

Registered number
10546749

AMENDED

Civitas SPV11 Limited
Report and Financial Statements
for the year ended 31 March 2020

- The revised accounts replace the original accounts;
- They are now the statutory accounts;
- They have been prepared as at the date of the original accounts, and not as the date of revision and accordingly do not deal with events between those dates

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Civitas SPV11 Limited
Report and Financial Statements
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Civitas SPV11 Limited
Company Information

Directors

Paul Bridge
Subbash Thammanna

Secretary

Link Company Matters Limited
Beaufort House
51 New North Road
Exeter
EX4 4EP

Solicitors

Cadwalader, Wickersham & Taft LLP
Dashwood House
69 Old Broad Street
London
EC2M 1QS

Registered office

Beaufort House
51 New North Road
Exeter
EX4 4EP

Registered number

10546749

Civitas SPV11 Limited**Registered number:** 10546749**Directors' Report**

The Directors present their report and financial statements for the year ended 31 March 2020.

The Directors' Report has been prepared in accordance with the special provisions relating to small companies under Sections 415(A) (1) and (2) of the Companies Act 2006.

Principal activities

The Company's principal activity during the year was the investment in a portfolio of social homes.

The Company is a wholly-owned subsidiary of Civitas Social Housing Jersey 1 Limited, whose ultimate parent is Civitas Social Housing PLC.

Strategic report

The Directors have taken advantage of the exemptions allowed under Section 414B of the Companies Act 2006 and have not prepared a Strategic Report.

Results and dividends

The profit for the year amounted to £33,255 (2019: £30,105). The Directors paid dividends during the year of £17,146 (2019: none). Any residual profit for the year is to be transferred to reserves.

Share capital

The Company was incorporated on 4 January 2017 with 100 Ordinary shares of £1 each. A further share was issued on 23 November 2017 for consideration of £177,295. As at 31 March 2020, there were 101 Ordinary shares in issue.

Directors

The following persons served as Directors during the year:

Paul Bridge	Appointed 17 February 2017
Graham Peck	Appointed 5 March 2018, resigned 28 August 2019
Subbash Thammanna	Appointed 28 August 2019

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the Statement of Comprehensive Income of the Company for that period.

Civitas SPV11 Limited**Registered number:** 10546749**Directors' Report**

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 Company will continue in business.

The Directors 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.

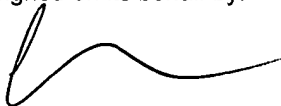
The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Exemption from audit

The Company satisfies the conditions disclosed in section 479A Companies Act 2006 "Subsidiary companies: conditions for exemption from audit". The Directors note that:

- the members have not required the Company to obtain an audit of its accounts for the period in question in accordance with section 476;
- the ultimate parent company, Civitas Social Housing PLC, has provided an undertaking to guarantee under section 479C in respect of that period; and
- the Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

This report was approved by the Board of Directors on 17 November 2020 and signed on its behalf by:



Subbash Thammanna
Director

Civitas SPV11 Limited
Statement of Comprehensive Income
for the year ended 31 March 2020

	Notes	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Gross rental income	3	32,701	32,191
Administrative and other expenses	4	-	(831)
Operating profit before changes in fair value of investment property		32,701	31,360
Changes in fair value of investment property	7	10,769	4,705
Changes in fair value due to lease incentives	7	(4,366)	-
Operating profit		39,104	36,065
Finance expense	5	(5,849)	(5,960)
Profit before taxation		33,255	30,105
Tax charge on profit	6	-	-
Total comprehensive income (attributable to the shareholders)		33,255	30,105

All amounts included in the Statement of Comprehensive Income relate to continuing activities.
There are no items of comprehensive income other than the profit for the financial year.

The notes on pages 7 to 17 form part of these financial statements.

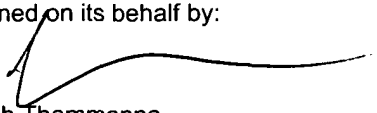
Civitas SPV11 Limited
Statement of Financial Position
as at 31 March 2020
Company Number 10546749

	Notes	31 March 2020 £	31 March 2019 £
Non-current assets			
Investment property	7	598,809	592,406
Current assets			
Trade and other receivables	8	54,701	45,017
Total assets		<u>653,510</u>	<u>637,423</u>
Current liabilities			
Trade and other payables	9	(5,931)	(5,953)
Non-current liabilities			
Trade and other payables	10	(167,512)	(167,512)
Total liabilities		<u>(173,443)</u>	<u>(173,465)</u>
Net assets		<u>480,067</u>	<u>463,958</u>
Capital and reserves			
Called up share capital	12	101	101
Retained earnings	13	479,966	463,857
Total equity		<u>480,067</u>	<u>463,958</u>

