

COMPANY REGISTRATION NUMBER: 08277732



Open Solutions (OSUK) Limited

Financial Statements

31st March 2021



BEEVER AND STRUTHERS

Chartered accountant & statutory auditor

St. George's House
215 - 219 Chester Road
Manchester
M15 4JE

Open Solutions (OSUK) Limited

Financial Statements

Year Ended 31st March 2021

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Open Solutions (OSUK) Limited

Strategic Report

Year Ended 31st March 2021

The directors present the Strategic report and Directors' report and the financial statements of the company for the year ended 31st March 2021.

Strategic Report

The principal activity of the company during the year was the purchase, development, management, and sale of housing properties. The company owns and manages 254 properties and had another 53 properties under construction at the end of the year.

The company is satisfied with its performance over the past year. The company achieved an operating profit of £1,037k (2020: £976k). Included within operating profit is a loss of £7k (2020: £24k profit) from the sale of properties.

The company has recognised within its accounts a gain of £831k (2020: £33k) because of the revaluation of its properties during the year.

The company has prepared a long-term financial plan which includes development of properties for sale. During the year, the company achieved £5.5m (2020: £3.2m) from sale of properties. At 31st March 2021, the company had invested £5.3m in property held for sale comprising £4.4m in land acquired for development, £0.6m in rented properties identified for sale and £0.3m in completed properties for sale.

The company has developed a risk register which is reviewed frequently throughout the year.


The company is funded by an investment from Halton Housing (HH). HH is the parent company and has ultimate control of the company. The investment is secured by a mortgage on the properties. During the year HH has increased its investment in the company by £0.3m, at £26.6m, and has been paid £1,125k (2020: £1,121k) of interest payments.

The company has made a gift aid payment to HH during the year of £66k (2020: £57k). This payment related to 2019/20 and was made in line with the company's gift aid policy.

The company has adopted the Institute of Directors Corporate Governance Guidance and Principles for Unlisted Companies in the UK (Phase 1). The company has completed a review of its compliance and is satisfied that it has good practice governance processes and procedures in place to assist it in achieving its objectives.

The directors consider there to be no material uncertainty to going concern in the current circumstances.

Signed by order of the directors.

DocuSigned by:

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Neil McGrath
Company Secretary
Approved by the directors.

Open Solutions (OSUK) Limited

Directors' Report

Year Ended 31st March 2021

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

Principal Activities

The principal activity of the company during the year was the purchase, development, management, and sale of housing properties.

Directors

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

Geoffrey Linnell (appointed 24th September 2020)
Ian Hayhoe (appointed 24th September 2020)
Michael Fry (appointed 24th September 2020)
Mark Forrest (resigned 24th September 2020)
Gwynne Furlong (resigned 15th September 2020)
David Hughes (resigned 15th September 2020)
Neil McGrath
Robert Poole

Directors' Responsibilities Statement

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 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 judgments 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Open Solutions (OSUK) Limited

Directors' Report

Year Ended 31st March 2021


Disclosure of information to the Auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with Section 487 of the Companies Act 2006.

This report was approved by the board of directors on 22nd July 2021 and signed on behalf of the board by:

DocuSigned by:

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Neil McGrath
Company Secretary

Registered office:
Waterfront Point
Warrington Road
Widnes
WA8 0TD

Open Solutions (OSUK) Limited

Independent Auditor's Report to the Shareholders of Open Solutions (OSUK) Limited

Year Ended 31st March 2021

Opinion

We have audited the financial statements of Open Solutions (OSUK) Limited (the 'Company') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies in note 2. 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 2021 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.

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.

Open Solutions (OSUK) Limited

Independent Auditor's Report to the Shareholders of Open Solutions (OSUK) Limited

Year Ended 31st March 2021

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 contained within the annual report. 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.

