

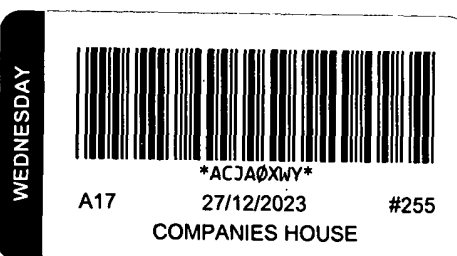
**BROADWAY LIVING RP LIMITED**



**BROADWAY LIVING RP LIMITED  
(Company Limited by Guarantee)**

**ANNUAL REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 March 2023**

**COMPANY NUMBER 11940146**



# **BROADWAY LIVING RP LIMITED**

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# **BROADWAY LIVING RP LIMITED**

## **A snapshot of our business**

We exist to provide affordable homes for people who can't access the housing market. We believe in providing safe, secure and warm homes, but we are ultimately a people business. Not only do we care about the lives of all our residents, we want those who need additional care and support services from Broadway Living to feel supported by their landlord. Our current business and development programme is summarised below:

- 61 homes owned and managed.
- £0.4m annual turnover
- 93 homes in contract to BLRP and being constructed.

## **Highlights of the year**

- Purchased our second completed development from Ealing Council providing 35 discounted rent homes at Copley Close, Matlock Court, with all homes let.
- Continued to progress the 5 development schemes which transferred from Ealing Council to BLRP in 2021/22, delivering 93 homes for affordable housing, with loans secured and being drawn on a cashflow basis as development work progresses.
- 178 homes continued to be progressed by Ealing Council, to be transferred to BLRP at completion, subject to BLRP Board approval.
- 214 homes put into contract by Ealing Council to be transferred to BLRP at completion subject to BLRP Board approval.
- 92 homes being progressed to contract by Ealing Council, to be transferred to BLRP at completion subject to BLRP Board approval.

## **Chair's statement**

Welcome to the second Annual Report from Broadway Living RP, a wholly owned subsidiary of Broadway Living Ltd. We were established to deliver and manage a programme of affordable housing in the London Borough of Ealing, which, like so many other parts of London, has a critical shortage of good homes to rent and buy available for local people. For all the communities in the seven towns of Ealing to thrive we must address this chronic problem.

We have a Loan Agreement with the London Borough of Ealing which makes available up to £400m over the next six years to support the delivery of our growth ambitions.

In April 2022 the Board and the London Borough of Ealing approved our business plan to deliver the second tranche of development schemes providing 753 homes, and the lending required at £205.7mn. Combined with the business plan for our first tranche of development schemes agreed in the previous year, the total agreed programme was for up to £308mn funding from Ealing to deliver up to 1,155 homes.

This has been a period dominated by the war in Ukraine, the cost-of-living crisis, inflation, rising interest rates, and economic and political uncertainty, together with the continuing effects of COVID-19. The impact on the construction market, including costs, the availability of labour, and lead times was considerable.

These impacts necessitated the reappraisal of development schemes in the tranche 2 business plan, resulting in 4 developments delivering 388 homes being deferred and one development delivering 92 homes being delayed. Separately the London Borough of Ealing withdrew 1 development scheme (59 homes) from the programme.

There have also been impacts in practical and operational terms. My thanks, and those of the Board, go to the staff of London Borough of Ealing for their exceptional commitment during this difficult period.

## **BROADWAY LIVING RP LIMITED**

One of our construction contractors, delivering 4 of our 5 development sites, was placed in administration in June 2023. Though this is not reflected in the annual accounts for 2022-23, it will have a material impact on the business, increasing the delivery cost and timescales for these schemes. Current business planning indicates this can be supported.

During the year we acquired our second completed development, at Matlock Court, from the London Borough of Ealing, providing 35 homes for discounted rent, and we continued to progress our 5 development schemes on-site. The London Borough of Ealing continued to progress 2 development schemes to be transferred to BLRP at completion; it entered into contract for 2 development schemes in our tranche 2 programme which will be transferred to BLRP, subject to governance decisions, and it continued to progress a third scheme intended to enter contract during the 2023/24 financial year, also to be transferred to BLRP subject to governance decisions.

Despite reporting a deficit for the year, we will become profitable by the year 2025/26. Our sponsor, the London Borough of Ealing is committed to support us through the early years of the business and has approved the availability of an operational working capital loan facility to support the business if needed over the next few years.

We had a successful year in difficult times though this is now tempered by the administration of our construction contractors entering into administration. The challenges now are to retender and complete the affected developments, and to manage our growth to meet our long-term growth ambitions; to maintain good customer service for existing residents; and to put measures in place to respond to the requirements of the Social Housing Regulation Act.

The challenges remain significant, particularly as the cost-of-living crisis unfolds and affects the incomes and living standards of our residents as well as our growth programme. The Board remains committed to its mission to deliver sustainable affordable homes for communities in Ealing and remains enthusiastic about the task we have taken on.

Finally, I would like to thank my colleagues and the leadership team for driving the business forward and continuing to meet our strategic goals, whilst maintaining good governance and the management of a challenging development programme during challenging times.