The Company satisfies the conditions disclosed in section 479A Companies Act 2006 "Subsidiary companies: conditions for exemption from audit". The Directors note that:

- the members have not required the Company to obtain an audit of its accounts for the period in question in accordance with section 476;
- the ultimate parent company, Civitas Social Housing PLC, has provided an undertaking to guarantee under section 479C in respect of that period; and
- the Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the Board of Directors on 17 November 2020 and signed on its behalf by:


Subbash Thammanna
Director

The notes on pages 7 to 17 form part of these financial statements.

Civitas SPV11 Limited
Statement of Changes in Equity
for the year ended 31 March 2020

	Notes	Share capital £	Retained earnings £	Total £
At 1 April 2018		101	433,752	433,853
Total comprehensive income		-	30,105	30,105
At 31 March 2019		<u>101</u>	<u>463,857</u>	<u>463,958</u>
At 1 April 2019		101	463,857	463,958
Total comprehensive income		-	33,255	33,255
Dividends	14	-	(17,146)	(17,146)
At 31 March 2020		<u>101</u>	<u>479,966</u>	<u>480,067</u>

The notes on pages 7 to 17 form part of these financial statements.

Civitas SPV11 Limited
Notes to the Financial Statements
for the year ended 31 March 2020

1 Summary of significant accounting policies

1.1 General information

The financial statements of Civitas SPV11 Limited (the 'Company') for the year ended 31 March 2020 were authorised for issue by the Board of Directors on 17 November 2020.

The Company is a registered private company incorporated in the UK. The address of the registered office is Beaufort House, 51 New North Road, Exeter, EX4 4EP. The Company's principal activity is the investment in a portfolio of social homes. The Company is owned by Civitas Social Housing Jersey 1 Limited and its ultimate parent company is Civitas Social Housing PLC.

These financial statements are contained within the group consolidated financial statements of Civitas Social Housing PLC. The group consolidated financial statements may be obtained from the Company Secretary at Beaufort House, 51 New North Road, Exeter, EX4 4EP.

These financial statements represent the separate financial statements of the Company.

1.2 Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements ("FRS 100") and Financial Reporting Standard 101, 'Reduced Disclosure Framework' ("FRS 101"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties which have been measured at fair value through the Statement of Comprehensive Income, and in accordance with the Companies Act 2006.

The financial statements are prepared on a going concern basis.

FRS 101 introduces a disclosure framework enabling qualifying entities to use the recognition and measurement bases of International Financial Reporting Standards ("IFRS") in their individual entity financial statements, while being exempt from a number of disclosures required by full IFRS. The Company has taken advantage of the following disclosure exemptions which are permissible under FRS 101 as the equivalent disclosures are contained within the group consolidated financial statements of Civitas Social Housing PLC:

- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel;
- disclosure of related party transactions with other wholly owned members of the Civitas Social Housing plc group of companies;
- the disclosure of certain information relating to financial instruments and other fair value measurements; and
- the disclosure of certain comparative information relating to investment properties.

Civitas SPV11 Limited
Notes to the Financial Statements
for the year ended 31 March 2020

1.3 *Impact of new standards, amendments and interpretations*

The following new standards are now effective and have been adopted for the year ended 31 March 2020.

- IFRS 16 Leases: Introduction of a single, on-balance sheet accounting model (effective for annual periods beginning on or after 1 January 2019). The Directors have assessed that the adoption of this standard does not have a material impact on the Company's financial statements as the Company does not hold any material operating leases as lessee.
- IFRIC 23 Uncertainty over Income Tax Treatments: Clarifies the application of recognition and measurement requirements in IAS 12 Income Taxes, when there is uncertainty over income tax treatments (effective for annual periods beginning on or after 1 January 2019). The Directors have assessed that the adoption of this new interpretation does not have a material impact on the Company's financial statements.

1.4 *Going concern*

To date, the financial performance of the Company and its ultimate parent undertaking, Civitas Social Housing PLC have not been negatively impacted by COVID-19. Civitas Social Housing PLC and its Investment Adviser, Civitas Investment Management Limited ("CIM") are working closely with its major counterparties to monitor the position on the ground and, should it be needed, to offer assistance and guidance where possible. Its Board of Directors believes that the Group operates a robust and defensive business model and that social housing and specialist healthcare are proving to be some of the more resilient sectors within the market, given that they are based on non-discretionary public sector expenditure and that demand exceeds supply.

