

REGISTERED NUMBER: RS008279
REGISTERED PROVIDER OF SOCIAL HOUSING NUMBER: 5106

LUMEN HOUSING LIMITED
REPORT OF THE BOARD MEMBERS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2023

LUMEN HOUSING LIMITED
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FOR THE YEAR ENDED 31 MARCH 2023

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LUMEN HOUSING LIMITED
REGISTERED SOCIETY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2023

BOARD MEMBERS: A Upton
A Bell
S Walsh
I Sillars
Councillor J M Hobson
C Stone
K Tupling

SECRETARY: M A Towers

REGISTERED OFFICE: Number One Bickerstaff Square
Talbot Road
Blackpool
FY1 3AH

REGISTERED NUMBER: RS008279

AUDITORS: Xeinadin Audit Limited
Sidings House
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

LUMEN HOUSING LIMITED
REPORT OF THE BOARD MEMBERS
FOR THE YEAR ENDED 31 MARCH 2023

The board present their report with the financial statements of the registered society for the year ended 31 March 2023.

LEGAL AND ADMINISTRATIVE DETAILS

STATUS

Lumen Housing Limited was registered as a housing co-operative in England, under the Co-operative and Community Benefit Societies Act 2014 on 13 December 2019, registered number RS008279 and commenced trading on 1 October 2020. It is registered with the Regulator of Social Housing as a Registered Housing Provider, registered number 5106.

BOARD MEMBERS

The members of the board shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

A Upton
A Bell
S Walsh
I Sillars
Councillor J M Hobson

Other changes in members of the board holding office are as follows:

R Bell OBE JP - resigned 19 October 2022

C Stone and K Tupling were appointed to the board after 31 March 2023 but prior to the date of this report, S A Finegan ceased to be a board member after 31 March 2023 but prior to the date of this report.

Board members are appointed by the parent Company, Blackpool Housing Company Ltd. The 3 year terms of A Upton, A Bell, S Walsh and I Sillars expire in October 2023.

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITY

The registered society rents and maintains accommodation for general needs and social housing.

VALUE FOR MONEY

In line with the Regulator of Social Housing and the Financial Regulations and Standard Orders the registered society seeks to achieve value for money on all expenditure. In line with the national directives, we have calculated the metrics as follows:

| | | | |
|-----------------|---------------------------------------|---------|--|
| Metric 1 | Reinvestment % | 45.6% | Lumen Housing continue to invest in new stock in line with the business plan |
| Metric 2 | New supply delivered % | 43.75% | Lumen Housing are investing in new stock in line with the business plan. |
| Metric 3 | Gearing | 76.05% | Lumen Housing has financial support of the parent company to continue to invest in acquiring new stock |
| Metric 4 | EBITDA MRI Interest Cover % | 40.97% | Lumen Housing continue to invest in new stock earnings before tax is in line with the business plan assumptions |
| Metric 5 | Headline social housing cost per unit | £1,202 | The cost per unit is low when benchmarked against other housing providers of similar size. This is due to the stock being recently refurbished |
| Metric 6 | Operating Margin | -36.14% | Operating margin is low as per the business plan assumptions and investment program |
| Metric 7 | Return on capital employed (ROCE) % | 32.05% | In line with the business plan |

LUMEN HOUSING LIMITED

REPORT OF THE BOARD MEMBERS FOR THE YEAR ENDED 31 MARCH 2023

Year ended 31st March 2023 represented the Registered Society's second year of operation so some of these measures are reflective of a new operation and are likely to move to sector norms over time.

RISK MANAGEMENT

Lumen has an established risk management framework which is aligned to our business activities and supports the achievement of our corporate objectives and financial business plan. The Board, Audit Committee and Senior Management Team has maintained a programme of risk review throughout the year and continued to improve the risk management framework and risk reporting.

Our risk management framework is in place to identify, evaluate and manage the significant risks faced by the Company, arising from our corporate priorities, the wider sector risk profile and the economic operating environment.

The Board have approved a risk appetite matrix which identifies development as the most risk hungry area with Health and Safety, Financial and Regulatory compliance as its most risk averse. Risk appetite indicators are being implemented to give assurance to the Board that risks are effectively managed.

Our risks are reviewed regularly by Board including changes to risk profile and controls in place to mitigate risk.

Risk appetite and risk based stress testing is an integral part of our financial planning process to understand how change impacts on financial viability, this is considered alongside identified mitigations. The most significant risks currently facing the organisation are shown in the table below.

| Risk Type | Relevant Strategic goal | Risk | Key Controls |
|------------|---|--|---|
| Strategy | Achievement of business goals | Undelivered business plan and poor quality of service delivered | <ul style="list-style-type: none"> • Business plan stress tested and approved on an annual basis. • Carbon strategy adopted • Customer focused services • Maintain and challenge the performance focus of the business. • Regular review and annual strategy days with Board to review business focus. |
| Governance | To meet Regulatory Requirements on Governance and Viability | Regulatory action taken which will impact on the operation of the business. | <ul style="list-style-type: none"> • Business Plan model regularly updated to deliver rolling forecasts. • NHF Code of Governance adopted. • Monitoring and compliance systems adopted. • Regulator's annual SDR completed. • Internal audit regime. • Peer support / challenge |
| Legal | To comply with health and safety legislation and expectations particularly around building safety and the safety of residents | Death or injury to a tenant, contractor or employee and subsequent civil or criminal action. | <ul style="list-style-type: none"> • Health and safety policy and full suite of compliance procedures. • On site project monitoring by qualified staff. • Annual training plan • Regular review and updates to office and site risk assessments. |

