

Co-operative and Community Benefit
Societies Act 2014, number 8374

Regulator of Social Housing Number 4843

TBG OPEN DOOR LIMITED
Annual Report and Financial Statements
Year ended 31 March 2023

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1. Association Information

Non-Executive Directors

Ursula Bennion	Chair
Surjit Dhande	Vice Chair (retired 31 July 2022)
Maureen Adams	(appointed Vice Chair 29 November 2022)
Jeremy Arnold	
Tom Bremner	(Appointed 1 August 2022)
Marie Li Mow Ching	
Dasos Christou	
John Stephen	
Richard Stevens	(Appointed 1 August 2022)

Chief Executive Officer Tim Mulvenna

Company Secretary Shaun Mclean

Registered Office 2 Bristol Avenue
Colindale
London
NW9 4EW

Auditor Grant Thornton UK LLP
No 1 Whitehall Riverside
Whitehall Road
Leeds
LS1 4BN

Bankers Santander UK PLC
T54 Ground Floor Ops
Bridle Road
Bootle
Liverpool
L30 4GB

Registration Number

A Registered Society under the Co-Operative and Community Benefit Societies Act 2014, number 8374.
Registered by the Regulator of Social Housing, No. 4843

2. Report of the Directors

The Board is pleased to present their annual report and the financial statements of TBG Open Door Limited for the year ended 31 March 2023.

For further information regarding important events during the year and future aspirations for the Association, please read the Strategic Report (section 3 from page 6).

Principal activities

TBG Open Door Limited is a Housing Association (“the Association”) within TheBarnetGroup Limited structure and subsidiary of Barnet Homes Limited for the development and management of affordable housing. The Association is a registered Co-Operative and Community Benefit Society with the Financial Conduct Authority (FCA) effective 31 March 2020 and is registered with the Regulator of Social Housing (RSH) as a provider of social housing. The Association has charitable status for taxation purposes with HMRC. The Association complies with the RSH’s regulatory framework. The Association recognise the need to foster strong relationships with London Borough of Barnet as the ultimate parent company and provider of loan funding; as well as residents living in our properties. Work on involving residents more continues to evolve as we grow but includes encouraging residents to join the Resident Board of Barnet Homes (who provide the day-to-day services).

The services offered by TBG Open Door Limited strongly support the London Borough of Barnet in the delivery of its Housing Strategy 2020 – 2025 by seeking to:

- Increase the social housing supply, thereby preventing homelessness, including making a financial contribution towards general fund pressures arising from homelessness demand;
- Provide homes that people can afford;
- Support vulnerable people; and
- Provide efficient and effective housing services via partner organisations.

Results for the year

The result for the year to 31 March 2023 was a deficit of £2.5m (2022: £1.9m deficit). At year-end the Association had total assets of £220.3m (2022: £188.7m) and net liabilities of £6.0m (2022: £3.5m). This reflected the continuing investment in building and acquiring properties to let to those needing social housing.

Business Review

The Association will generate losses for the next approximately 25 years. The long-term business plan does though confirm the financial viability based on a set of reasonable assumptions and supported by stress-testing of those assumptions.

The initial business plan for the Association was to develop 320 new homes in the London Borough of Barnet, enabled by a £65 million loan facility from the London Borough of Barnet. This has now been increased to 363 new homes and a loan facility of £72 million. Additional loan facilities of £215 million have been agreed with London Borough of Barnet, meaning that more homes can be acquired, such that it is anticipated that TBG Open Door Limited will own and manage approximately 800 units within the next two years.

The development programme and the financial viability of TBG Open Door Limited is supported by grant of £45m from the London Borough of Barnet, funded from Right to Buy and s106 receipts as well as Greater London Authority development grant funding. The grants are provided to support the construction and acquisition of properties which will be let at a sub-market rent, generally being at most 65% of market rent.

The loan facilities are available to fund, (i) the construction of the properties, which began in March 2018 and end later in 2023 and (ii) the acquisition of properties on the open market, this will be a mix of flats and street properties. The rate of interest on each tranche of the loan shall be the prevailing interest rate offered to the lender at the date of utilisation request by the Public Works Loan Board (PWLB) for the relevant period plus a margin.

Directors

The names of the Directors who served during the period can be found on page 1.

Third party indemnity provision for Directors

Directors are provided with indemnity insurance procured through TheBarnetGroup Limited for Personal Accident and Directors' and Officers' liability.

Equality, Diversity and Inclusivity aims

The Association is committed to equality, diversity and inclusivity and our goal is to embed it into our practices and everything we do. We want to ensure that all the people we support receive the best possible service and that everyone is supported to develop and achieve to the best of their abilities.

Our objective is to ensure that services are provided fairly to all the people we support and that the people we support have equal opportunities.

For the people we support, we will:

- Treat them with dignity and respect;
- Consult and involve them in planning the delivery of services;
- Engage with hard-to-reach groups to get their views;
- Target our services in a person-centred way to ensure our service reflect the needs of the people we support.

Charitable donations

No charitable donations were made by the Association for the year to 31 March 2023 (2022: £nil).

EU Political donations and expenditure

No political donations or expenditure were made for the year to 31 March 2023 (2022: £nil).

Donations to non-EU Political parties

No political donations or expenditure were made for the year to 31 March 2023 (2022: £nil).

Health and safety

The Board of Directors is aware of its responsibilities on all matters relating to health and safety. The Association has detailed health and safety policies and ensures the service provider provides staff training and education on health and safety matters to all their staff involved in the contract.