As at 31 March 2020 the Company had net current assets of £48,770 (2019: £39,064).

Having reviewed the Company's current position and cash flow projections, including the confirmation that the Company's ultimate parent undertaking will provide such support as is required for a period of at least 12 months from the date of signing of these financial statements, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing these financial statements.

Civitas SPV11 Limited
Notes to the Financial Statements
for the year ended 31 March 2020

1.5 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost, being the fair value of the consideration given, including expenditure that is directly attributable to the acquisition of the investment property. After initial recognition, investment property is stated at its fair value at the balance sheet date. Gains and losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise in the Statement of Comprehensive Income.

Subsequent expenditure is capitalised only when it is probable that future economic benefits are associated with the expenditure. Ongoing repairs and maintenance are expensed as incurred.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is incurred in profit or loss in the period in which the property is derecognised.

Significant accounting judgements, estimates and assumptions made for the valuation of investment properties are discussed in note 2.

1.6 Trade and other receivables

Trade and other receivables are amounts due in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are initially recognised at fair value, and subsequently where necessary re-measured at amortised cost less provision for impairment.

1.7 Impairment of financial assets

The Company's financial assets are subject to the expected credit loss model.

For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The expected loss rates are based on the payment profiles of sales over a period of up to 36 months before 31 March 2020 or 1 April 2019 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the liability of the tenants to settle the receivable. Such forward-looking information would include: changes in economic, regulatory, technological and environmental factors, (such as industry outlook, GDP, employment and politics); external market indicators; and tenant base.

Trade receivables are written off when there is no reasonable expectation of recovery.

Indicators that there is no reasonable expectation of recovery include, among others, the probability of insolvency or significant financial difficulties of the debtor. Impaired debts are derecognised when they are assessed as uncollectible.

1.8 Trade and other payables

Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost until settled.

1.9 Borrowings

Borrowings are initially recognised at fair value less any directly attributable transaction costs. After initial recognition, borrowings are measured at amortised cost, using the effective interest method. Any attributable transaction costs relating to the issue of the borrowings are amortised through the Company's Statement of Comprehensive Income over the life of the debt instrument on a straight-line basis.

Civitas SPV11 Limited
Notes to the Financial Statements
for the year ended 31 March 2020

1.10 Dividends payable to Shareholders

Dividends to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved. In the UK, interim dividends are recognised when paid.

1.11 Rental income

Rental income from investment property is recognised on a straight-line basis over the term of ongoing leases and is shown gross of any UK income tax. Lease incentives are spread evenly over the lease term.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company has determined that it retains all the significant risks and rewards of ownership of the properties and accounts for the contracts as operating leases as discussed in note 2.

Properties leased out under operating leases are included in investment property in the Statement of Financial Position. Rental income from operating leases is recognised on a straight line basis over the term of the relevant leases.

1.12 Expenses

All expenses are recognised in the Statement of Comprehensive Income on an accruals basis.

1.13 Finance costs

Finance costs consist of interest and other costs that the Company incurs in connection with bank and other borrowings. Bank interest and bank charges are recognised on an accruals basis. Borrowing transaction costs are amortised over the period of the loan.

1.14 Taxation

Taxation on the profit or loss for the period not exempt under UK REIT regulations is comprised of current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised as direct movement in equity, in which case it is recognised as a direct movement in equity. Current tax is expected tax payable on any non REIT taxable income for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax that is provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

1.15 Share issue costs

The costs of issuing or reacquiring equity instruments (other than in a business combination) are accounted for as a deduction from equity.

1.16 Presentational currency

These financial statements have been prepared in Sterling.

Civitas SPV11 Limited
Notes to the Financial Statements
for the year ended 31 March 2020

2 Critical accounting estimates and judgements

In the application of the Company's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial information:

Operating lease contracts – the Company as lessor

The Company has acquired investment properties that are subject to commercial property leases with Registered Providers. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, particularly the duration of the lease terms and minimum lease payments, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the leases as operating leases.

Valuation of investment property

The Company uses the valuation carried out by its independent valuers as the fair value of its property portfolio. The valuation is based upon assumptions including future rental income and the appropriate discount rate. The valuers also make reference to market evidence of transaction prices for similar properties. Further information is provided in note 7.

The Company's properties have been independently valued by Jones Lang LaSalle Ltd. ("JLL" or the "Valuer") in accordance with the current Royal Institution of Chartered Surveyors' Valuation – Global Standards, incorporating the IVS, and the RICS Valuation – Global Standards 2017 UK national supplement (the RICS "Red Book"). JLL is one of the most recognised professional firms within Social Housing valuation and has sufficient current local and national knowledge of both Social Housing generally and specialist supported housing ("SSH") and has the skills and understanding to undertake the valuations competently.