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 strategic report or 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.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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

Open Solutions (OSUK) Limited

Independent Auditor's Report to the Shareholders of Open Solutions (OSUK) Limited

Year Ended 31st March 2021

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 has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's web-site at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the Company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Companies Act 2006 and tax legislation.
- We enquired of the Directors and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Directors have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Directors have in place to prevent and detect fraud. We enquired of the Directors about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Directors about actual and potential litigation and claims.

Open Solutions (OSUK) Limited

Independent Auditor's Report to the Shareholders of Open Solutions (OSUK) Limited

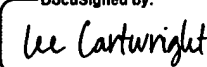
Year Ended 31st March 2021

- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

Use of our report

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

DocuSigned by:

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Lee Cartwright LLB ACA (Senior Statutory Auditor)

For and on behalf of

Beever and Struthers

Statutory Auditor

St George's House

215-219 Chester Road

Manchester

M15 4JE

Date: 9/27/2021

Open Solutions (OSUK) Limited
Statement of Comprehensive Income
Year Ended 31st March 2021

All the activities of the company are from continuing operations.

		2021	2020
	Note	£	£
Turnover	3	7,056,525	4,750,092
Cost of Sale		(4,982,222)	(2,942,088)
		-----	-----
Gross profit		2,074,303	1,808,003
Administrative expenses		(1,030,532)	(855,669)
Profit/(Loss) on disposal of fixed asset investments	5	(6,916)	24,081
		-----	-----
Operating profit	4	1,036,855	976,416
Interest payable and similar charges	6	(936,017)	(891,502)
Gain on revaluation		830,800	33,377
		-----	-----
Profit on ordinary activities before taxation		931,638	118,292
Tax on profit on ordinary activities	7	-	-
		-----	-----
Profit for the financial year and total comprehensive income		931,638	118,292
		=====	=====

The notes on pages 11 to 20 form part of these financial statements.

Open Solutions (OSUK) Limited

Statement of Financial Position

31st March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible Fixed Assets	8	47,549	-
Investment Properties	9	22,838,327	18,725,297
		<u>22,885,876</u>	<u>18,725,297</u>
Current assets			
Stock	10	5,320,583	8,439,532
Debtors	11	81,979	78,659
Cash at bank and in hand		16,080	80,531
		<u>5,418,642</u>	<u>8,598,722</u>
Creditors: Amounts Falling due Within One Year	12	300,399	485,385
Net current assets		<u>5,118,243</u>	<u>8,113,337</u>
Total assets less current liabilities		<u>28,004,119</u>	<u>26,838,633</u>
Creditors: Amounts Falling due after More than One Year	13	14,700,000	14,400,000
Net assets		<u>13,304,119</u>	<u>12,438,633</u>
Capital and reserves			
Called up share capital	14	11,900,000	11,900,000
Profit and loss account		1,404,119	538,633
Shareholders' funds		<u>13,304,119</u>	<u>12,438,633</u>

These financial statements were approved by the board of directors and authorised for issue on 22nd July 2021 and are signed on behalf of the board by:

Ian Hayhoe
Director

DocuSigned by:

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Company registration number: 08277732

The notes on pages 11 to 20 form part of these financial statements.

Open Solutions (OSUK) Limited

Statement of Changes in Equity

31st March 2021

	Called up share capital	Income and expenditure reserve	Total
	£	£	£
Balance at 31 March 2019	11,000,000	477,149	11,477,149
Profit from Statement of Comprehensive Income	-	118,291	118,291
Gift Aid Payment	-	(56,808)	(56,808)
Issue of Shares	900,000	-	900,000
Balance at 31 March 2020	11,900,000	538,632	12,438,632
Profit from Statement of Comprehensive Income	-	931,638	931,638
Gift Aid Payment	-	(66,151)	(66,151)
Issue of Shares	-	-	-
Balance at 31 March 2021	11,900,000	1,404,119	13,304,119

The notes on pages 11 – 20 form part of these accounts

Open Solutions (OSUK) Limited

Notes to the Financial Statements

Year Ended 31st March 2021

1. 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'.