## BROADWAY LIVING RP LIMITED

### COMPANY INFORMATION

**DIRECTORS:** C Sherriff (Chair)  
T Renshaw  
T Quinn  
J Higgins (appointed 30 November 2022, resigned 31 July 2023)  
C Bunting (appointed 15 May 2023)  
L Duvall (resigned 1 September 2022)

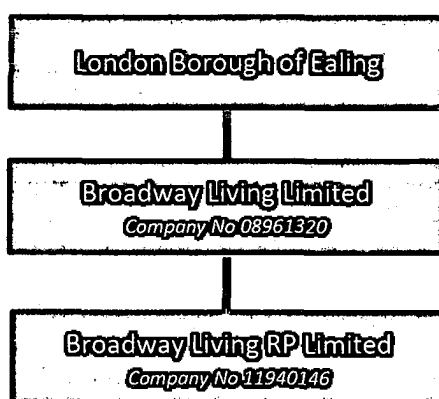
**COMPANY SECRETARY:** Bridgehouse Company Secretaries Limited  
Bridge House  
181 Queen Victoria Street  
London  
EC4V 4EG

**REGISTERED OFFICE:** 4<sup>th</sup> Floor, Perceval House  
14 - 16 Uxbridge Road  
Ealing  
London  
W5 2HL

**BANKERS:** Lloyds Bank Plc  
PO Box 72  
Bailey Drive  
Gillingham Business Park  
Kent  
ME8 0LS

**STATUTORY AUDITOR:** Beever and Struthers  
London  
150 Minories  
London EC3N 1LS  
[www.beeverstruthers.co.uk](http://www.beeverstruthers.co.uk)

### GROUP INFORMATION & LEGAL STATUS



Broadway Living RP Limited was incorporated on 11 April 2019 and is the subsidiary of Broadway Living Limited. The association is a registered provider of affordable housing, regulated by the Regulator of Social Housing (Registration No. 5105).

## **BROADWAY LIVING RP LIMITED**

### **Statement of Directors' Responsibilities**

- Set the Company's mission, values and standards and ensure that its obligations to customers, the Regulator and stakeholders are both understood and met.
- Participate in formulation and oversight of business planning and strategy, and their delivery.
- Participate in the setting and agreement of annual budgets, performance targets; approve funding arrangements, property developments, and major commitments including acquisitions and contracts.
- Assist in the monitoring of our performance, in particular monitoring financial and operational performance and achievements against targets.
- Participate in overseeing the Company's operational framework, in particular monitoring and informing contracts as well as policies and procedures.
- Ensure the Company effectively manages and mitigates business and reputational risks and has adequate and robust controls in place.
- Ensure the Company is compliant with relevant regulations, including those of the Regulator of Social Housing, and its own internal financial and operational frameworks.
- Positively represent the Company and champion its interests.
- Participate in individual and board appraisal process.

### **Business and Financial Review**

For the year ended 31 March 2023 the Board reports a deficit of (£0.38m) [2022 (£0.14m)] from total activities of £0.42m [2022: £0.20m], although the association made a loss during the financial year, this loss was a planned loss and was broadly in line with the budgeted loss of £0.31m.

The 2023 deficit result is due to:

- Exceptional costs incurred on legal advice relating to, transfer of tenanted properties from Broadway Living Ltd to Broadway Living RP, developing a service level agreement with London Borough of Ealing, and consultancy costs for property compliance audits and GLA funding advice.
- Exceptional costs incurred in letting fees on the first letting of Copley Close, Matlock Court.
- Whilst the operational landlord business will be scaled up as sites are acquired and schemes complete, 61 units are operational at present, and as such income has not been sufficient to generate a profit. As the business grows in scale the business will become more profitable as demonstrated in our business plan.

The board have approved an ambitious £370m programme to develop or acquire a further 1,155 homes. The two projects already acquired and in management, and the current programme of 5 development schemes, form part of this programme of activity. There are 2 additional projects, Dean Gardens and Southall Market Car Park in this programme being progressed by Ealing Council and proposed to be transferred at completion, subject to the necessary governance, which will provide an additional 178 homes, the majority of which will be affordable housing. In addition, the company intends to acquire 42 homes already in management from its parent, BL Ltd.

Ealing has entered contract to deliver 214 homes at Lexden Road and Sussex Crescent, to be transferred to BLRP subject to the necessary governance. Ealing has continued to progress proposals at Northolt Grange for 92 homes with the aim of entering contract on during 2023/24, again to be transferred to BLRP subject to governance. Further projects in this programme remain under review.

## **BROADWAY LIVING RP LIMITED**

The business plan has been stress tested across a range of scenarios including some that would break the plan. From this testing mitigations have been identified to protect the business plan from viability being breached.

### **Risk Management**

Management of Risk remains a key priority for the Company reflecting the ongoing change in both our external and internal operating environments.

The Company has a clear strategic approach to risk, including both programmed and reactive reviews, and this is documented in the Company's Risk Strategy.

An effective risk management framework sits at the core of the system of internal control. The Board confirms that the process for identifying, evaluating, and managing the significant risks faced by the organisation is ongoing, the process has been in place throughout the year and is regularly reviewed by the Board.

The Board maintain oversight of key risks as part of good governance.

The risk register is further enhanced by assurance provided to the Board based upon the 3 Lines of Defence:

- First Line – Day-to-Day Management
- Second Line – Corporate Oversight
- Third Line – Independent Assurance

### **Risks and Mitigations**

The principal risks of the Company and the associated mitigations are set out in the table below.

