



**P3 HOUSING LIMITED
REPORT AND FINANCIAL STATEMENTS**

For the year ended 31 March 2024

Company Number: 09668602
Regulator of Social Housing, Registration Number: 4876

P3 HOUSING LTD

REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

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P3 HOUSING LTD

REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

The Board of Directors are pleased to present its report together with the audited financial statements for the year 31 March 2024.

REFERENCE AND ADMINISTRATIVE DETAILS

Directors	Date of appointment
Gill Moy	7 September 2016
Dorothy Lane	24 October 2016
Ian Bebbington	30 August 2016
People Potential Possibilities	11 September 2017
John Spriggs Taylor	21 November 2020
Johnathan Bowen	07 May 2021
Ralph Tonge	11 October 2022
Robin Flynn	11 October 2022
Andy Ward	07 September 2023
Chief Executive Officer	Mark Simms Hannah Kavanagh Appointed April 2024
Company Secretary	Jack Buckler Appointed 29 January 2024 Kathy Kozlowski Resigned 29 January 2024
Company Number	09668602
Date of Incorporation	2 July 2015
Registered Office	Eagle House, Cotmanhay Road, ILKESTON Derbyshire DE7 8HU
Auditor	Price Bailey LLP Tennyson House Cambridge Business Park Cambridge CB4 0WZ
Bank	Lloyds Bank SME Banking, 7th Floor, 40 Spring Gardens, MANCHESTER M2 1EN TNT 49
Membership	Directors are also Members. The Parent company, People Potential Possibilities (P3), is also a Member and Director of P3 Housing.

P3 HOUSING LTD

REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

**ACTIVITIES
FOR THE PERIOD ENDED 31 MARCH 2024**

P3 Housing is a wholly owned subsidiary of the charitable company People Potential Possibilities. P3 Housing governance arrangements operates independently of the Parent. The principal activity of P3 Housing is the provision of social rent accommodation to people in need. The properties are managed by a managing agent under the terms of a formal management agreement between both organisations.

During the year P3 Housing has increased the number of units of accommodation from 362 to 610. The properties are maintained to a high standard with repairs being carried out as and when required.

The properties comprise the following:	2024	2023
One-bedroom, single self-contained accommodation	258	126
Hostel/24 hour supported temporary accommodation	73	79
Shared facilities/room only	279	157
	<hr/>	<hr/>
	6	
Number Of Units Owned	23	23
Number Of Units Managed	587	339
	<hr/>	<hr/>
Total	610	362

All of our social housing is specialised supported housing, with a mix of social, affordable and market rents.

FINANCIAL REVIEW

P3 Housing made an operating surplus in the year of **£206k** (£323k: Profit 2023), on a turnover of **£3.9m** (£2.6m: 2023). After gift aiding the previous year’s surplus we recorded a loss of **(£117k)**

P3 HOUSING LTD

REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

CORPORATE GOVERNANCE

The Board is committed to integrity and accountability in the stewardship of P3 Housing affairs and considers that P3 Housing has complied throughout the period under review with the provisions of the National Housing Federations Code of Governance except as follows:

Due to the relatively small size of P3 Housing, the Board does not consider it appropriate to appoint an audit committee and instead, relies on the close scrutiny and involvement of the P3 Housing Board and of People Potential Possibilities, the Parent Company, in the operating activities of P3 Housing.

Last year, the Board of People Potential Possibilities approved the appointment of a firm of external internal auditors. This work included an audit of P3 Housing's risk management processes, which has now concluded. As a result of the audit P3 Housing's risk management processes have been updated to reflect the feedback received and consider the Sector risk profile explicitly. In addition, the Board's of the Parent and P3 Housing Ltd has appointed a firm of solicitors to assist with the review of the legal arrangements between P3 Charity and its subsidiary, P3 Housing Ltd.

Markel Commercial Combined Insurance provides Management Liability (Directors and Officers) insurance cover (£5m) for People Potential Possibilities Ltd and its trading entities.

P3 HOUSING LTD

REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

VALUE FOR MONEY

P3 Housing is committed to providing Value for Money services as well as a high-quality service to our tenants.

P3 Housing's approach to Value for Money is based on achieving the three E's in all areas of P3 Housing's work; economy, effectiveness and efficiency. This is done by carefully monitoring employee costs, overheads, and operational costs in order to provide quality services and homes. This matter is being addressed on an ongoing basis, alongside reviewing income including rent and service charges.