Payment policy

The Association pays suppliers where possible within suppliers' credit terms.

Statement of the Board's Responsibilities

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

Co-operative and Community Benefit Society legislation requires the Board to prepare financial statements for each financial year. Under that law the Board has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under the Co-operative and Community Benefit Society legislation the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and surplus or deficit of the Association for that period. In preparing these financial statements, the Board are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice (SORP) Accounting by Registered Housing Providers 2018, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. It is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Association's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors' Remuneration Report

The Board is composed entirely of independent Board members, with no executive representation. Board members and co-opted Board members receive emoluments and are entitled to reimbursement of incidental expenses incurred when attending Board meetings and other formal events in their capacity as Board members. Board members are not entitled to pension benefits. These are the only transactions with the Board members of the Company. Board member remuneration is disclosed in note 6 to the financial statement.

Code of Governance

The Association has adopted the National Housing Federation's 'Code of Governance' (2020 edition) with effect from 1 April 2022. A thorough review of the checklist was carried out and the Board confirm that at year-end, the Association complied with the Code.

Going Concern

The accounts are prepared on a going concern basis.

The Association has made a deficit of £2,503,000 in the year and as a result is in a negative net assets position. Expenditure relates to management and repairs of completed properties, costs relating to prospective new development schemes and the construction of further properties. The Association is operating to a long-term business plan which enables rental income from completed properties to generate cash to pay off the debt funding accrued in the construction period. The business plan is updated and reviewed by the Board at each Board meeting. The Association has additional committed long-term loan facilities (in excess of 30 years) from London Borough of Barnet that include an allowance for working capital to fund the business whilst the Association makes losses for a number of years. Utilisation of these loan facilities match the financing requirements of the Association's long-term plan. The loan agreements also permit the Association to negotiate with the lender, the option to sell some properties, amend the loan terms or other options to support the financial viability of the Association.

The main risks to the business in the short term are interest rates and arrears levels. The 500 unit acquisition program has been approved up to 300 homes, but any further acquisitions will require Board and London Borough of Barnet agreement on amending the basis of interest rates, due to the high current borrowing rates when compared to the initial business plan.

Demand for social housing in the areas of operation remain high and are getting higher due to the cost of living, supply of units for temporary accommodation has decreased significantly as private landlords exit the market. TheBarnetGroup Limited, as the Group holding company, has committed to supporting the Association both financially and operationally if required.

Accordingly, the Board is satisfied that it is appropriate to prepare the accounts on a going concern basis.

Auditor

Grant Thornton UK LLP has expressed their willingness to remain in office. A resolution to reappoint Grant Thornton UK LLP as auditor was approved at the June 2023 Board meeting.

Other information

The strategic report below and the remainder of these financial statements, includes important information regarding events after the year-end and other relevant matters pertinent to the Association and understanding the operations and financial position of the Association. As such the entire Annual report and financial statements document should be read, not only the Report of the Directors.

Approval and signature

The report of the Directors was approved by the Board on 13 September 2023, and signed on its behalf by:

A handwritten signature in blue ink, appearing to read 'Ursula Bennion', is positioned above the name.

Ursula Bennion, Chair

3. Strategic Report

On behalf of the Board, I would like to thank all our staff and partners for their hard work and commitment over the last year. Like all organisations, we are facing several serious challenges, including inflation, high energy costs and continued shortages of labour within our service providers. Thanks to innovative thinking and partners who go the extra mile, we have continued to support vulnerable residents by providing high quality services

The Council has a new Labour led administration following local elections in May 2022; we continue to have an excellent relationship with all elected members. I would also like to thank the many stakeholders who support our work and share our vision of providing high quality value for money services, ensuring a better future for the people we serve.

Review of Results

The result for the year was a deficit of £2,503,000 (2022: £1,940,000 deficit). TBG Open Door Limited has no usable revenue reserves. The Statement of Financial Position presents an Income and Expenditure reserve deficit of £6,009,000 as at 31 March 2023 (2022: £3,506,000 deficit).

Principal risks and uncertainties

The Association's principal source of income is the future rent from newly built or acquired properties. The main risks to income are variations in the permitted rent increases set by the government, any restrictions on Local Housing Allowance and an increase in losses from bad debts, potentially from the impact of Welfare Reform.

The Association has built 317 homes so far (with 46 more to complete in July 2023). In the construction of the properties, the Association has made reasonable assumptions of costs across the whole programme to ensure all the units can be completed with the available funds. In addition, the Association 'buys in' the services of skilled staff to ensure the timely completion of the schemes.

In terms of funding, the Association is partially funded by a loan facility from London Borough of Barnet of up to £77.3m for which interest is charged at the prevailing Public Works Loan Board rate plus a margin. This rate is fixed from drawdown through to repayment and the Association will ensure the development programme is completed to time to reduce the possibility of significant variations in planned interest cost.

Modelling of the business plan and stress testing has demonstrated contingency to accommodate some variation in interest rate. The Association benefited from approximately £45m of grant funding which significantly contributes to the viability of each scheme.

In addition to the £77.3m loan facility described above, the Association has loan facilities from London borough of Barnet totalling £215m which allowed it to acquire 155 homes from London Borough of Barnet and will allow it to acquire up to 500 homes available for sale in the open market. The 155 units completed in 2021 and 198 of the 500 program has completed over the last 2 years. Interest is charged at the prevailing Public Works Loan Board rate plus a margin. This rate is fixed from drawdown through to repayment. Current interest rate volatility is a risk to future acquisitions, but the Board can pause or stop the program as it deems appropriate.