## BROADWAY LIVING RP LIMITED

Risk	Mitigation
<b>Governance failure - breach of regulation due to not embedding the new structure with Council, Boards and Leadership team.</b>	Fully documented procedures being developed. External Company Secretary arrangements. Governance framework to be embedded in BL/BLRP, Executive and Council as shareholder. Close management of future loan covenants.
<b>Failure to implement the new company transition plan (Action Plan)</b>	Close senior level working between BL and Council on structures; systems; processes and Governance. Regular oversight by Board. Delay in transferring stock from BL to BLRP will have negative effect on Business plan. Workshop with Council on 17 May to optimise way we work together.
<b>Loss of key staff, recruitment and retention plan not achieved</b>	Development Services provided by Council in interim undersigned SLA. Additional interim development management support secured.
<b>Loan Funding agreements are not agreed or implemented in a timely manner/ Business plan borrowing costs are impacted by increases in market rates</b>	Revised financial plan for Tranche 1 schemes approved by Council BL and BLRP Boards in July 21. Loan Facility Agreement approved 18 October 2021. Agreement signed December 2021. Business plan review under progress to establish programme viability. Continued discussions with grant funding body for additional grant to mitigate higher costs.
<b>Development risk - delay, quality, cost</b>	New development control system and procedures to be implemented. Asset Board monitors all development schemes in detail. Documentation to be agreed by Board e.g., Standard Employer Requirements. Use of procurement framework for contractors/consultants. regular development report to Board. Contingencies included in scheme budgets, plus loan contingency. Tranche 1 contracts secured and 5 signed on 21/12/21. Build costs for future schemes remain a risk.
<b>Housing management service failure, poor customer satisfaction, poor performance against KPIs</b>	Regular contract management of services with clear accountability. Report by exception to Board on issues arising. Regulatory notice against LBE in May 2022 has caused a re-assessment and re-scoring of this risk, which now has a much greater risk profile. Consideration being given to future options for sourcing of Housing management services.
<b>Council services and consultancy performance standards and service not adequate or poor resourcing</b>	Regular contract management of services with clear accountability and KPIs. Report by exception to Board on issues arising. Ability to terminate and procure services elsewhere. As above, increase in risk following May 2022 Regulatory Notice against LBE has caused increase in risk score. Consideration being given to future options for sourcing of Housing management services.
<b>Major property compliance or health and safety failure</b>	Close management of service delivery, clear procedures for operational delivery. Comms aligned with Council messaging. Staff H&S measures included in SLA with Council. Briefing for Board on H&S and Fire Safety Bill included in induction programme 2021/22. Compliance audit commissioned from Silvers-May 2022-to establish level of compliance achieved by LBE.
<b>Failure to deliver Council's affordable housing strategy impacts reputation/knock on support for BL RP</b>	Regular stakeholder engagement and communication/PR strategy. Workshop with LBE on 17 May to re-establish purpose of BLRP and optimise services from, and relationship with, LBE.
<b>Government rent cap impacts upon business plan and long-term viability of BLRP</b>	Model reduced rents in Business Plan and present to Board with options as to what action to take in response.
<b>Cost of Living crisis impacts on demand for new homes</b>	Re-assess tenure mix in new build schemes and (where possible) consider changing mix in order to mitigate risk
<b>Failure to implement Consumer Standards/new Tenant Satisfaction Measures causes breach of Regulatory Standards/reputational impact</b>	Seek assurance from Ealing Council that they are putting the required systems in place to capture Tenant satisfaction measures data and then report on it.



# **BROADWAY LIVING RP LIMITED**

## **Internal Controls Assurance**

The Board acknowledges its overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness for the Company as a whole.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable, and not absolute, assurance against material misstatement or loss.

This risk-based approach to establishing and maintaining internal controls is embedded within day-to-day management and governance processes. The approach includes the regular evaluation of the nature and extent of risks to which the Company is exposed and is consistent with best practice.

## **DIRECTORS' REPORT**

### **Directors indemnities**

Broadway Living RP Limited has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

### **Group Structure**

Broadway Living RP Limited was incorporated on 11 April 2019 as a private company limited by guarantee under the Companies Act 2006, as such has no share capital and is the subsidiary of Broadway Living Limited.

### **Principal Activity**

The principal activity of Broadway Living RP Limited is to develop properties and act as landlord providing genuinely affordable housing to those in housing need.

### **Economic conditions**

Economic conditions have presented major challenges for the UK and have put major pressure on new build scheme viability due to increasing construction and finance costs, demand and shortages within the sector and ability to achieve start on site dates.

### **Governance**

The board has reviewed its governance arrangements for compliance against its adopted code of governance, the National Housing Federation Code of Governance 2015. The board is substantially compliant with the requirements of the Code. The board established its Audit & Risk committee in July 2023 as a result of which it will be fully compliant with the code. The Board continues to assess its performance against the 2015 Code and has decided not to adopt the 2020 code until it has more homes in management. It will be reviewing this in 2023/24.

### **Regulatory Standards**

The Board has reviewed the Company's compliance with the Economic Regulatory Standards of the Regulator of Social Housing and the board is substantially compliant with the requirements of the Governance and Financial Viability Standard.

### **Legal proceedings**

From time to time, the Company may be involved in legal proceedings incidental to its operations. The outcome of such proceedings, either individually or in aggregate, is not expected to have a material effect upon the results of our operations or financial position.