2. Accounting Policies

Basis of Preparation

The financial statements have been prepared on the historical cost basis, as modified investment properties measured at fair value through the Statement of Comprehensive Income.

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

The Company's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. The impact of the Covid-19 pandemic on the economy and the operating activities of many businesses has resulted in a climate of considerable uncertainty and has led to a reassessment of the Company's financial plans. The company has allowed for deferred rental receipts and income from market sales and has drawn on the support offered through the Job Retention Scheme. Financial plans have been reforecast and demonstrate that all obligations can be met and therefore we consider it appropriate to continue to prepare the financial statements on a going concern basis.

Judgements and key sources of uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the year end and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on the amounts recognised in the financial statements.

a. Development expenditure. Open Solutions (OSUK) Limited capitalises development expenditure. Initial capitalisation of costs is based on management's judgement that the development scheme is confirmed, usually when Board approval has taken place including access to the appropriate funding. In determining whether a project is likely to cease, management monitors the development and considers if changes have occurred that result in impairment. Properties under construction are transferred to Investment Properties when they are ready for letting.

Open Solutions (OSUK) Limited

Notes to the Financial Statements

Year Ended 31st March 2021

2. Accounting Policies (continued)

Other key sources of estimation and assumptions:

Revaluation of investment properties. The company carries its investment property at fair value, with changes in fair value being recognised in the Statement of Comprehensive Income. The valuer uses a valuation technique based on a discounted cash flow model. The determined fair value of the investment property is most sensitive to the estimated yield as well as the long-term vacancy rate. The key assumptions used to determine the fair value of investment property are further explained in note 8. Whilst we are currently operating in a climate of uncertainty since the year end there has been no indication that the underlying assumptions, and therefore the resulting valuations, are significantly changed.

Revenue recognition

Turnover represents rental and service charge income receivable from properties owned by Open Solutions (OSUK) Limited and those managed for third parties net of any rent and service charge losses from voids.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Staffing

OSUK employs no staff and costs represent recharges from Halton Housing.

Taxation

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.

Open Solutions (OSUK) Limited

Notes to the Financial Statements

Year Ended 31st March 2021

2. Accounting Policies (continued)

Investment property

Investment property includes commercial and other properties not held for social benefit. Investment property is measured at cost on initial recognition, which includes the purchase cost and any directly attributable expenditure, and subsequently measured at fair value at the reporting date. Fair value is determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary, for any difference in the nature, location, or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

Properties cease to be classified as Investment Properties and are transferred to stock when they are being readily marketed for sale.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Developments

Investment properties in the course of construction are stated at cost. Investment properties are transferred to completed properties when they are ready for letting.

Bad debt policy

Bad debt provisions on arrears are calculated according to CIPFA guidelines. Both specific and general provisions, where necessary, are made against sundry debtors for service charges and rechargeable repairs.

Interest

Interest payable is capitalised on borrowings to finance the development of new properties to the extent that it accrues in respect of the period of development.

Other interest payable and receivable is charged or credited against the Statement of Comprehensive Income.

Properties for sale

Completed properties for outright sale and property under construction are valued at the lower of cost and net realisable value. Cost comprises materials, direct labour, and direct development overheads. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal.

VAT

Open Solutions (OSUK) Limited is part of a VAT group with Halton Housing, its Parent Company.

Open Solutions (OSUK) Limited

Notes to the Financial Statements

Year Ended 31st March 2021

2. Accounting Policies (continued)

Tangible Fixed Assets

Expenditure in relation to furniture expected to have a useful economic life of more than one year is capitalised as a separately identified asset.

Tangible fixed assets are stated at cost, less accumulated depreciation.