The health and safety of residents is of prime importance to the Association. The risk of non-compliance with relevant legislation and regulation could potentially impact on the safety of residents. There are a number of areas that the Association is required to comply with and thus this is a significant risk for the Association. Board receives updates on compliance at each Board meeting and management monitor performance on a monthly basis.

Post Year-end event

There have been no post year-end events requiring separate disclosure.

Key performance indicators

A suite of key performance measures are tracked, below are the key ones.

	31 March 2023	31 March 2022
Properties with a current LGSR certificate	99.8% New build 100% Acquisitions	99.6% New build 100% Acquisitions
Properties surveyed for electrical safety within the last 5 years	100% New build 91.1% Acquisitions	100% New build 99.6% Acquisitions
% P0 (urgent-works to be done as soon as practical) & P1 (important-works to be done within 6 months) FRA remedial actions completed within time- new builds	100%	100%
Arrears as a percentage of the rent debit	5.1% New build 13.4% Acquisitions	4.1% New build 10.8% Acquisitions

Rent arrears performance has declined for both new build and acquisition properties. This has occurred for 2 main reasons; firstly the high level of inflation and resulting cost-of-living pressures on all tenants and secondly an increasing proportion of acquisition property tenants have complex issues requiring significant levels of support and co-ordination with other support groups. This collaboration between Open Door and other support services has prioritised the wellbeing of these residents above rent collection and so a level of arrears is incurred until the resident is fully supported and once this is in place rental payments have been regularly received.

Compliance with having a current LGSR certificate on new build properties is 100% bar one unit where a court injunction has been sought to gain access so as to complete the annual LGSR (gas) certification. For the acquisition properties compliance was 100%.

Financial Performance is monitored by the Board via quarterly updates to the Business Plan and monitoring key inputs to the business plan such as interest rates and inflation.

Value for Money

The Association was established to deliver new homes that people can afford, contribute to the alleviation of Council's General Fund pressures and establish a viable, asset-owning subsidiary of TheBarnetGroup Limited.

The Association began construction of its first properties in the prior periods and the first lettings to tenants took place during 2018/19. As a result, the assessment of value for money (and the performance of these metrics) using the Regulator of Social Housing standard VFM measures was less relevant in prior years. These standard measures are now monitored by the Executive Team and the Board and targets set by the Board. Performance is shown below:

		31-Mar-2021		31-Mar-2022		31-Mar-2023	31-Mar-2023	31-Mar-2024	31-Mar-2025	31-Mar-2026
		Actual	Sector	Actual	Sector	Budget	Actual	Forecast	Forecast	Forecast
Metric 1	Reinvestment	15.1%	5.8%	9.4%	6.5%	3.2%	14.4%	11.7%	6.2%	0.6%
Metric 2a	New supply delivered (social housing)	85.6%	1.3%	30.9%	1.4%	17.3%	15.1%	13.6%	5.5%	0.0%
Metric 2b	New supply delivered (non- social housing)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Metric 3	Gearing	82.7%	43.9%	86.6%	44.1%	95.9%	86.2%	85.5%	87.9%	89.6%
Metric 4	EBITDA-MRI Interest Cover	54%	183%	88%	146%	108%	96%	89%	92%	75%
Metric 5	Headline Social Housing Cost Per Unit	£1,564	£3,730	£2,559	£4,150	£2,625	£2,997	£4,438	£4,687	£6,248
Metric 6a	Operating margin (social housing lettings)	39.4%	26.3%	44.3%	23.3%	42.5%	41.9%	41.9%	41.8%	41.5%
Metric 6b	Operating margin (overall)	27.4%	23.9%	35.5%	20.5%	35.2%	35.7%	34.2%	35.0%	35.0%
Metric 7	Return on Capital employed	0.4%	3.3%	1.2%	3.2%	1.5%	1.5%	1.5%	1.6%	1.7%

The sector results are included as they show the sort of results that are achieved for established organisations. For a newer organisation like TBG Open Door Limited, these are less useful as comparators but the future forecast results for the Association show how performance is expected to change in future years and results will be closer to the sector average.

The above table shows how as a new organisation the standard metrics have significant fluctuations year to year as units complete. In the current year, costs have increased due to higher repair costs but the Association continues to benefit from nearly half the units being new build and thus there is limited major works costs on units. This is forecast to change over the coming years as additional costs are incurred to get all units to EPC C or higher.

Metric 1 does not include acquired units, only spend on new units whilst Metric 2a does include acquired units and is why the results differ significantly. The results have declined, but this due to the opening number of units increasing and so the proportionately of growth is lower.

Metric 3 reflects that the business has no reserves and so all build and acquisition is funded via debt and grant. This is why the interest cover (Metric 4) is much lower than historical sector average and below 100%. This is forecast to fluctuate depending on the levels of major works spend to be incurred each year.

Operating margins are strong (Metric 6), aided by lower operating costs. The positive operating performance has resulted in the positive Return on Capital (Metric 7).

The Association has a Value for Money strategy and will continue to monitor compliance using the regulatory requirements of the Regulator of Social Housing, including amending the measures used to reflect the growth of the business.

Future Developments – TBG Open Door Limited

The Associations business plan is based on the following key aspirations:

- Develop quality new housing, including new types of construction and to deliver alternative tenure types such as shared ownership, market rent or other sub-market opportunities
- Access grant opportunities and third-party funding streams rather than solely from London Borough of Barnet
- To leverage a growing portfolio of assets for further development and business opportunities
- Support the Council in delivering its housing strategy
- Support the Council in reducing or cross subsidising homelessness costs

This ambition, aimed at further supporting the Council in its strategic objectives, is also in keeping with TheBarnetGroup Limited's mission to operate with a "Public sector ethos but with a private sector commercial focus".