### **Employees, Employee Involvement and Diversity and Gender Pay**

We recognise that the success of our business depends on the quality of the people who run our business. The Company has no employees other than non-executive directors. All resources used in the business

## **BROADWAY LIVING RP LIMITED**

coming via a service level agreement from the ultimate parent, London Borough of Ealing, or via service contracts with third parties.

### **Health and Safety**

The Company is committed to ensuring and maintaining the health, safety and welfare of its staff, customers, contractors, partners and members of the public who may be affected by its activities.

This is achieved through continuous application and monitoring of our Health & Safety Policy and Management System, by training and raising awareness of Health & Safety risk among the Council and third-party staff running our business and among our customers, and by conducting audits, inspections and investigations. We adopt a practical approach to the way we manage health and safety performance whilst supporting our customers to live independent lives within our communities, with the aim of promoting safer environments in everything that we do.

Health and Safety risks are identified and regularly reviewed and, where required, staff are supported by independent technical specialists to ensure that the Company meets its health and safety obligations. We implement a programme of risk reduction measures as part of on-going controls. Any work identified is undertaken in a timely way and is prioritised for action on the basis of risk.

The Board receive regular reports on a number of measures, in order to assess the Group's performance on health and safety issues and identify any areas for improvement.

### **Investment for the Future**

The Company is committed to investing in new build schemes and the communities in which we serve. During the year we invested £7.2m on new build properties.

### **Policy on payment to suppliers**

The Group is committed to paying suppliers in line with the payment terms agreed with those suppliers.

### **Environmental Matters**

The Group ensures compliance with all environmental legislation and standards. We are committed to embedding sustainable practices into our business operations, ensuring a positive impact on the environment, our homes and communities.

We aim to minimise the impact on the environment and ensure that carbon emissions are reduced, committing resources to ensuring the thermal efficiency and performance of our homes. Our aim is to deliver affordable and efficient homes, understanding the effect that energy costs and environment can have on our residents.

We continue to reduce CO2 emissions and our carbon footprint, managing energy consumption and continuing to look at new technologies, approaches, and funding opportunities to achieve this.

The Group's long-term goal is to achieve 'zero carbon' homes across our stock in the most efficient and cost-effective way achieving sustainable investment in our assets.

### **Directors' responsibilities:**

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the accounts.

Each Director who held office at the date of approval of this report confirms that:

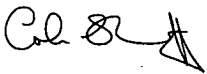
## **BROADWAY LIVING RP LIMITED**

- (a) so far as the Directors are aware, there is no relevant audit information, information needed by the Group's auditor in connection with preparing their report, of which the Group's auditor is unaware; and
- (b) the Directors have taken all steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

This report has been prepared taking advantage of the exemptions for small companies within Part 15 of the Companies Act 2006.

The accounts of Broadway Living RP Limited (registered number 11940146) were approved by the board of directors and authorised for issue on 25 September 2023.

They were signed on its behalf by:



.....  
**C Sherriff**  
**Director (Chair)**

**Date: 25 September 2023**

**4<sup>th</sup> Floor, Perceval House**  
**14 - 16 Uxbridge Road**  
**Ealing**  
**London**  
**W5 2HL**

## BROADWAY LIVING RP LIMITED

### BROADWAY LIVING RP VALUE FOR MONEY STATEMENT

The board of Broadway Living RP Limited have put in place arrangements to ensure that the financial and social performance of our assets and resources are closely monitored and benchmarked and inform our decision making and strategy. Our strategic approach to value for money runs throughout the organisation. The board approve our business plans, budgets and KPIs. This supports the delivery of value for money and enables the executive team to monitor and report to the board on progress throughout the year. This approach will ensure that as the organisation grows, we will continue to provide value for money throughout our operations. In accordance with the Regulator of Social Housing's technical guidance on Value for Money, Broadway Living RP Limited has adopted and reports on the seven core Value for Money metrics as follows:

RSH metric	Forecast performance against year 3 business plan (2023-24) [1]	Forecasted year 2 business plan (2022-23) [1]	Results Year to 31 March 2023	"Sector benchmark – median performance (RSH global accounts 2022)	Results Year to 31 March 2022
Reinvestment %	41.3%	77.0%	66.38%	6.50%	39.91%
New supply delivered (social housing) %	42.1%	51.0%	57.38%	1.40%	0.22%
New supply delivered (non-social housing) %	0.0%	0.0%	0.00%	0%	0.00%
Gearing %	69.0%	70.0%	60.97%	44.10%	26.18%
EBITDA MRI interest cover %	122.6%	85.0%	-51.91%	146%	3.09%
Headline social housing cost per unit	£6,649	£5,838	£7,458	£4,150	£7,591
Operating margin (social) %	61.67%	35.98%	-58.88%	23.30%	-22.93%
Operating margin (overall) %	61.67%	35.98%	-95.41%	20.50%	-22.93%
Return on Capital Employed %	1.33%	0.27%	-0.92%	3.20%	-0.38%

#### Reinvestment

Reinvestment represents value of investment in existing and new assets as a percentage of the value of total assets held. As Broadways Living RP is a young provider early on in its programme it has higher reinvestment that the sector median.

#### New supply delivered.

New Supply is the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at period end. This is higher than the sector median for the same reason given for reinvestment.