Depreciation is calculated on a straight- line basis over the useful economic life of the asset. Depreciation is charged in the year of acquisition but is not charged in the year of disposal. Useful Economic Life:

Furniture: 7 years

Cash flow

The company has taken advantage of Section 7 of FRS102 to not include a Statement of Cash Flows.

3. Turnover

Turnover arises from:

	2021 £	2020 £
Rendering of services	1,544,818	1,520,797
Sale of New Build Properties	5,511,707	3,229,295
	=====	=====
Turnover	7,056,525	4,750,092

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

4. Operating profit

Operating profit is stated after charging:

	2021 £	2020 £
Auditor's fees	1,595	1,408
	=====	=====

5. Sales of Investment properties

	2021 £	2020 £
Proceeds of sales	3,153,000	760,000
Carrying value of fixed assets	(3,059,266)	(700,000)
Incidental sale expenses	(100,650)	(35,919)
	-----	-----
Profit/(Loss) on Disposal	(6,916)	24,081
	=====	=====

Open Solutions (OSUK) Limited

Notes to the Financial Statements

Year Ended 31st March 2021

6. Interest payable and similar charges

	2021	2020
	£	£
Interest to group undertakings	1,125,431	1,121,331
Less: Capitalised Interest	(189,414)	-229,829
	<u>936,017</u>	<u>891,502</u>

7. Tax on profit on ordinary activities

The current tax charge is based on the profit for the year and represents:

	2021	2020
	£	£
Corporation Tax charge for the year	-	-
Under/(Over) Provision in previous years	-	-
	<u>-</u>	<u>-</u>
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>
Factors affecting the tax charge for the year		
Profit on Ordinary Activities before tax	931,638	118,291
Theoretical Tax 19%	177,011	22,475
Tax effect of disallowable expenses	(130,237)	(5,331)
Disposals of Properties	1,314	(4,575)
Tax relief due to Qualifying Charitable Donation	(48,088)	(12,569)
Adjustments in respect of prior year	-	-
	<u>-</u>	<u>-</u>
Current Tax Charge	<u>-</u>	<u>-</u>

Open Solutions (OSUK) Limited

Notes to the Financial Statements

Year Ended 31st March 2021

8. Tangible Fixed Assets

	Other fixed assets	TOTAL
	Freehold properties incl furniture	Total fixed assets
Cost	£	£
At start of the year	-	-
Additions to properties acquired	55,474	55,474
Disposals	-	-
	=====	=====
At end of the year	55,474	55,474
	=====	=====
Depreciation and impairment		
At start of the year	-	-
Charge for the year	7,925	7,925
Impairment losses	-	-
Disposals	-	-
	=====	=====
At end of the year	7,925	7,925
	=====	=====
Net book value at the end of the year	47,549	47,549
	=====	=====
Net book value at the start of the year	-	-
	=====	=====

Open Solutions (OSUK) Limited

Notes to the Financial Statements

Year Ended 31st March 2021

9. Investment Properties

			Investment Properties £	Investment Properties £
At start of year	PUC	FV properties		
At 1 April 2020	487,639	18,237,658	18,725,297	23,445,812
Additions	98,435	6,589,061	6,687,496	2,033,129
Transfer to FV properties	(586,074)	586,074	-	-
Transfer from Land	-	-	-	-
Disposals	-	(2,799,266)	(2,799,266)	(640,000)
Transfer to stock	-	(606,000)	(606,000)	(6,147,021)
Gain from adjustment in value		830,800	830,800	33,377
At 31 March 2021	-	22,838,327	22,838,327	18,725,297
			=====	=====
Carrying amount	At 31 March 2021		22,838,327	18,725,297
			=====	=====
	At 31 March 2020		18,725,297	23,445,812
			=====	=====

The total historic cost of the Investment Properties as at 31st March 2021 was £21.4m.