Value for money metrics

1. Reinvestment %

- P3H Developed **2** (1) new properties within this period. **0.22%** (0.07%).

2. New Supply Delivered %

- Total of new social housing units delivered **73** (0), **36.9%** (0%).
- Total of new non-social housing acquired in the year **197** (80), **32.3%** (23.6%).
- Total social and non-social housing units owned **244** (202).

3. GEARING %

- Short term liabilities, less cash: **£862k** (£909k); and
- Fixed Assets: **£1,442** (£1,462k), **207%** (129%).

4. EBITDA MRI

- No long-term loans, no interest (Nil).

5. HEADLINE SOCIAL HOUSING COST/UNIT

Operating Margin (social housing):

- Operating surplus (social housing) **£154k** (£221k); and
- Turnover (social housing) **£1.2m** (£604k), **13.3%** (36.7%).

Operating Margin (overall):

- Operating Surplus **£150k** (£323k surplus); and
- Turnover **£3.9m** (£2.6m), **3.84%** (12.26%).

6. RETURN ON CAPITAL EMPLOYED (ROCE)

- Operating surplus **£150k** (£323k surplus); and
- Total assets, less current liabilities **£1,085k** (£1,202k), **14%** (26.9%).

P3 HOUSING LTD

REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

P3 Housing has made a loss in this year of **£117k** (£323k surplus 2023). This drives an operating margin of **(3%)** (12.26% social housing). – The loss in the year was after gift aiding the previous year’s surplus to P3 Charity. The underlying operating surplus was **£206k**.

P3 Housing has now completed its sixth full year in operation as a Registered Provider and shall articulate and deliver a comprehensive and strategic approach to achieving Value for Money in meeting the company’s objectives (including financial, social and environmental returns).

New Supply (non-social housing units) percentage is **32.3%** (23.6%) with **197** (80) non-social housing supply acquired within the year.

P3 Housing has no loans or long-term liabilities with Gearing at **207%** (129%).

Our Headline Social housing cost/unit is **£5k** (£6.2k 2023) which is slightly above the sector average as we drive up the quality of our properties.

P3 Housing will achieve their objectives by making the best use of every pound and every property to deliver more homes, make improvements to the existing housing stock, and provide better services to tenants.

STATEMENT OF THE BOARD OF DIRECTORS FINANCIAL RESPONSIBILITIES

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

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 accounting standards and statements of recommended practice have been followed, subject to any departure 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 responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to 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.

Insofar as the Directors are aware:

- There is no relevant audit information of which the company's auditor is unaware; and
- The Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

TENANT AND BOARD MEMBERS

We have developed a new Tenant Involvement Strategy that seeks to create a pathway for tenants to become involved at all levels, including Board membership. We are now actively working to achieve this end and aim to recruit a tenant to the P3 Housing Board soon.

Tenants who are Board members have tenancies on the same normal commercial terms as other tenants of P3 Housing. The rent policy is the same for all tenants including committee members.

P3 HOUSING LTD

REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

GOING CONCERN

At the year ended 31 March 2024 the balance sheet shows a reduced position with net assets of **£1.1m** (£1.2m 2023).

The executive team have assessed the prospects of the organisation up to March 2026. Where the ambitious detailed bottom-up budget for the current year 2024/25 delivered a surplus of **£736k**. A rolling forecast shows slower growth, with the decision to leave the Gainsborough Viable housing project within the charity and reduced take on of new properties in line with our strategy therefore reducing the surplus to nearer **£430k**. For financial year 2025 to 2026 we see this surplus at around **£318k** as a minimum, based on our prudent assumption around retention of services.

The financial plan has been stress tested against several possibilities and risks, and we have a reasonable expectation that our organisation will continue to be able to meet its liabilities as they fall due over the three-year assessment.

The directors have considered the going concern basis for the preparation of the financial statements, noting the result for the year, forecasts and plans going forward. The current plans and forecasts indicate income will increase during the period, including twelve months from the date of signing these financial statements, as the RP is expanding its portfolio of rental properties and service offering. Void rates remain very low and with the renewed government focus on tackling homelessness we see these remaining so.

The directors believe the RP is a going concern and accordingly the financial statements have been prepared on a going concern basis and do not contain any adjustments that would result if the RP was not able to continue as a going concern.