## **BROADWAY LIVING RP LIMITED**

### **Gearing**

Gearing assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance. It is often a key indicator of a registered provider's appetite for growth and the forecast 70.0% and actual for 2022/23 of 69.97% is greater than the sector median but will improve as the development programme gathers pace.

### **Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included Interest Cover %**

The EBITDA MRI interest cover measures the level of surplus that a registered provider generates compared to interest payable; the measure avoids any distortions stemming from the depreciation charge. The company is below the sector median as in the last financial year the company become operational which involved relatively high setup costs in relation to income. The business plan demonstrates that as the development programme progresses, and more homes are let out the EBITDA MRI interest cover improves in excess of 100% and closer to the sector median.

### **Headline social housing cost per unit**

Costs per unit were higher than the sector median. In the last financial year the company become operational which some setup costs which are not expected to be reoccurring. Furthermore, as only 61 units are currently let, overhead costs are spread over less units. As more units become operational the company will benefit from scale the efficiencies as certain fixed overheads are spread over more units. This can be seen in the forecast for 2023/24 where the cost per unit falls and see an improvement in the longer-term business plan.

### **Operating Margin %**

The Operating Margin demonstrates the profitability of operating assets before loan interest costs are taken into account. The company had a negative margin for the current and last year which related to some exceptional set up costs in the early years of operations, and with 35 additional units only became operational in the last quarter of the financial year. The business plan demonstrates improving margins as more developments complete and the homes delivered generate more income.

### **Return on capital employed (ROCE) %**

ROCE compares the operating surplus as a percentage of total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources. As the company becomes more profitable as the business plan delivers additional homes and the income they generate the ROCE will improve.

## **BROADWAY LIVING RP LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for the year. 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; 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 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.

# **BROADWAY LIVING RP LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BROADWAY LIVING RP LIMITED**

### **Opinion**

We have audited the financial statements of Broadway Living RP Limited (the Company) for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Reserves, Statement of Cash Flows 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 2023 and of the Company's income and expenditure 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, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

### **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 Board's 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 Board with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the Board Report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **BROADWAY LIVING RP LIMITED**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 or the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the Company has not kept adequate accounting records; or
- the Company's financial statements are not in agreement with books of account; 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 Statement of Board's Responsibilities set out on page 14, the Board 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 determines 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 is 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 either intends 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**

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](http://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 Co-operative and Community Benefit Societies Act, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the



## BROADWAY LIVING RP LIMITED

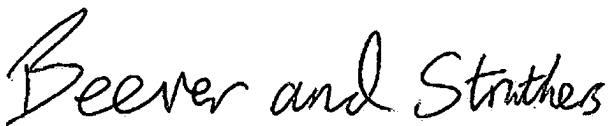
accounting period.

- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the nature of the Company's activities and the regulated nature of the Company's activities.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- 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.



**Michael Tourville FCA (Senior Statutory Auditor)**  
**For and on behalf of**

**Beever and Struthers**  
**Chartered Accountants**  
**Statutory Auditor**

**150 Minories**  
**London**  
**EC3N 1LS**

**Date: 29 September 2023**

# BROADWAY LIVING RP LIMITED

## STATEMENT OF COMPREHENSIVE INCOME For the year ended 31 March 2023

		<b>2023</b>	<b>2022</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
Turnover	11	422,832	220,225
Operating expenditure	11	(659,534)	(266,282)
<b>Operating (deficit)/surplus</b>		(236,702)	(46,057)
Interest payable and financing costs	9	(146,871)	(94,161)
<b>Surplus/(deficit) before tax</b>		(383,573)	(140,219)
Taxation	10	-	-
<b>Surplus/(deficit) for the year after tax</b>		(383,573)	(140,219)
<b>Total comprehensive (expense)/income attributable to the company</b>		(383,573)	(140,219)

The notes on pages 21-32 form part of these Company Financial Statements.

# BROADWAY LIVING RP LIMITED

## STATEMENT OF FINANCIAL POSITION As at 31 March 2023

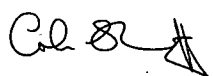
		2023	2022
	Notes	£	£
<b>Fixed assets</b>			
Tangible assets	3	28,906,108	9,710,135
Intangible assets		-	-
		<b>28,906,108</b>	<b>9,710,135</b>
<b>Current assets</b>			
Stock		169,763	169,763
Debtors	5	46,979	13,496
Cash at bank and in hand		356,688	4,218,538
		<b>573,430</b>	<b>4,401,797</b>
<b>Less: Creditors:</b> amounts falling due within one year	6	(3,847,019)	(2,015,038)
<b>Net current assets</b>		<b>(3,273,589)</b>	<b>2,386,759</b>
<b>Total assets less current liabilities</b>		<b>25,632,519</b>	<b>12,096,894</b>
<b>Creditors:</b> amounts falling due after more than one year	7	(16,241,686)	(5,651,864)
Deferred Income: Grants	8	(9,914,625)	(6,585,249)
<b>Net assets</b>		<b>(523,792)</b>	<b>(140,219)</b>
<b>Reserves</b>			
Profit and loss account		(523,792)	(140,219)
Revaluation reserve		-	-
<b>Total reserves</b>		<b>(523,792)</b>	<b>(140,219)</b>

The Company Financial Statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

The Company Financial Statements of Broadway Living RP Limited (registered number 11940146) were approved by the Board of Directors and authorised for issue on date 25 September 2023

The notes on pages 21-32 form part of these Company Financial Statements

They were signed on its behalf by:



