

Registered Society No: 28637R
Homes and Communities Agency No: LH4162

ORIEL HOUSING LIMITED

Annual Report and Financial Statements

Year Ended 31 March 2019

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ORIEL HOUSING LIMITED

GENERAL INFORMATION

BOARD OF MANAGEMENT

Carol Bode	
Jonathan Martin Hurst	
Mandy Clarke	
Michael Sweeney	Resigned 15/10/18
Richard Williams	
Simon Porter	
John Gary Orr	Appointed 15/10/18
Jane Alderman	Appointed 01/02/19

SECRETARY

Malcolm Rule

REGISTERED OFFICE

Collins House
Bishopstoke Road
Eastleigh
Hampshire
SO50 6AD

BANKERS

Lloyds Bank
25 Gresham Street
London
EC2V 7HN

AUDITOR

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 0PA

STRATEGIC REPORT

Business Overview

Oriel Housing Limited is regulated by the Regulator of Social Housing as a registered provider and is a company limited by guarantee. The Company is a member of the Radian Group, with a registered head office in Eastleigh.

The Company retains no stock, operating as a development company for fellow subsidiaries in the Group, delivering housing properties either directly through an in-house brand, Radian Build, or subcontracting works to other developers. All income is derived from schemes developed for sale.

The Company is currently funded by an intercompany loan, providing it with working capital to establish operations.

Performance Highlights

An overview of the Company's result has been presented below.

Financial Performance

Turnover has reduced notably from the prior year, from £11.0m to £3.0m, the majority of which was generated from the completed Fair Oak Road development. All scheme contracts are on a cost-plus basis, of between 9% and 13%.

The Company incurs operating costs in the form of recharges for assistant director and project management level employees from fellow Group companies. The charges in the year have resulted in the Company recording an operating loss of £0.1m compared to a surplus of £0.1m the year before.

The Company retained access to a loan facility with a fellow Group subsidiary, although this was utilised less than in 2018 and interest charges reduced by two thirds as a result. After all expenses, a deficit of £0.2m (6%) was recorded against a trivial deficit in the prior year.

Financial Position

At the reporting date, the Company had £0.2m of receivables relating to works not yet paid for, down from £1.1m in the prior year. Similarly, trade payables reduced from £3.7m to £1.6m, a reflection of the reduction in volumes.

As outlined above, the Company made use of a loan facility in both years. At 31 March 2019, £1.2m of the £6.7m facility had been drawn, with no balance outstanding in the prior year.

Our Performance

We monitor our operations every month on a group-wide basis by a range of key performance indicators (KPIs), allowing us to assess our financial performance and position and the delivery of our corporate strategy during the year.

An appraisal of these KPIs is included in our Group statutory accounts.

STRATEGIC REPORT (continued)

Principal Risks and Uncertainties

Within the Group, the principal risks and uncertainties, as identified by the Executive Board, are deemed to be those that would impact on the Group's ability to successfully deliver on the aims and objectives of its corporate strategy. An appraisal of these strategic risks is included in our Group statutory accounts.

Operational risks are those that the entities in the organisation face on a day to day basis, which are specific to the activities performed in each legal entity.

Our Developments

The Company completed two developments in the year.

Six shared ownership units at Grove Tavern were completed and sold to The Swaythling Housing Society in August 2018.

Fair Oak Road comprised 16 units, 12 shared ownership and the remainder affordable rent, with the site subsequently sold to The Swaythling Housing Society in January 2019.

At the reporting date, the Company was in the final stages at a small development at Montrose Avenue, with three units for affordable rent due to be sold to Windsor and District Housing Association upon completion.

Value for Money


The Group assesses its performance in relation to Value for Money (VfM) at a Group level rather than on an entity by entity basis due to the Group's structure.

An assessment of our VfM performance is included in our Group statutory accounts.

Statement of Compliance

The Board confirms that this strategic report has been prepared in accordance with the principles set out in the 'Statement of Recommended Practice for registered social housing providers 2014'.