The Governance and Financial Viability Standard

The Board confirm that TBG Open Door Limited is compliant with the Governance and Financial Viability Standard issued by the Regulator of Social Housing.

Monitoring arrangement

The Association is monitored by its Board together with oversight of internal controls and risks by TheBarnetGroup Limited's Group Audit and Risk Committee. In addition, the financial performance of the Association is monitored by its immediate parent, Barnet Homes Limited.

Approval and signature

The strategic report was approved by the Board on 13 September 2023 and signed on its behalf by:

A handwritten signature in blue ink, appearing to read 'U. Bennion', is positioned above the name of the signatory.

Ursula Bennion, Chair

Independent auditor's report to the members of TBG Open Door Limited

Opinion

We have audited the financial statements of TBG Open Door Limited (the 'society') for the year ended 31 March 2023, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves, the Statement of Cash Flow and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the society's affairs as at 31 March 2023 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008, and the Accounting Direction for Social Housing Providers 2022.

Basis for opinion

We have been appointed as auditor under the Co-operative and Community Benefit Societies Act 2014 and report in accordance with that Act. 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 society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the board's conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as increasing interest rates, inflation and high energy prices, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

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 society'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 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 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the society has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we need for our audit.

Responsibilities of the board

As explained more fully in the statement of board's responsibilities set out on page 3, 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 society'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 society 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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the society, and the sector in which it operates. We determined that the following laws and regulations were most significant; financial reporting legislation (Housing SORP 2018, United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102, the Accounting Direction for Social Housing Providers 2022), the Co-Operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008, Social Housing Regulatory Standards, and the NHF Code of Governance 2020. The engagement team remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit;

- We understood how the society is complying with those legal and regulatory frameworks by, making inquiries of management and those responsible for legal and compliance procedures. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board minutes and papers provided to the Audit and Risk Committee, and through our legal and professional expenses review;
- To assess the potential risks of material misstatement, we obtained an understanding of:
 - The society's operations, including the nature of its revenue sources, expected financial statements disclosures and business risks that may result in a risk of material misstatement; and
 - The society's control environment including the adequacy of procedures for authorisation of transactions.
- We assessed the susceptibility of the society's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - Evaluating the processes and controls established to address the risks related to irregularities and fraud;
 - Testing manual journal entries, in particular journal entries relating to management estimates, revenue and journals entries deemed to relate to unusual transactions;
 - Challenging assumptions and judgement made by management in its significant accounting estimates;
 - Identifying and testing related party transactions; and
 - Completion of audit procedures to conclude on the compliance of disclosures in the financial statements with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement partner has assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team's knowledge and understanding of the industry in which the society operates in, and its practical experience through training and participation with audit engagements of a similar nature. All team members are considered to have sufficient knowledge and experience of companies of a similar size and complexity, appropriate to their role within the team; and
- Relevant laws and regulations and potential fraud risks were communicated to all engagement team members. We remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Use of our report

This report is made solely to the society, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the society 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 society as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants Leeds
Date: 22/9/2023

TBG OPEN DOOR LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2023	2022
		£'000	£'000
Turnover	3	9,147	6,311
Shared Ownership cost of sales	3	(420)	-
Operating Costs	3	(5,462)	(4,080)
Other Income	3	5	11
Operating surplus		3,270	2,242
Interest and financing costs	7	(5,845)	(4,182)
Interest receivable		72	-
Deficit before taxation		(2,503)	(1,940)
Taxation		-	-
Deficit after tax		(2,503)	(1,940)
Other comprehensive income		-	-
Total comprehensive loss for the year		(2,503)	(1,940)

Statement of Changes in Reserves

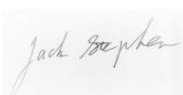
	Revenue Reserve
	£'000
Balance at 1 April 2021	(1,566)
Deficit for the year	(1,940)
Balance at 31 March 2022	(3,506)
Deficit for the year	(2,503)
Balance at 31 March 2023	(6,009)

All the above relate to continuing activities
The accompanying accounting policies and notes on pages 17 to 29 form part of these financial statements.

The financial statements were authorised and approved by the Board on 13 September 2023 and signed on its behalf by:



Ursula Bennion, Chair



John Stephen



Shaun McLean - Company Secretary

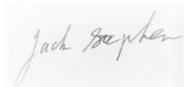
TBG OPEN DOOR LIMITED
STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2023

	Notes	2023 £'000	2022 £'000
ASSETS			
Tangible Assets			
Tangible Fixed Assets - Housing Properties	8	204,484	178,349
Other Tangible Fixed Assets	9	10	21
Total fixed assets		204,494	178,370
Current assets			
Trade and other debtors	10	3,538	7,411
Cash and cash equivalents		12,274	2,911
		15,812	10,322
Creditors: Amounts due within 1 year	11	(6,093)	(5,355)
Net current assets		9,719	4,967
		214,213	183,337
Total assets less current liabilities			
Creditors: Amounts due after more than 1 year			
Loans	13	(176,230)	(154,023)
Deferred Grant Income	12	(43,992)	(32,820)
Net Liabilities		(6,009)	(3,506)
Capital and reserves			
Revenue reserve		(6,009)	(3,506)
Total Equity		(6,009)	(3,506)

The financial statements were authorised and approved by the Board on 13 September 2023 and signed on its behalf by:



Ursula Bennion, Chair



John Stephen



Shaun McLean - Company Secretary

Co-operative and Community Benefit Society Number: 8374

The accompanying accounting policies and notes on pages 17 to 29 form part of these financial statements.