INTERNAL FINANCIAL CONTROL

The parent company provides support on the financial systems and processes that P3 Housing benefit from. The Board is responsible for the P3 Housing system of internal financial control. Although no system of internal financial control can provide absolute reassurance against material misstatement or loss, P3 Housing's system is designed to provide the committee with reasonable assurance that problems are identified on a timely basis and dealt with appropriately; that assets are safeguarded against unauthorised use or disposition; that proper accounting records are maintained; and that the financial information used within P3 Housing for publication is reliable.

The annual accounts of P3 housing, and those of the managing agent, are subject to annual external audit.



Gill Moy (Chair / Member)
3rd September 2024

P3 HOUSING LTD

REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

MESSAGE FROM OUR CHAIR AND CHIEF EXECUTIVE

The Board and Executive have been proud to see our teams continuing to provide vital housing checks, emergency repairs and void works for new lettings to people from every community P3 Housing serves.

We have promised more and better places for people to live and we have continued to work towards our target of delivering a further 100 homes every year. Over the last year we have delivered **248** (80) new homes for people experiencing homelessness, including delivering on the rough sleeper accommodation programme as an investment partner with Homes England.

We have also delivered on our maintenance plan developing our approach to remodel, divest and improve our housing stock. Over the past year our maintenance team have worked non-stop to meet our tenants needs and we are proud to have worked in partnership with trade professionals across P3 regions as we have refurbished and renovated multiple homes.

The year has seen us invest in new properties and improve our housing portfolio, meeting our aspiration to move away from large, shared properties and to invest self-contained homes wherever possible. Further plans are in place for remodelling of additional properties to create self-contained studio apartments as part of our investment plan that remains on target.

Tenant satisfaction is at the heart of our service delivery, and once again our tenants have reported above average satisfaction with P3 housing services, with 92% of tenants stating P3 Housing delivers an excellent service.

Over the coming year P3's operational teams will continue to deliver the best possible outcomes for people with complicated and challenging lives with both kindness and compassion. We give our personal thanks for the continued support from our colleagues, our Board members and our tenants.



Gill Moy
Chair / Member P3 Housing



Mark Simms
Member



Jack Buckler
Company Secretary

OUR PURPOSE, VISION & GOALS

P3 Housing's mission is:

'To provide good quality safe homes that people want to live in, in communities where they can thrive.'

Our vision is:

'Great Places to Live'.

This is not only focused on providing excellent individual homes; we are committed to improving the neighbourhoods and communities in which our customers live.

The following values underpin everything we do:

PEOPLE FOCUSED:

People are at the heart of our business. By treating everyone fairly and understanding their diverse needs and strengths, we can serve them better and provide housing that can make a positive impact on their lives.

FORWARD THINKING:

We search for solutions and ideas that can overcome the challenges faced by our tenants, communities and partners.

GENUINE:

We are open and honest and work in an enthusiastic way.

EXPERT:

We lead through knowledge and expertise and strive to deliver the best possible standard of services.

COLLABORATIVE:

We work in partnership with our tenants, colleagues and other experts, bringing people together to achieve more.