The strategic report was approved by the Board on 31 July 2019 and signed on its behalf by the Chair:



Carol Bode
Chair

DIRECTORS' REPORT

The Directors present their report for the year ended 31 March 2019.

Group Combined and Executive Board Members

Group Combined Board

As a regulated registered provider in the Radian Group, the legal Directors of Oriel Housing Limited unite with the Directors of the five other registered providers to form the Group Combined Board.

The Chair, Group Chief Executive, and Chair of the Audit and Risk Committee are common members across all six entity boards. The Company has a directorship in common with the other three entities without charitable tax status in the Group.

The Directors of the Company are listed on page 1 and their remuneration is disclosed in note 6.

An overview of the full Group Combined Board, including those who are Directors of the Company, is included in our Group Statutory Accounts and updated as membership changes on our website.

Executive Board

As a member of the Radian Group, the day to day operations of the Company are the responsibility of the Executive Board.

An overview of the Executive Board is included in our Group Statutory Accounts and updated as the composition changes on our website.

Executive Service Contracts

The members of the Executive Board are employed on the same terms as other staff, except for a discretionary annual bonus scheme, overseen by the Remuneration and Nominations Committee. The Group Combined Board is responsible for approving any bonus awards or changes in the Chief Executive's remuneration or contract. Details of the benefits received by Executive Directors are set out on page 17.

The Executive Board members, including those who are Group Combined Board members, hold no interest in the Group's shares and act within the authority delegated to them by the Group Combined Board under defined terms of reference.

Governance and Regulation

As the Company is a registered provider, its Directors form part of the Group Combined Board. An overview of the approach to governance and regulatory compliance, as determined by the Group Combined Board, is included in our Group statutory accounts.

Employees

The Company had no employees in the year.

Post Balance Sheet Events

There have been no events since the reporting date that the Board considers to have had a significant effect on the Company's financial position.

DIRECTORS' REPORT (continued)

Going Concern

After making enquiries, the Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the report and the financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

The budget and long-term business plan, which consider the current uncertain economic climate and expected trading conditions, show that the Company will be able to operate within its current facilities for the foreseeable future.

The Company has been granted the support of Portal Housing Association Limited, should it be required in the short term.

Disclosure of Information to Auditor

At the date when this report is approved each of the Board Members confirm the following:

- So far as each Board Member is aware, there is no relevant audit information needed by the Company's auditor in connection with preparing their report, of which the Company's auditor is unaware; and
- Each Board Member has taken all the steps that they ought to have taken as a Board Member to make themselves aware of any relevant audit information needed by the Company's auditor in connection with preparing their report and to establish that the Company's auditor is aware of that information.

External Auditor

BDO LLP has indicated their willingness to continue in office and a resolution to appoint them will be proposed at the forthcoming annual general meeting.

Approval of the Board

The Directors' Report was approved by the Board on 31 July 2019 and signed on its behalf by the Chair:



Carol Bode

Chair

STATEMENT OF THE BOARD'S RESPONSIBILITIES

The Board Members are responsible for preparing the report of the Board and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law requires the Board Members to prepare financial statements for each financial year. Under that law the Board Members have elected to prepare the Society's financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing these financial statements, the Board members are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and society will continue in business.

The Board Members are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the Group's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Group's website is the responsibility of the Board Members. The Board Members' responsibility also extends to the ongoing integrity of the financial statements contained therein.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORIEL HOUSING LIMITED

Opinion

We have audited the financial statements of Oriel Housing Limited ("the Company") for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves, 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).

In our opinion, the financial statements:

- Give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of the Company's deficit 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 Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The Board Members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Board Members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Board Members are responsible for the other information. Other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORIEL HOUSING LIMITED (continued)

Other information (continued)

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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required by the Co-operative or Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 to report to you if, in our opinion:

- The information given in the Report of the Board for the financial year for which the financial statements are prepared is not consistent with the financial statements; or
- Adequate accounting records have not been kept by the Company; or
- A satisfactory system of control has not been maintained over transactions; or
- The Company financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the board responsibilities statement set out on page 6, the Board Members is 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 Board Members 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 Board Members 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 Board Members 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

This report is made solely to the members of the Company, as a body, in accordance with in accordance with the Housing and Regeneration Act 2008 and the Co-operative and Community Benefit Societies Act 2014. 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORIEL HOUSING LIMITED (continued)

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

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.