TBG OPEN DOOR LIMITED
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £'000	2022 £'000
Cash flows from operating activities			
Net cash generated/(utilised) from operating activities	(a)	9,899	1,726
Cash flows from investing activities			
Purchase and construction of housing properties	8	(29,182)	(45,648)
Proceeds from 1 st tranche sales	3	883	-
Interest receivable		72	-
Grant received		11,617	3,964
Net Cash used in investing activities		(16,610)	(41,684)
Cash flows from financing activities			
Loans drawn	13	20,000	42,583
Loans repaid		-	-
Interest paid		(3,926)	(4,182)
Net Cash generated in financing activities		16,074	38,401
Net change in cash and cash equivalents	(c)	9,363	(1,557)
Cash and cash equivalents at beginning of year		2,911	4,468
Cash and cash equivalents at end of year		12,274	2,911

The accompanying accounting policies and notes on pages 17 to 29 form part of these financial statements.

TBG OPEN DOOR LIMITED
STATEMENT OF CASH FLOW CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £'000	2022 £'000
(a) Reconciliation of deficit to net cash (utilised)/generate from operating activities			
Loss for the year		(2,503)	(1,940)
Adjustments:			
Depreciation of housing properties	8	2,811	2,073
Amortisation of grant	12	(338)	(272)
Other depreciation & amortisation	9	11	11
Gain on disposal of shared ownership property	3	(463)	-
Decrease/(increase) in trade and other debtors		3,944	(4,604)
Increase/(decrease) in trade and other creditors		664	2,276
Interest receivable		(72)	-
Interest paid		5,845	4,182
Net cash generated from operating activities		9,899	1,726

(b) Reconciliation of net cashflow to movement in net debt

(Increase)/decrease in cash in the year		(9,363)	1,557
New loans		20,000	42,583
Capitalised interest		2,287	-
Loan Amortisation		(80)	-
Loans repaid		-	-
Change in net debt		12,844	44,140
Net debt brought forward		151,112	106,972
Net debt carried forward		163,956	151,112

(c) Analysis of changes in net debt

	At 1 April 2022	Cash flow	At 31 March 2023
Debt due within one year	-	-	-
Debt due after one year	154,023	22,207	176,230
	154,023	22,207	176,230
Cash at bank	2,911	9,363	12,274
Total net debt	151,112	12,844	163,956

TBG OPEN DOOR LIMITED**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2023****1. Legal Status**

TBG Open Door Limited (the “Association”) is registered under the Cooperative and Community Benefit Society Act 2014 and is a registered provider of social housing. The Association is also registered with the Financial Conduct Authority (FCA).

TBG Open Door Limited is an entity within TheBarnetGroup Limited structure and subsidiary of Barnet Homes Limited, for the development and management of affordable housing. The Association was incorporated on 29 October 2015 and registered with the regulator of Social Housing as a registered provider of social housing on 7 March 2017.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Basis of accounting**

The financial statements have been prepared under the historical cost convention in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including FRS102, “The Financial Reporting Standard applicable in the UK and Republic of Ireland” issued by the Financial Reporting Council and comply with the Statement of Recommended Practice for Registered Social Housing Providers 2018 (SORP), the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022 (Open Door Homes has elected to adopt the 2022 Accounting Direction early, there is no impact to the accounts of this early adoption).

The financial statements are presented in British Pounds Sterling (£), the functional currency of the Association.

Disclosure exemptions

The individual accounts of TBG Open Door Limited has adopted the following disclosure exemptions:

Financial instrument disclosures, including:

- categories of financial instruments
- items of income, expenses, gains or losses relating to financial instruments, and
- exposure to and management of financial risks

Going Concern

The accounts are prepared on a going concern basis.

The Association has made a deficit of £2,503,000 in the year and as a result is in a negative net assets position. Expenditure relates to management and repairs of completed properties, costs relating to prospective new development schemes and the construction of further properties. The Association is operating to a long-term business plan which enables rental income from completed properties to generate cash to pay off the debt funding accrued in the construction period. The business plan is updated and reviewed by the Board at each Board meeting. The Association has additional committed long-term loan facilities (in excess of 30 years) from London Borough of Barnet that include an allowance for working capital to fund the business whilst the Association makes losses for a number of years. Utilisation of these loan facilities match the financing requirements of the Association’s long-term plan. The loan agreements also permit the Association to negotiate with the lender, the option to sell some properties, amend the loan terms or other options to support the financial viability of the Association.

The main risks to the business in the short term are interest rates and arrears levels. The 500-unit acquisition program has been approved up to 300 homes, but any further acquisitions will require Board and London Borough of Barnet agreement on amending the basis of interest rates, due to the high current borrowing rates when compared to the initial business plan.

Demand for social housing in the areas of operation remain high and are getting higher due to the cost of living, supply of units for temporary accommodation has decreased significantly as private landlords exit the market. TheBarnetGroup Limited, as the Group holding company, has committed to supporting the Association both financially and operationally if required.

TBG OPEN DOOR LIMITED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Going Concern (continued)

Accordingly, the Board is satisfied that it is appropriate to prepare the accounts on a going concern basis.