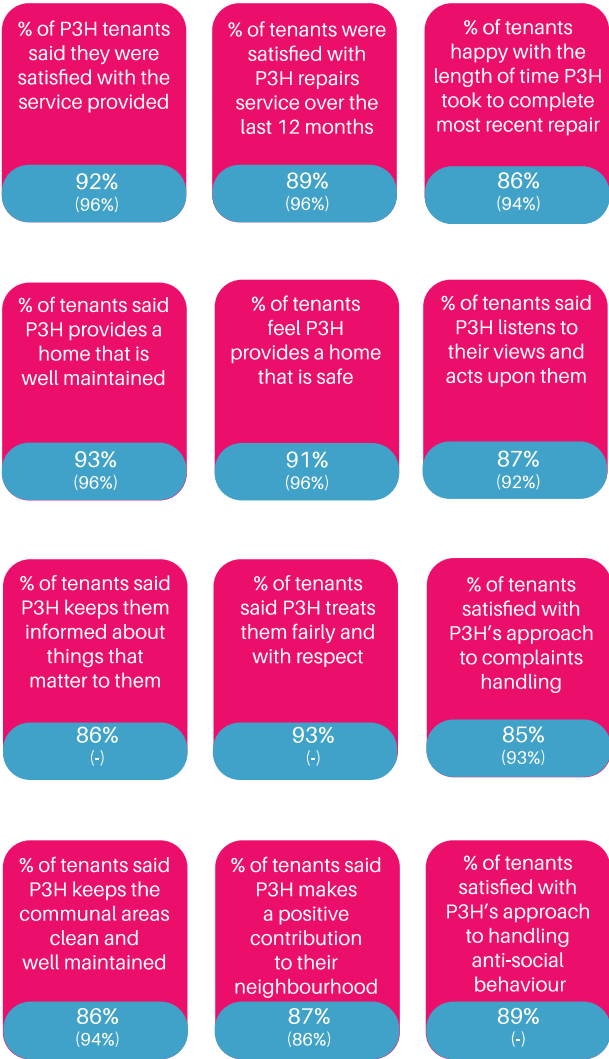
OUR YEAR IN NUMBERS



OUR P3 HOUSING TENANTS HAVE TOLD US

Survey: June 2023 (April 2023)

The collation of the satisfaction survey has now been completed as part of our new Tenant Satisfaction Measures, implemented April 2023.



OUR PLAN FOR THE YEAR AHEAD

We will work alongside our tenants to improve the service we deliver.

- Deliver our tenant involvement strategy.
- Continue to work towards tenant representation on the Board of Directors.
- Facilitate more conversation cafes.

We will provide more and better homes.

- Continue to provide more places to stay and ensure they are well maintained and fit for purpose.
- Work with Social and Sustainable Housing to manage the new properties on behalf of P3 Charity.
- Achieve a high grade as part of the Renting Ready Scheme in Wolverhampton.
- Work with Homes England to continue to broaden our options for increasing our stock.
- We will continue to explore partnerships and funding models with local housing authorities to meet the increasing demand for good quality, temporary accommodation with support.

We will invest in good homes:

- Deliver on our Capital works program.
- Deliver on the major planned works on 53 Wellington Road, Wolverhampton.

We will develop our five year plan:

Our focus for the next five years is to improve and maintain the quality of our accommodation, looking at stock rationalisation and planned improvements, disposing of and replacing stock which no longer supports our mission of providing good quality, safe homes that people want to live in, in communities where they will thrive.

P3 HOUSING LTD

REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF P3 HOUSING LIMITED FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of P3 Housing Limited (the 'company') for the year ended 31 March 2024 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2024, and of its 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 in England 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 director'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 directors with respect to going concern are described in the relevant sections of this report.

P3 HOUSING LTD

REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

Independent Auditor's Report to the Members of P3 Housing Limited for the year ended 31 March 2024 (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
 - the financial statements are not in agreement with the accounting records and returns; or
 - certain disclosures of directors' remuneration specified by law are not made; or
 - we have not received all the information and explanations we require for our audit; or
 - the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

P3 HOUSING LTD

REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

Independent Auditor's Report to the Members of P3 Housing Limited for the year ended 31 March 2024 (continued)

In addition, we have nothing to report in respect of the following matter where 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.

Responsibilities of the directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors' determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors' either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we agreed the financial statements to underlying records and we carried out testing of journal entries and other adjustments for appropriateness.
- We reviewed accounting policies for evidence of management bias and ensured that the accounting policies were correctly applied to the financial statements.
- We reviewed minutes of Board meetings and agreed the financial statement disclosures to underlying supporting documentation.
- We have made enquiries of management and directors regarding laws and regulations applicable to the organisation.

P3 HOUSING LTD

REPORT & FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

Independent Auditor's Report to the Members of P3 Housing Limited for the year ended 31 March 2024 (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 and section 137 of the Housing and Regeneration Act 2008. 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.



Suzanne Goldsmith FCA (Senior Statutory Auditor)
For and on behalf of

PRICE BAILEY LLP

Chartered Accountants Statutory Auditors

Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

Date: 26 September 2024

P3 HOUSING LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 MARCH 2024

		Year Ended 31 March 2024	Year Ended 31 March 2023
	Note	£	£
TURNOVER	2	3,912,013	2,634,881
Operating Costs	2	(3,744,402)	(2,192,880)
		<hr/>	<hr/>
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		167,611	442,001
Administrative expenses			
Donation to Parent Company	5	(17,374)	(21,789)
		(267,638)	(97,207)
(DEFICIT) / SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		<hr/>	<hr/>
		(117,401)	323,005
Corporation Tax	6	-	-
(DEFICIT) / SURPLUS FOR THE YEAR		<hr/>	<hr/>
		(117,401)	323,005
Retained Earnings at Start of Year		1,202,594	879,589
(Deficit) / Surplus for the year		(117,401)	323,005
Retained Earnings at End of Year		<hr/>	<hr/>
		1,085,193	1,202,594

The accompanying notes on pages 19 to 27 form an integral part of the financial statements.