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.



Philip Cliftlands
BDO LLP
Statutory Auditor
Gatwick, United Kingdom

1 August 2019

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

ORIEL HOUSING LIMITED

STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 March 2019

	Note	2019 £'000	2018 £'000
Turnover		3,026	11,025
Cost of sales		(2,720)	(10,692)
Operating costs		(433)	(196)
Operating (deficit)/surplus		(127)	137
Finance costs	3	(47)	(146)
Deficit on ordinary activities before and after tax	5	(174)	(9)

All activities derive from continuing operations.

The notes of pages 13 to 19 form part of these financial statements.

ORIEL HOUSING LIMITED

STATEMENT OF FINANCIAL POSITION


As at 31 March 2019

	Note	2019 £'000	2018 £'000
Fixed assets			
Other fixed assets	8	2	5
Investments	9	0	0
		<u>2</u>	<u>5</u>
Current assets			
Receivables		235	1,092
Cash		943	2,361
		<u>1,178</u>	<u>3,453</u>
Payables: amounts due within one year	10	(1,635)	(3,739)
Net current liabilities		<u>(457)</u>	<u>(286)</u>
Total assets less current liabilities		<u>(455)</u>	<u>(281)</u>
Net liabilities		<u>(455)</u>	<u>(281)</u>
Capital and reserves			
Share capital	11	0	0
Revenue reserve		(455)	(281)
Shareholders' funds		<u>(455)</u>	<u>(281)</u>

The notes of pages 13 to 19 form part of these financial statements.

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

The financial statements of Oriel Housing Limited, registered society number 28637R, on pages 10 to 19 were authorised and approved for issue by the Board on 31 July 2019 and signed on its behalf by:



Carol Bode
Chair



Simon Porter
Board Member



Malcolm Rule
Secretary

ORIEL HOUSING LIMITED

STATEMENT OF CHANGES IN RESERVES

	Share Capital £'000	Revenue Reserve £'000	Total £'000
At 1 April 2017	0	(272)	(272)
Deficit on ordinary activities after tax	-	(9)	(9)
At 31 March 2018	0	(281)	(281)
Deficit on ordinary activities after tax	-	(174)	(174)
Shares issued during the year	0	-	0
At 31 March 2019	0	(455)	(455)

The notes of pages 13 to 19 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. LEGAL STATUS

The Company is registered with the Financial Conduct Authority under the Co-operative and Community Benefits Societies Act 2014 and is registered with the Regulator of Social Housing as a social housing provider.

2. ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Company have been prepared in accordance with applicable law and UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing Statement of Recommended Practice (SORP) 2014 for registered social housing providers and comply with the Accounting Direction for private registered providers of social housing 2015. The financial statements are presented in pounds sterling and have been prepared on the historical cost basis.

Going Concern

The financial statements have been prepared on a going concern basis, details of which can be found in the Directors' Report on page 5.

The Company has net liabilities as at the reporting date but could obtain loans or distributions from other Group companies with positive reserves if required.

Disclosure Exemptions

In preparing the financial statements of the Company, advantage has been taken of the disclosure exemption under FRS 102 paragraph 1.12(b) in not preparing a Statement of Cash Flows on the basis that this is included in the consolidated financial statements.

Operating Segments

Segmental information has not been disclosed as the Company operates with a single income stream. All income and costs relate to the construction and development of housing properties for sale to third parties.

Turnover

Turnover represents income receivable from the provision of construction and development services. For standard contracts, turnover represents the fair value of the service provided based on the stage of completion at the reporting date. For golden brick contracts, no turnover is recognised until the appropriate stage of completion as defined in the contract. Payments received in advance are recognised as deferred income within payables and due within one year.