On 30 January 2020, the World Health Organisation declared the coronavirus (COVID-19) a public health emergency. There are no comparable recent events which may provide guidance as to the effect of the spread of COVID-19 and a potential pandemic, and, as a result, the ultimate impact of the COVID-19 outbreak or a similar health epidemic is highly uncertain and subject to change.

UK Real Estate is yet to see the full impact of COVID 19 in terms of investment and occupier activity. The external valuation adviser has applied a "material uncertainty clause" to the 31 March 2020 valuation because they can no longer make reliable judgements on value in the current market. Liquidity and transaction volumes for all but the best quality real estate are likely to be depressed for the immediate period, although it is too early to tell what the longer-term effects may be. Various initiatives have been enacted across government and the industry to protect occupiers. The full wording of the clause is detailed below:

Material Valuation Uncertainty due to Novel Coronavirus (COVID-19)

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries.

Market activity is being impacted in many sectors. As at the valuation date, we consider that we can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. Indeed, the current response to COVID-19 means that we are faced with an unprecedented set of circumstances on which to base a judgement.

Civitas SPV11 Limited
Notes to the Financial Statements
for the year ended 31 March 2020

Our valuation is therefore reported on the basis of “material valuation uncertainty” as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of these properties under frequent review.

For the avoidance of doubt, the inclusion of the ‘material valuation uncertainty’ declaration above does not mean that the valuation cannot be relied upon. Rather, the phrase is used in order to be clear and transparent with all parties, in a professional manner that – in the current extraordinary circumstances – less certainty can be attached to the valuation than would otherwise be the case.

However, the above notwithstanding, the market for lease-backed specialist supported housing continues to see modest activity which is a continuation of levels seen in 2019.

In recent weeks, we have seen completion of transactions which have been ongoing for several months, with no last-minute price renegotiation. We have also seen the inception of new transactions which are likely to be delayed by COVID-19. However, this remains an attractive sector and arguably more so in the current climate compared to other traditional asset classes such as offices and retail which are unlikely to retain their value in the short term.

Residential yields have generally held up well. Stable yields and values have been seen across the investment market for mainstream affordable housing, and also the wider healthcare sector where we have seen no softening of yields so far.

3 Total property income

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Rental income	32,768	32,191
Lease incentive adjustments	(67)	-
	<u>32,701</u>	<u>32,191</u>

4 Administrative and other expenses

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Administration fees	-	831
	<u>-</u>	<u>831</u>

Civitas SPV11 Limited
Notes to the Financial Statements
for the year ended 31 March 2020

5 Finance expense

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Intercompany loan interest	5,463	5,419
Intercompany loan cost recharges	386	541
	<u>5,849</u>	<u>5,960</u>

The effective interest associated with financial liabilities held at amortised cost is the interest element of the total finance expense above.

6 Taxation

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Analysis of charge in year		
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting tax charge for year

The differences between the tax assessed for the year and the standard rate of corporation tax are explained as follows:

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Profit on ordinary activities before tax	<u>33,255</u>	<u>30,105</u>
Standard rate of corporation tax in the UK	19.00%	19.00%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	6,318	5,720
Effects of:		
Revaluation of investment properties not taxable	(1,217)	(894)
REIT exempt income	(5,101)	(4,826)
Total tax expense	<u>-</u>	<u>-</u>

Civitas Social Housing PLC elected during 2017 to become a Real Estate Investment Trust (REIT) for UK tax purposes. As a result, no UK corporation tax should be due on future income or capital gains in respect of investment properties within the REIT group, of which the Company is a member.

Civitas SPV11 Limited
Notes to the Financial Statements
for the year ended 31 March 2020

7 Investment property

	31 March 2020 £
Fair value	
At 1 April 2019	592,406
Change in fair value	10,769
Valuation provided by the valuers	603,175
Adjustment for lease incentive assets	(4,366)
At 31 March 2020	<u>598,809</u>

In accordance with "IAS 40: Investment Property", the investment property has been independently valued at fair value by JLL, an accredited external valuer with recognised and relevant professional qualifications and recent experience of the location and category of the investment property being valued, however the valuations are the ultimate responsibility of the Directors.

JLL have valued the investment property of the Company on an individual property basis assuming market standard costs, in accordance with the RICS red book methodology.