.....  
C Sherriff, Director

Date 25 September 2023

# BROADWAY LIVING RP LIMITED

## STATEMENT OF CHANGES IN EQUITY (RESERVES) For the year ended 31 March 2023

	Revaluation reserve	Profit and loss account	TOTAL
Notes	£	£	£
<b>At 31 March 2021</b>	-	-	-
Loss for the financial year		(140,219)	(140,219)
Gains/(Losses) arising on the revaluation of tangible fixed assets	-	-	-
Deferred taxation arising on the revaluation of tangible fixed assets	-	-	-
Total comprehensive income	-	(140,219)	(140,219)
<b>At 31 March 2022</b>	-	(140,219)	(140,219)
Loss for the financial year	-	(383,573)	(386,573)
Gains/(Losses) arising on the revaluation of tangible fixed assets	-	-	-
Deferred taxation arising on the revaluation of tangible fixed assets	-	-	-
Total comprehensive income	-	(383,573)	(386,573)
<b>At 31 March 2023</b>	-	(523,792)	(526,792)

# **BROADWAY LIVING RP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2023**

### **1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

#### **1.1 General information**

Broadway Living RP Limited is a private company limited by guarantee incorporated in the United Kingdom under the Companies Act 2006 on 11 April 2019 and is registered in England and Wales. The address of Broadway Living RP Limited registered office is shown on page 3.

Broadway Living RP Limited had no employees during financial years 2020 to 2023.

Broadway Living RP Limited is the subsidiary of Broadway Living.

#### **1.2 Basis of accounting**

The company's financial statements have been prepared in accordance with applicable United Kingdom Accounting Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice for registered housing providers: Housing SORP 2018 update and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022.

#### **Disclosure exemptions**

The company has adopted the following disclosure exemptions as permitted under FRS 102 Section 1.11-12:

- The requirement to present a statement of cashflows and the related notes.
- Items of income, expenses, gains, or losses relating to financial instruments.
- Exposure and management of financial risks.

#### **1.3 Going Concern**

The company's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. No significant concerns have been noted in the business plan updated for 2023/24 and the ultimate parent of the company has committed its continued support for the Company. Therefore, we consider it appropriate to continue to prepare the financial statements on a going concern basis.

#### **1.4 Critical judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date 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 amounts recognised in the financial statements.

#### **Development expenditure**

The company capitalises development expenditure in accordance with the accounting policy described in section 1.6. 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.

## BROADWAY LIVING RP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) For the year ended 31 March 2023

#### 1.5 Tangible fixed assets and depreciation

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

Housing properties under construction are stated at cost and are not depreciated. These are reclassified as housing properties on practical completion of construction. For mixed tenure housing properties, costs are allocated in the following way:

Freehold land is not depreciated.

Where a housing property comprises two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement or renewal of components will be capitalised as incurred. The company depreciates freehold housing properties by component on a straight-line basis over the estimated UELs of the component categories. UELs for identified components are as follows:

	Years
Boilers	15
Kitchens	20
Bathroom	30
Roofs	60
Windows and doors	30
Structure	125
Mechanical systems	30
Electrical	40
Lifts (where applicable)	20

#### 1.6 Capitalisation of development costs

The company has a policy to capitalise expenditure directly related to development schemes on the basis that it relates to a qualifying asset that takes a substantial period of time to get ready for its intended use. Qualifying assets are those whose intended use are to be sold or let as rental properties. As well as construction costs consultancy expenditure on appointments directly related to schemes and financing costs related to development loans are capitalised.

#### 1.7 Revaluation of properties

Broadway Living RP Limited does not have a revaluation reserve as all Broadway Living RP Limited assets as at 31 March 2023 are either classified as assets under construction or are social housing properties held at historic cost, less accumulated depreciation.

## BROADWAY LIVING RP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) For the year ended 31 March 2023

#### 1.8 Financial instruments

Financial assets and financial liabilities are measured at transaction price initially, plus, in the case of a financial asset or financial liability not at fair value through the Statement of Comprehensive Income, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group or the Parent Company after deducting all of its liabilities.

##### (i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the Consolidated and Parent Company Statement of Financial Position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group or the Parent Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the conditions of being 'basic' financial instruments as defined in paragraph 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group or the Parent Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group or the Parent Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled, or expires.

##### (ii) Equity instruments

Equity instruments issued by the Group, or the Parent Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

## BROADWAY LIVING RP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

(iii) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

#### 1.9 Borrowing Costs

Borrowing costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. Capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress.

Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

#### 1.10 Taxation

Corporation tax expense for the period comprises current and deferred tax. Tax is recognised in The Statement of Comprehensive Income, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits,
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met, and
- Where timing differences relate to interests in subsidiaries, associates and joint ventures and the company can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair value of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

All amounts disclosed in the financial statements are inclusive of Value Added Tax to the extent that it is suffered by the Group and not recoverable.



## BROADWAY LIVING RP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) For the year ended 31 March 2023

#### 1.11 Turnover

Turnover represents rental and service charge income receivable accruals basis.

Service charge costs are recognised on an accruals basis. The company operates on a fixed service charge basis in full consultation with residents.

All turnover for the year ended 31 March 2023 related to social housing.

#### 1.12 Leases

During the financial year 2022/23 the company was neither a lessee or lessor.