Cost of Sales

Cost of sales represent direct labour, materials and subcontractor costs incurred in providing construction and development services.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (continued)

2. ACCOUNTING POLICIES (continued)

Finance Costs

Finance costs relate to interest payments on an intercompany loan. Interest is paid on the outstanding loan balance on a quarterly basis in arrears.

Value Added Tax (VAT)

The Company is VAT registered and makes zero-rated supplies of construction services and partially constructed residential buildings, enabling it to reclaim its input VAT.

Tax

Current tax is recognised for the amount of income tax payable in respect of the taxable surplus for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Land

Land acquired or donated to the Company will be accounted for depending on its intended use.

Land acquired for the provision of social housing, or where no specific intended use exists, will be treated as a fixed asset. When land is held for speculative purposes, for capital gain, or a commercial rental return it will be accounted for as an investment property.

Fixed Assets

Fixed assets comprise vehicles, plant and equipment held at cost less depreciation.

Depreciation

Depreciation is charged on a straight-line basis over the four-year expected useful lives of vehicles, plant and equipment.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash at bank and in hand, deposits, and short-term investments with an original maturity date of three months or less.

Receivables and Payables

Receivables and payables with no stated interest rate, and receivable and payable within one year, are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income within operating income and expense.

Properties under construction under golden brick contracts where the appropriate stage of completion has not been reached are classified as work in progress as a receivable at the reporting date. The value of the asset recognised is equal to the costs of construction incurred at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (continued)

2. ACCOUNTING POLICIES (continued)

Recoverable Amount of Rental and Other Trade Receivables

The Company estimates the recoverable amount of receivables and provides for the balance based on the value and class of the debt.

Receivable balances are reviewed quarterly to determine recoverability; balances deemed irrecoverable are subsequently written off.

Financial Instruments

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument and are classified according to their substance.

Financial Assets and Liabilities

Loans and Borrowings

The Company's loans and borrowings meet the definition of, and are classified as, basic financial instruments under FRS 102. These instruments are initially recorded at the transaction price. They are subsequently recorded at amortised costs using the effective interest method

Critical Judgments, Estimates, and Uncertainty

Capitalisation of Property Development Costs

The estimate of anticipated costs to complete a development scheme is determined by suitably qualified professionals.

Judgement is involved in determining the appropriate allocation of costs relating to affordable home ownership between current and fixed assets, dependent upon the equity anticipated to be purchased in the first tranche.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (continued)

3. FINANCE COSTS

	2019 £'000	2018 £'000
On intercompany loan at amortised cost		
Interest cost	47	146
	<u>47</u>	<u>146</u>

4. DEFICIT ON ORDINARY ACTIVITIES BEFORE TAX

	2019 £'000	2018 £'000
Deficit on ordinary activities before tax is stated after charging		
Depreciation of fixed assets	3	3
The analysis of auditor's remuneration is as follows:		
Fees payable (excluding VAT) to the Company's auditor for the audit of the Company's annual financial statements	6	6
	<u>6</u>	<u>6</u>

The audit fees for the Company have been borne by The Swaythling Housing Society Limited.

5. TAX

	2019 £'000	2018 £'000
Total tax reconciliation		
Deficit on ordinary activities before tax	(174)	(9)
Tax on deficit on ordinary activities at 19% (2018: 19%)	(33)	(2)
Effects of		
Movement in unrecognised deferred tax	76	47
Movement in deferred tax due to differences in tax rates	(43)	(45)
Total tax credit	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (continued)

6. DIRECTORS' EMOLUMENTS

The Directors are defined as the members of the Group Combined and Executive Boards. All the Directors of Oriel Housing Limited are remunerated by The Swaythling Housing Society Limited. It is not possible to disaggregate their remuneration in respect of services performed on behalf of the constituent group entities.