The company has adopted the provisions under sections 16.1 and 16.2 of FRS102 in relation to the revaluation of their investment properties with fair value movements taken to the Statement of Comprehensive Income. The valuation dated 31.03.21 was carried out by Aspin and Company Limited, a firm of RICS registered valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Valuation – Global Standards 2017 using qualified chartered surveyors who had sufficient current local knowledge of the market and skills and understanding to undertake the valuation competently. In valuing the properties, the following significant assumptions were used:

The discount rate applied was the all risks yield which accounts for economic factors as well as building factors, so it is an all-embracing measure of return. This ranges from 7.0% to 9.5% depending upon the property investment type and location. The investment yield applied is also determined by the percentage of void units at each investment and a consistent approach has been applied in this regard.

Open Solutions (OSUK) Limited

Notes to the Financial Statements

Year Ended 31st March 2021

At the outbreak of the pandemic, there was significant uncertainty around how the investment market would respond. As we come through the easing of restrictions, the predicted fall in the economy which would impact on the property investment market has not happened to the extent expected. The residential market has shown areas of growth which is clearly demonstrated in an increase in property transactions. Leading researchers (Savills) have predicted a short-term shortage of supply which may push property prices further in the first two quarters of 2021.

The valuations provided are based upon transactional activity, a reducing number of voids and an increased demand. There is less material valuation uncertainty than there was at the last annual review which has played through the Fair Value assessments.

10. Stock

	2021	2020
	£	£
Land for Sale	-	4,510,874
Properties held for sale		
Completed	897,118	1,145,337
Work in progress	4,423,465	2,783,321
	-----	-----
	5,320,583	8,439,532
	=====	=====

11. Debtors

	2021	2020
	£	£
Trade debtors	4,179	24,259
Other debtors	27,200	30,216
Prepayments	47,379	24,184
Accrued Income	3,221	-
	-----	-----
	81,979	78,659
	=====	=====

12. Creditors: amounts falling due within one year

	2021	2020
	£	£
Amounts owed to group undertakings	83,058	240,427
Corporation tax	-	-
Accruals and deferred income	217,341	244,958
	-----	-----
	300,399	485,385
	=====	=====

Open Solutions (OSUK) Limited

Notes to the Financial Statements

Year Ended 31st March 2021

13. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Amounts owed to group undertakings	14,700,000	14,400,000
	=====	=====

The amounts in creditors due in over one year are a loan from the parent company, Halton Housing.

14. Called up share capital

Authorised share capital

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	11,900,000	11,900,000	11,900,000	11,900,000
	=====	=====	=====	=====

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	11,900,000	11,900,000	11,900,000	11,900,000
	=====	=====	=====	=====

15. Capital commitments

	2021	2020
	£'000	£'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	24	486
Capital expenditure that has been authorised by the Board but has not yet been contracted for	3,344	41,060
	<u>3,368</u>	<u>41,546</u>

The company expects these commitments to be financed with:

Proceeds from the sales of properties	3,368	41,546
Approved on lending	-	-
	<u>3,368</u>	<u>41,546</u>

Open Solutions (OSUK) Limited

Notes to the Financial Statements

Year Ended 31st March 2021

16. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under FRS102 Section 33.

17. Controlling party

The company's parent undertaking, which is also the company's ultimate parent undertaking, is Halton Housing, which is incorporated in England under the Co-operative and Community Benefit Societies Act 2014 (Community Benefit Society number: 7744) and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing. Copies of the Group Financial Statements of Halton Housing are available to the public and may be obtained from Waterfront Point, Warrington Road, Widnes, WA8 0TD.

18. Financial instruments

The Company's financial instruments may be analysed as follows:

	2021 £	2020 £
Financial assets		
a) Financial assets measured at amortised cost	47,459	135,006
Financial liabilities		
a) Financial liabilities measured at amortised cost	15,000,399	14,885,385

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, other debtors and amounts due from group undertakings.

Financial liabilities measured at amortised cost comprise accruals and deferred income, corporation tax and amounts owed to group undertakings.