#### 1.13 Social Housing Grants

Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in Turnover over the estimated useful life of the associated asset structure (not land), under the accruals model. SHG received for items of cost written off in the Statement of Comprehensive Income Account is included as part of Turnover.

When Social Housing Grant (SHG) in respect of housing properties in the course of construction exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

SHG must be recycled by the Group under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by the Homes England and Greater London Authority. However, SHG may have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as Turnover. In certain circumstances, SHG may be repayable, and, in that event, is a subordinated unsecured repayable debt.

## 2. DIRECTORS RENUMERATION

Non-executive Board Member remuneration for the year ended 31 March 2023.

	2023	2022
	£	£
Colin Sherriff	20,360	5,980
Lynn Duvall	-	-
Thomasin Renshaw	8,850	5,980
J Higgins	-	-
Tamara Quinn	-	-
<b>Total aggregate cost</b>	<b>29,210</b>	<b>11,960</b>

# BROADWAY LIVING RP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) For the year ended 31 March 2023

### 3. TANGIBLE ASSETS

	Social Housing Properties Under Construction	Low-Cost Home Ownership Properties Under Construction	Social Housing Properties for Letting Completed	TOTAL
	£	£	£	£
<b><u>Cost or valuation</u></b>				
At 31 March 2022	3,596,094	316,905	5,866,046	9,779,045
Additions	11,472,054	638,440	7,189,656	19,300,150
Revaluation	-	-	-	-
Transfer	-	-	-	-
<b>Total cost at 31 March 2023</b>	<b>15,068,148</b>	<b>955,345</b>	<b>13,055,702</b>	<b>29,079,195</b>
<b><u>Depreciation</u></b>				
At 31 March 2022	-	-	68,910	68,910
Charge for the year	-	-	104,177	104,177
Adjustment on revaluation	-	-	-	-
<b>Total depreciation at 31 March 2023</b>	<b>-</b>	<b>-</b>	<b>173,087</b>	<b>173,087</b>
 Net book value at 31 March 2022	 3,596,094	 316,905	 5,797,136	 9,710,135
 <b>Net book value at 31 March 2023</b>	 <b>15,068,148</b>	 <b>955,346</b>	 <b>12,882,615</b>	 <b>28,906,108</b>

# BROADWAY LIVING RP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

### 4. ACCOMODATION IN MANAGEMENT AND DEVELOPMENT

	2023	2022
	No.	No.
General Needs Social Rent owned and managed b/fwd	26	-
New units purchased during the year	35	26
Total units owned and managed	<b>61</b>	<b>26</b>
Accommodation in development at the year-end	<b>92</b>	<b>92</b>

### 5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	36,240	5,402
Intercompany debtors	3,480	0
Accrued Income	21,293	9,594
Bad debt provision	(14,034)	(1,500)
	<b>46,979</b>	<b>13,496</b>

### 6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Loans with the London Borough of Ealing	586,583	1,153,083
Social Housing Grant	20,800	19,375
Trade Creditors	-	-
Accrued costs – operations	792,754	139,997
Accrued costs – assets under construction	2,430,447	684,206
Accrued Interest	18,249	18,377
Tenant security deposits held	(1,814)	-
	<b>3,847,019</b>	<b>2,015,038</b>

### 7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Loans with the London Borough of Ealing	16,241,686	5,651,864
Social Housing Grant	9,914,625	6,585,249
	<b>26,156,311</b>	<b>12,237,113</b>

# BROADWAY LIVING RP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

### 8. SOCIAL HOUSING GRANT

	2023	2022
	£	£
Opening	6,604,625	-
Grant received	3,351,600	6,624,000
Released to income	(20,800)	(19,375)
	<b>9,935,425</b>	<b>6,604,625</b>
Amounts to be released within one year	20,800	19,375
Amounts to be released in over one year	9,914,625	6,585,250
	<b>9,935,425</b>	<b>6,604,625</b>

The total Social Housing Grant or Financial Assistance received and receivable, both capital and revenue, for the year was £3,351,600 (2022: £6,624,000). The cumulative amount of Social Housing Grant or Financial Assistance receivable at 31 March 2023 is £9,975,600 (2022: £6,624,000).

### 9. NET INTEREST

	2023	2022
	£	£
Interest receivable and similar income	-	-
<b>Interest payable and financing costs</b>		
On loans repayable within 5 years	287,931	112,538
Costs associated with financing	-	-
<b>Total</b>	<b>287,931</b>	<b>112,538</b>
Less: Interest capitalised on properties under construction	(141,060)	(18,376)
	<b>146,871</b>	<b>94,162</b>

# BROADWAY LIVING RP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

### 10. TAXATION (GROUP and COMPANY)

	2023	2022
	£	£
<b>The tax charge for the year is:</b>		
Current tax result	-	-
Current tax on profit for the year	-	-
<b>Total Current Tax Result</b>	-	-
Deferred Tax Result	-	-
<b>Total Deferred Tax Result</b>	-	-

The reason for the difference between the actual tax charge for the year and the standard rate of corporation tax in the UK of 19% applied to profits for the year are as follows:

	2023	2022
	£	£
<b>Loss before tax</b>	<b>(383,573)</b>	<b>(140,219)</b>
Tax on (loss) at standard UK corporation tax rate of 19 per cent (2022: 19 per cent)	-	-
Effects of:		
- Expenses not deductible for tax purposes	-	-
- Income not taxable in determining taxable profit	-	-
- Utilisation of tax losses not previously recognised	-	-
- Change in unrecognised deferred tax assets	-	-
- Higher tax rates on overseas earnings	-	-
- Adjustments to tax charge in respect of previous years	-	-
<b>Total tax charge for year</b>	<b>-</b>	<b>-</b>