The Board Members of Oriel Housing Limited, including details of the other roles they perform on behalf of the constituent group entities, are shown below:

Name	Appointed	Resigned	Annual Fee	ARC	Committees		
					TIC	RNC	DPRG
Carol Bode (C)	01/10/16		£23,000			M	
Jonathan Martin Hurst	16/03/17		£11,500	M	C		
Mandy Clarke	01/08/14		£11,500	M		C	
<i>Michael Sweeney</i>	<i>18/08/17</i>	<i>15/10/18</i>	<i>N/A</i>		<i>M</i>		
Richard Williams	01/10/16		£11,500		M	M	
Simon Porter	01/10/16		£11,500	C	M		
<i>John Gary Orr</i>	<i>15/10/18</i>		<i>N/A</i>		<i>M</i>		<i>C</i>
Jane Alderman	01/02/19		£9,000				

C: Chair, M: Member, *Italics: Executive Board member*

Committees: ARC – Audit and Risk, TIC – Treasury and Investment, RNC – Remunerations and Nominations, DPRG – Development Programme Review Group

7. STAFF COSTS

The company had no employees in the year (2018: none).

8. OTHER FIXED ASSETS

	Vehicles, plant and equipment £'000
Cost	
At 1 April 2018	12
At 31 March 2019	12
Accumulated depreciation	
At 1 April 2018	(7)
Charge for the year	(3)
At 31 March 2019	(10)
Net book value	
At 31 March 2019	2
At 31 March 2018	5

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (continued)

9. INVESTMENTS

	2019	2018
	£	£
Investments in associates		
The Swaythling Housing Society Limited	1	1
Portal Housing Association Limited	1	1
Investments in subsidiaries		
Wayfarer Limited	1	1
	<u>3</u>	<u>3</u>

10. PAYABLES: AMOUNTS DUE WITHIN ONE YEAR

	2019	2018
	£'000	£'000
Amounts owed to Group undertakings	384	3,338
Loans and borrowings	1,200	-
Contract retentions	9	17
Trade payables	42	14
Accruals	-	370
	<u>1,635</u>	<u>3,739</u>

Whilst Amounts owed to Group undertakings are repayable within one year, it is unlikely that the obligation to repay the debt within one year will be enforced.

Loans and borrowings relate to an intercompany loan from Portal Housing Association Limited, incurring interest at LIBOR + 3%.

11. SHARE CAPITAL

	2019	2018
	£	£
Shares of £1 each		
Issued and fully paid at 1 April	6	6
Shares issued during the year	1	-
Shares issued and fully paid at 31 March	<u>7</u>	<u>6</u>

The share capital of the Company consists of shares with a nominal value of £1 each, which carry no rights to dividends or other income. Shares in issue are not capable of being repaid or transferred. On ceasing to be a shareholder, the relevant share is cancelled and the amount paid thereon becomes the property of the Company. Therefore, all shareholdings relate to non-equity interests.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (continued)

12. FINANCIAL INSTRUMENTS

	At historic or amortised cost	
	2019 £'000	2018 £'000
Financial assets		
Receivables	235	1,092
Cash	943	2,361
	1,178	3,453
Financial liabilities		
Payables: amounts due within one year	(1,635)	(3,739)

13. RELATED PARTY TRANSACTIONS

Transactions with Other Entities or Jointly Controlled Entities

The Company, a subsidiary of Radian Group Limited, has taken advantage of the exemption contained in FRS 102 paragraph 33.1A not to disclose transactions or balances with entities which are wholly owned by the Group.

The Accounting Direction for Social Housing requires registered providers to disclose transactions and balances with the following non-regulated entities which are wholly owned by the Group.

- Radian Support Limited;
- Radian Capital plc; and
- Swaythling Assured Homes plc.

Transactions and balances with subsidiaries are eliminated in the Group financial statements.

There were no such transactions during the year or balances at the reporting date.

14. ULTIMATE PARENT COMPANY AND CONTROLLING ENTITY

At 31 March 2019 the Company's ultimate parent and ultimate controlling party was Radian Group Limited, a company limited by guarantee and incorporated in England.

Radian Group Limited is a registered provider and is the parent of both the largest and smallest Group into which the Company is consolidated.

Group financial statements can be obtained from Radian Group Limited, Collins House, Bishopstoke Road, Eastleigh, Hampshire, SO50 6AD.