Significant management judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Significant management judgements

The following are management judgements in applying the accounting policies of the organisation that have the most significant effect on the amounts recognised in the financial statements:

Valuation and impairment of social housing properties

Annually, the Association assess whether the carrying value of the properties represents a fair value of the assets or whether an indicator of impairment exists. In making the judgement, management considered the criteria set out in the SORP. No indicators of impairment have been identified as existing at the year-end and as such the assets are reflected at historical cost less any depreciation to date. For the purposes of assessing impairment, management has identified the entity as a whole to be a cash generating unit.

Fixed Asset vs Investment Properties

All the Association's properties are 'social housing' as they are held for their social benefit, i.e. they are rented out at subsidised rates to eligible tenants.

Estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Economic life of assets

An estimation of the useful economic life of the organisation's assets are determined by management and disclosed within the accounting policies. The estimates are based on industry standards adjusted to reflect our own experience, quality of components and maintenance procedures.

Bad and doubtful debts

Provision is made against rent for current and former tenants and against sundry debts to the extent that they are considered by management not to be recoverable at their full value. The level of provision is based on historical experience and future expectations.

Turnover and Revenue recognition

Turnover comprises rental income and grant receivable in the year. Rental income comprises rent and service charges receivable in the year (net of rent and service charge losses from voids).

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, for acquired properties it is when properties

become available for letting, net of voids. Properties let at affordable rent are inclusive of service charges.

Taxation

For the year ended 31 March 2023, the Association is not subject to corporation tax as it has been granted charitable status by HMRC.

TBG OPEN DOOR LIMITED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

VAT

The Association was not registered for VAT at 31 March 2023.

At year-end, VAT payable is included in the statement of financial position. Irrecoverable VAT is accounted for in the statement of comprehensive income

Housing Properties

Housing properties are properties held for the provision of social housing. Properties during construction are stated at cost and included in fixed assets. Properties under construction are transferred to "completed housing properties" when they are available for letting. No depreciation is provided on the properties until they are ready for use. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements

Capitalised Development Costs

Only directly attributable project costs are capitalised in housing property costs. These costs include acquisition, construction, capitalised interest and overheads. Staff costs which are directly attributable in bringing housing properties into working condition for their intended use are capitalised as development allowances.

Pre-contract costs

Pre-contract costs are recognised as an asset only if they are directly attributable to bringing the asset to its intended operating condition and specific contract, can be separately identified, measured reliably and when there is virtual certainty that a contract will be obtained and is expected to result in future net cash inflows.

Government Grants

Grants are paid by the London Borough of Barnet to subsidise the cost of constructing housing properties. Grants on completed housing properties are accounted for using the accrual model as set out in FRS102 and the Housing SORP 2022. Grants are recognised as deferred income in the Statement of Financial Position and released to the Statement of Comprehensive Income on a systematic basis over the useful economic lives of the asset.

Government grants released on sale of property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position in creditors. If there is no requirement to recycle or repay the grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised as income in income and expenditure.

Land and other donated assets

Land and other assets donated by local authorities and other government sources are recognised at the fair value on initial recognition, at the time of the donation. Where the land is not related to a specific development and is donated by a public body an amount equivalent to the difference between fair value and consideration paid is treated as a non-monetary government grant and recognised on the statement of financial position as deferred income within liabilities. Where the donation is from a non-public source, the value of the donation is included as income. On disposal of an asset for which non-monetary government grant was received by the social landlord any unamortised grant remaining within liabilities

in the statement of financial position is derecognised and recognised as income in the statement of comprehensive income.

Interest Payable

Interest is capitalised on borrowings to finance the development of qualifying assets, to the extent that it accrues in respect of the period of development, if it represents interest on borrowings specifically financing the development programme after deduction of relevant grants received in advance. Other interest payable is charged to income and expenditure in the year.

TBG OPEN DOOR LIMITED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Depreciation of Housing Properties

The Association separately identifies the major components which comprise its housing properties and charge depreciation to write down the cost of each component, to its estimated residual value, on a straight-line basis, over its estimated useful economic life. The estimated useful life of the major components is as follows:

Component	Lifecycle - years
Main Structure	100
Roof	50
Doors and Windows	40
Gas Heating	30
Boiler	12
Kitchens	20
Bathrooms	30
Lifts	15
Electrical	30

Freehold land is not depreciated. Leasehold properties are amortised over the period of the lease or the estimated useful economic life in the business, if shorter.

Shared Ownership

Shared ownership properties are valued at the lower of cost and net realisable value. Costs include acquisition and development costs together with interest payable. Net realisable value is based on estimated sales price after allowing for further costs of completion and disposal.

Properties are split proportionately between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset until sold. Sales proceeds are then included in turnover. The unsold balance is classed as a fixed asset with any subsequent sale treated as a sale of fixed assets. Mixed tenure development costs are apportioned based on developer estimated costs or by square footage.

Impairment

Housing properties are assessed annually for impairment indicators. Where indicators are identified, an assessment for impairment is undertaken comparing the scheme's carrying amount to its recoverable amount. Where the carrying amount of a scheme is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure. Where a scheme is currently deemed not to be providing service potential to the Association, its recoverable amount is its fair value less costs to sell.

Other Tangible Fixed Assets

Other tangible fixed assets are measured at cost less accumulated depreciation. Depreciation is provided evenly on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives (with no charge in the year of acquisition) as follows:

Computers and software	3 to 5 years
------------------------	--------------

Financial Instruments

Financial Instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 are accounted for under an amortised cost model.