JLL has included a Material Valuation Uncertainty due to Novel Coronavirus (COVID-19) clause within its valuation report. Full details of the uncertainty clause are given in note 2.

JLL has provided valuations services to the Company with regards to the properties during the year. In relation to the year ending 31 March 2020, the proportion of the total fees payable by the Company to JLL's total fee income was less than 5% and is therefore minimal. Additionally, JLL has a rotation policy in place whereby the signatories on the valuations rotate after seven years.

All of the Company's properties are level 3 in the fair value hierarchy as at 31 March 2020 and there were no transfers between levels during the year.

8 Trade and other receivables

	31 March 2020 £	31 March 2019 £
Amounts owed by group undertakings	50,335	43,228
Debtor arising from lease incentives	4,366	-
Other debtors	-	1,789
	<u>54,701</u>	<u>45,017</u>

All trade receivables relate to amounts that are less than 30 days overdue as at the year end.

Civitas SPV11 Limited
Notes to the Financial Statements
for the year ended 31 March 2020

9 Trade and other payables

	31 March 2020 £	31 March 2019 £
Deferred income	4,800	4,822
Interest payable	1,131	1,131
	<u>5,931</u>	<u>5,953</u>

10 Creditors: amounts falling due after one year

	31 March 2020 £	31 March 2019 £
Amounts owed to group undertakings and undertakings in which the company has a participating interest	167,512	167,512
	<u>167,512</u>	<u>167,512</u>

The Company is party to an intergroup loan agreement with Civitas Social Housing Finance Company 1 Limited. The purpose of the loan is to re-finance the acquisition of the properties which the Company has acquired. The loan is subject to an interest charge and is fully repayable on 2 November 2027.

Civitas Social Housing Finance Company 1 Limited has entered into a 10 year Sterling Term Facility Agreement dated 3 November 2017 for £52,500,000 with Scottish Widows Limited arranged by Lloyds Bank plc. The Company along with a number of other group entities has provided its portfolio of investment properties as security.

11 Share capital and reserves

Share capital represents the nominal value of share capital subscribed for.

The share premium reserve represents the amounts subscribed for Ordinary share capital in excess of nominal value less associated issue costs.

The capital reduction reserve is a distributable reserve to which the value of the share premium has been transferred. Dividends are paid from this reserve.

Retained earnings represents the net of all profits and losses, gains and losses generated which have not been distributed to shareholders.

12 Share capital

	31 March 2020 Number	31 March 2019 Number	31 March 2020 £	31 March 2019 £
Allotted, called up and fully paid:				
£1 Ordinary shares	<u>101</u>	<u>101</u>	<u>101</u>	<u>101</u>

Civitas SPV11 Limited
Notes to the Financial Statements
for the year ended 31 March 2020

13 Retained earnings

	31 March 2020 £	31 March 2019 £
At beginning of year	463,857	433,752
Total comprehensive income	33,255	30,105
Dividends	(17,146)	-
At end of year	<u>479,966</u>	<u>463,857</u>
Retained earnings are made up as follows:		
Unrealised gains	421,514	415,111
Distributable earnings	58,452	48,746
	<u>479,966</u>	<u>463,857</u>

14 Dividends

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Paid during the year:		
Equity dividends	<u>17,146</u>	<u>-</u>

15 Events after the reporting date

The impact of COVID-19 remains uncertain and may be material; the Directors are in dialogue with the Valuers and will continue to monitor the situation. Since the year end, the valuers have valued the investment property at 30 June 2020 as £605,120.

After the year end, on 24 July 2020, the Company paid a dividend of £38,964.

Civitas SPV11 Limited
Notes to the Financial Statements
for the year ended 31 March 2020

16 Operating leases

The Company's investment property is leased to a single Registered Provider under the terms of commercial property leases with the earliest due to expire on 17 February 2042 and with index linked annual rent reviews. The Company's current leases are Full Repairing and Insuring ('FRI') leases, the tenants are therefore obliged to repair, maintain and renew the properties back to the original conditions.

Total future minimum lease receivables under non-cancellable operating leases fall due as follows:

	Investment Property 31 March 2020 £	Investment Property 31 March 2019 £
Falling due:		
within one year	33,257	32,701
within two to five years	133,029	130,805
in over five years	561,513	584,828
	<u>727,799</u>	<u>748,334</u>

17 Controlling party

The Company is wholly owned by Civitas Social Housing Jersey 1 Limited which in turn is owned by Civitas Social Housing PLC a Company incorporated in the UK. Civitas Social Housing PLC is the ultimate holding company. This is the next and most senior parent that produces consolidated financial statements. There is no ultimate controlling party.