All amounts relate to continuing activities for Social Housing.

All recognised gains and losses are included in the income and expenditure account.

P3 HOUSING LIMITED**STATEMENT OF FINANCIAL POSITION**

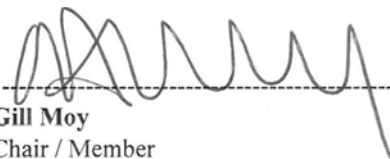
Company Number: 09668602

FOR THE YEAR ENDED 31 MARCH 2024

		31-Mar 2024	31-Mar 2023
	Note	£	£
FIXED ASSETS			
Tangible fixed assets	7	1,441,827	1,462,260
TOTAL FIXED ASSETS		<u>1,441,827</u>	<u>1,462,260</u>
CURRENT ASSETS			
Debtors	8	505,386	451,377
Cash at Bank		159,101	354,449
		<u>664,487</u>	<u>805,826</u>
CREDITORS: amounts falling due within one year	9	(1,021,121)	(1,065,492)
ASSETS		<u>1,085,193</u>	<u>1,202,594</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>1,085,193</u></u>	<u><u>1,202,594</u></u>
CAPITAL AND RESERVES			
Called up share capital		-	-
Revenue reserves		1,085,193	1,202,594
TOTAL		<u><u>1,085,193</u></u>	<u><u>1,202,594</u></u>

These financial statements have been prepared in accordance with the special provision for small companies under Part 15 of the Companies Act 2006 and with FRS 102 Section 1A of The Financial Reporting Standards (Effective January 2019).

The financial statements were approved and authorised for issue by the Board of Directors on 15 AUG 2024 and were signed below on its behalf by:



Gill Moy
Chair / Member

The accompanying notes on page 19 to 27 form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Summary of significant accounting policies

(a) General information and basis of preparation

P3 Housing Limited is a company limited by guarantee and a registered provider of social accommodation in the United Kingdom. The address of the registered office is given in the information on page 1 of these financial statements. The nature of the registered Providers operations and principal activities are the provision of social rent accommodation to people in need.

The Registered Provider constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006, the Statement of Recommended Practice for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2022. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years/periods presented unless otherwise stated.

(b) Financial reporting standard 102 – reduced disclosure items

The Registered Provider has taken advantage of the following disclosure exemptions in preparing these:

The Registered Provider has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of People Potential Possibilities for the year ended 31 March 2024 and these financial statements may be obtained from Eagle House, Cotmanhay Road, ILKESTON Derbyshire, DE7 8HU.

(c) Going Concern

At the year ended 31 March 2024 the balance sheet shows a reduced position with net assets of **£1,085k** (£1,202k 2023). The RP's ability to continue trading relies on the continued support from the parent charity, People Potential Possibilities, which will not require immediate repayment of any intercompany balances and this support will continue for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements.

The executive team have assessed the prospects of the organisation up to March 2026. Where the ambitious detailed bottom-up budget for the current year 2024/25 delivered a surplus of **£736k**. A rolling forecast shows slower growth, with the decision to leave the Gainsborough Viable housing project within the charity and reduced take on of new properties in line with our strategy therefore reducing the surplus to nearer **£430k**. For financial year 2025 to 2026 we see this surplus at around **£318k** as a minimum, based on our prudent assumption around retention of services.

The financial plan has been stress tested against several possibilities and risks, and we have a reasonable expectation that our organisation will continue to be able to meet its liabilities as they fall due over the three-year assessment.

The directors have considered the going concern basis for the preparation of the financial statements, noting the result for the year, forecasts and plans going forward. The current plans and forecasts indicate income will increase during the period, including twelve months from the date of signing these financial statements, as the RP is expanding its portfolio of rental properties and service offering. Void rates remain very low and with the renewed government focus on tackling homelessness we see these remaining so.

The directors believe the RP is a going concern and accordingly the financial statements have been prepared on a going concern basis and do not contain any adjustments that would result if the RP was not able to continue as a going concern.