Non-basic financial instruments are recognised at fair value using a valuation technique with any gains or losses being reported in surplus or deficit. At each year end, the instruments are revalued to fair value, with the movements posted to the income and expenditure.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held with banks, other short-term highly liquid investments with original maturities of 95 days or less.

TBG OPEN DOOR LIMITED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Debtors

Short term debtors are measured at transaction price, less any impairment. Where deferral of payment terms has been agreed and the impact of discounting is material, the balance is shown at the present value, discounted at a market rate.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including loans, are measured initially at fair value, net of transaction costs and are measured subsequently at amortised cost using the effective interest method.

Equity and reserves

Retained earnings include all current retained results.

Provisions, contingent liabilities and contingent assets

Provisions and contingent liabilities are recognised when the Association has a present obligation as a result of a past event, and it is probable that the Association will be required to settle that obligation.

Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the statement of financial position date and are discounted to present value where the expenditure required to settle the obligation at the statement of financial position date and are discounted to present value where the effect is material. The Association has no contingent assets.

TBG OPEN DOOR LIMITED**3. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS/(DEFICIT)**

	2023	2023	2023	2022	2022	2022
	Turnover	Operating Costs	Operating Surplus/(Deficit)	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£'000	£'000	£'000	£'000	£'000	£'000
Social Housing Lettings	8,264	(4,801)	3,463	6,311	(3,516)	2,795
Shared Ownership 1 st Tranche sales	883	(420)	463	-	-	-
Other Social Housing Activities	5	(661)	(656)	11	(564)	(553)
	9,152	(5,882)	3,270	6,322	(4,080)	2,242

Other social housing activity costs primarily relates to payments to London Borough of Barnet for contribution to homelessness prevention.

Social Housing Lettings

	2023	2023	2023	2022
	Affordable Housing	Shared Ownership	Total	Total
	£'000	£'000	£'000	£'000
Income				
Rent Receivable	7,922	4	7,926	6,039
Amortised Grant	338	-	338	272
Turnover from Social Housing Lettings	8,260	4	8,264	6,311
Expenditure				
Management	604	1	605	421
Service Charge costs	132	-	132	87
Routine Maintenance	644	-	644	383
Depreciation of housing properties	2,811	-	2,811	2,073
Bad debts	298	-	298	289
Other costs	311	-	311	263
Operating costs on Social Housing Lettings	4,800	1	4,801	3,516
Operating surplus on Social Housing Lettings	3,460	3	3,463	2,795
Void losses	117	-	117	87

TBG OPEN DOOR LIMITED
4. ACCOMMODATION IN MANAGEMENT AND DEVELOPMENT

	2023	2022
	Number of Properties	Number of Properties
Social Housing - Affordable Rent	664	564
Social Housing - Shared Ownership	5	-
Total accommodation owned and Managed	669	564
Accommodation in development at year end	46	81

5. OPERATING SURPLUS

The operating surplus has been arrived at after charging the following:

		2023	2022
		£'000	£'000
Depreciation of housing properties	8	2,811	2,073
Depreciation of other fixed assets	9	11	11
Auditors' remuneration (excluding VAT)			
- Fees payable to the Association's Auditors for the audit of the financial statements		17	13
- Tax compliance services		5	7

There are no employees of the Association apart from the Non- Executive Directors.

6. DIRECTORS AND OFFICERS

6.1 NON- EXECUTIVE DIRECTORS

The Non-Executive Directors are defined as being the members of TBG Open Door Limited's Board, who are not executive officers of TBG Open Door Limited. The Non-Executive Directors received emoluments for the financial year and were entitled to reimbursement of incidental expenses incurred when attending Board meetings and other formal events in their capacity as Board members.

	2023	2022
	£	£
Emoluments Received:		
Maureen Adams	5,000	5,000
Jeremy Arnold	2,500	2,500
Ursula Bennion	3,750	3,750
Tom Bremner	3,333	-
Dasos Christou	5,000	5,000
Surjit Dhande	2,917	5,000
Marie Li Mow Ching	5,000	5,000
John Stephen	1,875	1,875
Richard Stevens	3,333	-
	32,708	28,125

TBG OPEN DOOR LIMITED**6.2 EXECUTIVE OFFICERS**

No remuneration was paid by TBG Open Door Limited to the Executive Officers during the period under review.

7. INTEREST AND FINANCING COSTS

	2023	2022
	£'000	£'000
Interest payable on borrowing	6,009	4,590
Interest capitalised on housing properties	(204)	(423)
Amortisation of loan issue cost	40	15
	<u>5,845</u>	<u>4,182</u>

Interest capitalised was at an average rate of 3.24% (2022: 3.33%)

TBG OPEN DOOR LIMITED
8. TANGIBLE FIXED ASSETS: HOUSING PROPERTIES

	Social Housing Properties held for letting	Housing Properties for Letting Under Construction	Shared Ownership Properties	Total Housing Properties
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2022	161,001	20,359	-	181,360
Acquisitions	21,750	462	-	22,212
Construction costs	-	7,174	-	7,174
Schemes completed	15,761	(17,259)	1,498	-
Unsold 1 st tranche trfr to Current Assets	-	-	(71)	(71)
Disposals	-	-	(369)	(369)
At 31 March 2023	<u>198,512</u>	<u>10,736</u>	<u>1,058</u>	<u>210,306</u>
Depreciation				
At 1 April 2022	3,011	-	-	3,011
Charge for the year	2,811	-	-	2,811
At 31 March 2023	<u>5,822</u>	<u>-</u>	<u>-</u>	<u>5,822</u>
Net book value				
At 31 March 2023	<u>192,690</u>	<u>10,736</u>	<u>1,058</u>	<u>204,484</u>
At 31 March 2022	<u>157,990</u>	<u>20,359</u>	<u>-</u>	<u>178,349</u>