1

# **BROADWAY LIVING RP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 March 2023

### **11. Particulars of turnover, cost of sales, operating expenditure and operating surplus**

#### **Note 11a**

	2023			2022		
	Turnover	Operating expenditure	Operating surplus/(deficit)	Turnover	Operating expenditure	Operating surplus/(deficit)
	£	£	£	£	£	£
<b>Social housing lettings (Note B)</b>	<b>422,832</b>	<b>(659,534)</b>	<b>(236,702))</b>	<b>220,225</b>	<b>(266,282)</b>	<b>(46,057)</b>
<b>Other social housing activities:</b>						
- First tranche low-cost home ownership sales	-	-	-	-	-	-
- Charges for support services	-	-	-	-	-	-
- Other	-	-	-	-	-	-
<b>Activities other than social housing</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>422,832</b>	<b>(659,534)</b>	<b>(236,702))</b>	<b>220,225</b>	<b>(266,282)</b>	<b>(46,057)</b>

# BROADWAY LIVING RP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

### Note 11b

	General needs housing	Supported housing	Other	2023	2022
	£	£	£	£	£
<b>Income</b>					
Rent receivable net of identifiable service charges <sup>1</sup>	359,199	-	-	359,199	178,533
Service charge income	42,832	-	-	42,832	22,316
Amortised government grants	20,800	-	-	20,800	19,375
Government grants taken to income	-	-	-	-	-
Other grants	-	-	-	-	-
<b>Turnover from social housing lettings</b>	<b>422,831</b>	<b>-</b>	<b>-</b>	<b>422,831</b>	<b>220,225</b>
<b>Operating expenditure</b>					
Management	(53,396)	-	-	(53,396)	(25,866)
Service charge costs	(55,157)	-	-	(55,157)	(27,081)
Routine maintenance	(3,589)	-	-	(3,589)	(664)
Planned maintenance	-	-	-	-	-
Major repairs expenditure	-	-	-	-	-
Bad debts	(12,534)	-	-	(12,534)	(1,500)
Depreciation of housing properties	(104,177)	-	-	(104,177)	(68,910)
Impairment of housing properties	-	-	-	-	-
Lease costs	-	-	-	-	-
Other costs	(430,681)	-	-	(430,681)	(142,261)
<b>Operating expenditure on social housing lettings</b>	<b>(659,534)</b>	<b>-</b>	<b>-</b>	<b>(659,534)</b>	<b>(266,282)</b>
<b>Operating surplus/(deficit) on social housing lettings</b>	<b>(236,703)</b>	<b>-</b>	<b>-</b>	<b>(236,703)</b>	<b>(46,057)</b>
<b>Voids</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>1</sup> Rent receivable is stated net of voids



# BROADWAY LIVING RP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2023

### 12. CAPITAL COMMITMENTS

	2023 £,000s	2022 £,000s
Capital expenditure that has been contracted for but has not been provided for in the financial statements	31,424	25,376
Capital expenditure that has been authorised by the Board but has not yet been contracted for	-	340,519
	<b>31,424</b>	<b>365,895</b>

The changing economic environment during 2022/23, combined with the Government's 7% cap on rent increases for regulated tenancies, had a negative impact on the development capacity of the sector as a whole. Funding for Tranche 1 of the BLRP approved financial plan was secured at low interest rates, and continues to be deliverable, but, with interest rates in the market at current levels, and continuing uncertainty about future rent caps, it is not possible for BLRP to meet its loan covenants for delivery of tranche 2. BLRP has therefore agreed with the Council that the Tranche 2 schemes will be developed by the Council, with onward transfer to BLRP at value, subject to funding at viable interest rates and Board approvals.

The Group expects these commitments to be contracted within the next year and financed with:

Social Housing Grant	-	64,169
Proceeds from the sales of properties	-	-
Committed loan facilities	31,424	95,989
Loans under negotiation	-	205,737
	<b>31,424</b>	<b>365,895</b>

### 13. OTHER COMMITMENTS

At the reporting date the Group and Association do not have any other financial commitments for which has not been provided for.

### 14. RELATED PARTY DISCLOSURES

Broadway Living RP Limited is a wholly owned subsidiary of Broadway Living Limited with its ultimate parent being the London Borough of Ealing Council.

Lynn Duvall and Tamara Quinn are both employees of London Borough of Ealing and are non-executive board members for Broadway Living RP. Lynn Duvall resigned from the board on 1 September 2022, whilst Tamara Quinn was in position throughout the year ending 31 March 2023.

Broadway Living RP Limited has received debt financing from the Council currently included within the Statement of Financial Position. The value of loans as at 31 March 2023 was £16,828,269.

### 15. ULTIMATE CONTROLLING PARTY

The immediate parent is Broadway Living Limited and ultimate parent undertaking is the London Borough of Ealing. The Financial Statements are consolidated into Broadway Living Limited's Financial Statements and in the London Borough of Ealing Statement of Accounts.

The registered office of the London Borough of Ealing is Perceval House, 14 - 16 Uxbridge Road, Ealing, London, W5 2HL.