(d) Debtors and creditors receivable / payable within one year

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

(e) Provisions

Provisions are recognised when the Registered Provider has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Provisions for cyclical maintenance or major works to existing stock are not made unless they represent commitments or obligations at the Balance Sheet date where there is no discretion to avoid or delay the expenditure.

(f) Tax

Current tax represents the amount of tax payable or receivable in respect of taxable income for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

The Registered Provider is currently not VAT registered and therefore expenditure is shown gross in the accounts.

(g) Turnover and other income

Turnover is measured at the fair value of the consideration received or receivable.

Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids, as well as grant income.

(h) Property Managed by Agents (P3 Charity)

Where the Registered Provider carries the financial risk on property managed by agents, all the income and expenditure arising from the property is included in the statement of comprehensive income.

(i) Expenditure

Expenditure includes property costs and other expenditure such as administration and support recharged from the parent charity in accordance with a service level agreement which is reviewed on an annual basis.

P3 HOUSING LTD

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(j) Employee benefits

There are no provisions for retirement pensions or related benefits as the Registered Provider does not employ any staff.

(k) Judgements and key sources of estimation uncertainty

In preparing these accounts there are no significant estimates or accounting policies used which could materially alter the results for the year (2023: none).

(l) Financial instruments

The Registered Provider only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value which is historical cost and subsequently measured at their settlement value.

2 PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	31-Mar 2024	31-Mar 2023
Income and Expenditure from Social Housing Lettings		
Turnover - Rental Income	3,589,851	2,253,560
Inter-Company Capital Grant Income	-	-
Capital Grant Income	37,894	32,602
Grant Income	283,436	346,450
Other Income	832	2,269
Turnover	<u>3,912,013</u>	<u>2,634,881</u>
Operating Costs	(3,744,402)	(2,192,880)
Admin Costs	(17,374)	(21,789)
Donation to Parent Company	(267,638)	(97,207)
Net Surplus before Taxation	<u>(117,401)</u>	<u>323,005</u>

Rent Receivable	3,589,851	2,253,560
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Rental income includes £152,532 void losses (2022: £53,212), where properties not let though available for letting

Operating Costs	2024	2023
Property Rental Charges	2,158,954	1,203,446
Property Rates	12,945	11,491
Salaries & Pension	493,216	319,714
Other Staff Costs	2,722	5,416
Vehicle Costs	59,649	23,709
Equipment, Repairs & Maintenance	478,363	271,064
Heat & Light	12,163	20,514
Insurance	23,000	20,570
Legal & Professional	29,331	18,743
Inter-Company Grant Expenditure	267,371	260,500
Office Costs	2,394	4,124
Other Operating Costs	5,934	(143)
Governance costs	33,292	-
Bank Charges	1,101	631
Depreciation	61,906	44,442
Provision For Bad Debts	37,637	9,584
Irrecoverable VAT	64,161	75,410
Write of Provision for Irrecoverable VAT	-	(96,335)
Taxation	263	-
	<u>3,744,402</u>	<u>2,192,880</u>

Admin Costs

Audit Fee Prior Year	-	6,213
Audit Fee Current Year	17,374	15,576
Total	<u>17,374</u>	<u>21,789</u>

All Income and Expenditure relates to Social Housing activities.

P3 HOUSING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2024

3. EMOLUMENTS OF THE BOARD OF DIRECTORS

Total expenses reimbursed to Board Member

2024	2023
£	£
-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2024

4. EMPLOYEE INFORMATION

	2024	2023
	£	£
Gross Salary	398,494	254,309
Employers National Insurance	40,808	27,590
Employers Pension	33,220	19,815
Settlement Cost	20,694	18,000
	<u>493,216</u>	<u>319,714</u>

Staff are employed under joint contract of employment with P3 Charity, costs are recharged to P3 Housing on a monthly basis.

The average weekly number of persons employed at any time during the year was 20 (2023-13.62).