Social Housing Assistance

	2023
	£'000
Total accumulated social housing grant received or receivable at 31 March:	
Recognised in the Statement of Comprehensive Income	750
Held as Deferred Grant Income	44,398
	<u>45,148</u>

Finance Costs

	2023
	£'000
Amount of finance costs included in the year	204
Aggregate amount of finance costs included in housing properties	<u>2,443</u>

TBG OPEN DOOR LIMITED**9. OTHER FIXED ASSETS**

	£'000 Computers and software
Cost	
At 1 April 2022	53
Additions:	<u>-</u>
At 31 March 2023	<u>53</u>
Depreciation and impairment	
At 1 April 2022	32
Charge for the year	<u>11</u>
At 31 March 2023	<u>43</u>
Net Book Value	
At 31 March 2023	<u>10</u>
At 31 March 2022	<u>21</u>

10. TRADE AND OTHER DEBTORS

	2023	2022
	£'000	£'000
Rent Receivable	245	277
Amount due from ultimate parent	592	5,605
Shared Ownership units for sale	71	-
Amount due from Group companies	-	15
Other Debtors	<u>2,630</u>	<u>1,514</u>
	<u>3,538</u>	<u>7,411</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

TBG OPEN DOOR LIMITED**11. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR**

	2023	2022
	£'000	£'000
Amounts due to ultimate parent entity	4,452	1,727
Rent Received in Advance	-	101
Deferred Grant Income (see Note 13)	406	299
Trade creditors	13	37
Accruals	760	1,989
Amount due to Group companies	462	1,202
	<u>6,093</u>	<u>5,355</u>

Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. The Association aims to pay all suppliers within the contract or invoice payment terms.

12. DEFERRED GRANT INCOME

	2023	2022
	£'000	£'000
At 1 April	33,119	29,427
Grant Received in the year	11,617	3,964
Released to income in the year	(338)	(272)
At 31 March	<u>44,398</u>	<u>33,119</u>
Amounts to be released within 1 year	<u>406</u>	<u>299</u>
Amounts to be released in more than 1 year	<u>43,992</u>	<u>32,820</u>

13. DEBT ANALYSIS

	2023	2022
	£'000	£'000
Loans at start of the year	154,459	111,891
Loan drawdowns:	20,000	40,605
Capitalised interest	2,287	1,963
Loan balance at end of the year	176,746	154,459
Loans payable in instalments in more than 5 years	176,746	154,459
Less: loan issue costs	(516)	(436)
	<u>176,230</u>	<u>154,023</u>
Total Borrowings	<u>176,230</u>	<u>154,023</u>

Security

Loans are secured on all the properties of the organisation.

TBG OPEN DOOR LIMITED
13. DEBT ANALYSIS (continued)

Terms of Repayment and Interest Rates

The rate of interest on each loan for each interest period is the prevailing interest rate offered to the lender at the date of utilisation request by the Public Works Loan Board for the relevant period and type of loan plus a margin.

	2023	2022
	£'000	£'000
Loans repayable by instalments:		
In five or more years	176,230	154,023
Between two and five years	-	-
Between one and two years	-	-
In one year or less and on demand	-	-
	<u>176,230</u>	<u>154,023</u>

At 31 March 2023 the entity had undrawn loan facility of £111m (2022: £133m).

14. RELATED PARTY TRANSACTIONS

	2023	2022
	£'000	£'000
Amount due to TheBarnetGroup Limited	(16)	(114)
Invoices to TheBarnetGroup Limited	155	-
Amount due to Barnet Homes Limited	(424)	(932)
Invoices from Barnet Homes Limited	2,714	863
Invoices to London Borough of Barnet	11	-
Invoices from London Borough of Barnet	592	1,727
In year grant receipts from London Borough of Barnet	11,617	3,964
Loan payable to London Borough of Barnet	(176,746)	(154,023)

TBG Open Door Limited Ltd is a Community Benefit Society. The smallest Group to consolidate these financial statements is TheBarnetGroup Limited. The largest Group to consolidate these financial statements is London Borough of Barnet. Copies of TheBarnetGroup Limited and London Borough of Barnet accounts can be obtained from 2 Bristol Avenue, Colindale, London NW9 4EW. Transactions are on agreed terms

The ultimate parent entity is London Borough of Barnet by virtue of its controlling interest in TheBarnetGroup Limited.

The loan payable is secured against the Association's assets.

TBG OPEN DOOR LIMITED**15. EQUITY****Share capital**

The Association is limited by guarantee and therefore has no share capital. Each member agrees to contribute £1 in the event of the Association winding up.

Number of Members

At 31 March 2022	7
Joined in year	2
Cancelled in year	(1)
	<hr/>
At 31 March 2023	<u>8</u>

16. CAPITAL COMMITMENTS

	2023	2022
	£'000	£'000
Capital expenditure contracted for but not provided for in the financial statements	521	7,947
Capital expenditure authorised by the Board but not yet under contract	<u>32,334</u>	<u>9,257</u>

This contracted expenditure will be funded in the ratio 60% from existing loan facilities and 40% from grant funding and is for 46 social housing units.

The uncontracted expenditure is to acquire 102 properties for use as social housing and this will be entirely funded from existing loan facilities.