The key management personnel comprise of 3 members (1.2 FTE) (2023: 3 members (1.8 FTE)). The total employee benefits of the key management personnel were £143,839 (2023: £128,230)

The number of higher paid employees was:

In the band £80,001 - £90,000	1	
In the band £90,001 - £100,000		1

PENSION COMMITMENTS

The Key Management Team of P3 Housing are members of a pension scheme, which is operated by the Parent Charity, People Potential Possibilities - The charity operates a defined contribution pension scheme. It has no obligations other than the contributions payable in year. Pension Contributions of £20,873 were recharged from the Parent Charity in the year (£8,849 - 2023)

5. SURPLUS ON ORDINARY ACTIVITIES

	2024	2023
	£	£
Surplus on ordinary activities is stated after charging the following:		
Auditor's Remuneration (2023: Includes Prior Year of £6,213)	<u>17,374</u>	<u>21,789</u>

6. TAXATION

	2024	2023
	£	£
Corporation Tax		
Current tax on profits for the year	-	-
Total current tax	<u>-</u>	<u>-</u>
Factors affecting tax charge for the year		
Profit/(loss) on ordinary activities for the year	(117,401)	323,005
Profit/(loss) on ordinary activities for the year @ 25% (2023-19%)	(29,350)	61,371
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	5,108	8,444
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	8,305	3,561
Non-taxable income	-	(72,020)
Qualifying charitable donations	15,937	(1,356)
Total tax charge for the year	<u>-</u>	<u>-</u>

7 TANGIBLE FIXED ASSETS

	L/Term Leashold Property £	Furniture, fittings and equipment £	Total £
Cost			
At 1st April 2023	1,449,487	87,476	1,536,963
Additions	34,015	7,458	41,473
Disposals	-	-	-
At 31st March 2024	<u>1,483,502</u>	<u>94,934</u>	<u>1,578,436</u>
Depreciation			
At 1st April 2023	39,758	34,945	74,703
Charge for the year	26,408	35,498	61,906
On disposals	-	-	-
At 31st March 2024	<u>66,166</u>	<u>70,443</u>	<u>136,609</u>
Net Book Value			
At 31st March 2023	<u>1,409,729</u>	<u>52,531</u>	<u>1,462,260</u>
At 31st March 2024	<u>1,417,336</u>	<u>24,491</u>	<u>1,441,827</u>

8 DEBTORS

	2024 £	2023 £
Amount owed from Tenants	209,073	284,974
Other Debtor	35,132	6,900
Trade Debtors	829	100,880
Prepayments	85,848	58,623
Amounts Owed From Parent Charity	174,504	-
	<u>505,386</u>	<u>451,377</u>

9 CREDITORS: amounts falling due within one year

	2024 £	2023 £
Trade Creditors	89,701	36,944
Accruals	246,532	149,358
Provision For VAT Liability	-	-
Deferred Income	--	-
Deferred Income Government Grants	684,888	722,781
Amounts Owed to Parent Charity	-	156,409
	<u>1,021,121</u>	<u>1,065,492</u>

10 RECONCILIATION OF MOVEMENTS IN ACCUMULATED RESERVES

	2024 £	2023 £
Brought forward at 1 April	1,202,594	879,589
Surplus for the year	(117,401)	323,005
At 31 March	<u>1,085,193</u>	<u>1,202,594</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2024

11 OPERATING LEASE COMMITMENTS

At 31 March 2024 the company had annual commitments under non-cancellable operating leases as follows:

	Land and Buildings		Other	
	2024	2023	2024	2023
	£	£	£	£
Expiry Date				
Within 1 year		991,735	-	224,389
Between 1 and 5 years		1,011,327	-	724,923
After more than 5 years		114,597	-	185,486
		<u>2,117,659</u>		<u>1,134,798</u>

12 CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 March 2024.

13 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption provided by FRS102 from the requirement to disclose transactions with its parent undertaking, People Potential Possibilities.

During the year the RP had transactions with its parent entity People, Potential Possibilities as follows:

Staff were employed on joint contracts with both entities and key management and director costs are disclosed within note 4 of these accounts.

Some property costs and other support costs were recharged in line with the SLA Agreement or in line with actual costs incurred during the year. These costs were £1,206,236, excluding £493,216 for staff costs as disclosed in note 4 (2023: £769,911 and £319,714). Rental income due from tenants was received by the parent entity and passed through to P3 Housing totalling £3,496,685 (2022: £2,087,924).

Amounts owed from the parent at the year end were £174,504 (2023: £156,409 owed to the parent).

14 CONTROLLING PARTY

The company is the fully controlled subsidiary of People Potential Possibilities, a charitable company registered in the United Kingdom.

Copies of the consolidated financial statements can be obtained from the registered office of People Potential Possibilities at Eagle House, Cotmanhay Road, Ilkeston, Derbyshire, DE7 8HU.

15 POST BALANCE SHEET EVENT

As from 1st April 2024 P3 Housing became a community benefit society. We are an exempt charity regulated by the FCA rather than company house or the charity commission.