LUMEN HOUSING LIMITED

**REPORT OF THE BOARD MEMBERS
FOR THE YEAR ENDED 31 MARCH 2023**

| | | | |
|-------------|--|--|---|
| Property | Delivering the programme expected | Lack of appropriate housing stock to meet demand and inability to provide cost effective housing to tenant | <ul style="list-style-type: none"> • Development strategy in place. • Programme planned in advance. • Relationships built with vendors and contactors. • Secure Home England Grant to support |
| Financial | Failure to achieve Value For Money | Costly and inefficient service provision. | <ul style="list-style-type: none"> • Use of procurement frameworks to acquire goods and services • Work with partners to deliver value and innovation (e.g. alternative forms of heating) • Robust financial reporting and cost trend analysis • VFM Strategy adopted (Lumen) |
| Financial | Funding availability from 2025 | Inability to develop beyond 2025 without additional funding | <ul style="list-style-type: none"> • Regular meetings with Council to update on financial requirements. |
| Commercial | Failure to secure property acquisitions for growth | Development slows /ceases. | <ul style="list-style-type: none"> • Constant market scanning and established relationships with local market. |
| Commercial | Failure to set rents at market levels | Unrealised income opportunities | <ul style="list-style-type: none"> • Rents reset to market levels on reletting. |
| Technology | Critical System Failure | Systems failure affecting ability of business to operate effectively. | Regular checks carried out by staff to ensure system is meeting basic requirements. |
| Information | Data integrity and technology risk. | Data Protection Breach resulting in a fine / civil action. | <ul style="list-style-type: none"> • SLA with Council for data protection services • DP Audit carried out and actions identified • Full suite of IT policies and procedures adopted • Training on IT fraud carried out for staff |

LUMEN HOUSING LIMITED

**REPORT OF THE BOARD MEMBERS
FOR THE YEAR ENDED 31 MARCH 2023**

ASSESSMENT OF COMPLIANCE WITH THE GOVERNANCE AND FINANCIAL VIABILITY STANDARD

The board has reviewed the Governance and Financial Viability Standard published by the Homes & Communities Agency. We confirm that we comply with the standard.

CODE OF GOVERNANCE

The board has reviewed the code of governance for housing co-operatives issued jointly by the Confederation of Co-operative Housing and the National Housing Federation and confirms that the registered society is in compliance with it.

STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES

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

The Co-operative and Community Benefit Societies Act 2014 requires the board members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the registered society and of the income and expenditure of the registered society for that period. In preparing these financial statements, the members of the board are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the registered society will continue in business.

The board is responsible for keeping adequate accounting records that are sufficient to show and explain the registered society's transactions and disclose with reasonable accuracy at any time the financial position of the registered society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the registered society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Xeinadin Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD MEMBERS:



.....
C Stone - Chair

Date: 4/7/23
.....

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LUMEN HOUSING LIMITED

Opinion

We have audited the financial statements of Lumen Housing Limited (the 'registered society') for year ended 31 March 2023 which comprise Income Statement and Balance Sheet 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 registered society's affairs as at 31 March 2023 and of its loss 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 Co-operative and Community Benefit Societies Act 2014.

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 registered 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 the provisions available for small entities, in the circumstances set out in note 2 to the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements we have concluded that the board member'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 registered 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 members 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 board members 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.

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 Act 2014 requires us to report to you if, in our opinion:

- the registered society has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation; or
- the revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the registered society's books of account; or
- we have not obtained all the information and explanations necessary for the purposes our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LUMEN HOUSING LIMITED

Responsibilities of Board Members

As explained more fully in the board member's responsibilities statement set out on page 5, the board members 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 it 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 members are responsible for assessing the registered 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 registered society or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors. 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Company, we identified that the principal risks of non-compliance with laws and regulations related to corporation tax legislation and we considered the extent to which non-compliance might have a material effect on the financial statements.

As part of this assessment we considered both quantitative and qualitative factors. We also considered those laws and regulations that have a direct impact on the preparation on the financial statements, such as the Companies Act 2006 and FRS 102.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements which included the risk of management override of controls. We determined that the principal risks were related to posting inappropriate journal entries, omitting, advancing or delaying recognition of events and transactions that have occurred during or after the reporting period, and potential management bias in the determination of accounting estimates or judgements to manipulate results.

Audit procedures performed by the engagement team include:

- Enquiring of and obtaining written representation from management in relation to known or suspected instances of non-compliance with laws and regulations and fraud;
- Enquiring of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Evaluation of management's controls designed to prevent and detect irregularities;
- Review of board meeting minutes and meetings of those charged with governance;
- Identifying and, where relevant, testing journal entries posted by senior management or with unusual combinations;
- Assessing and evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Review of correspondence with regulators in so far as they are related to the financial statements;
- Incorporating elements of unpredictability into the nature, timing and/or extent of audit procedures performed.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LUMEN HOUSING LIMITED**

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through collusion. 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.

Use of our report

This report is made solely to the registered society's members, 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 registered society'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 registered society and the registered society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Xeinadin Audit Limited
Statutory Auditors
Sidings House
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

Date:

LUMEN HOUSING LIMITED
INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

| | Notes | 2023 £ | 2022 £ |
|---------------------------------------|-------|------------------------|------------------------|
| TURNOVER | | 196,040 | 86,469 |
| Cost of sales | | <u>63,715</u> | <u>30,430</u> |
| GROSS PROFIT | | 132,325 | 56,089 |
| Administrative expenses | | <u>145,056</u> | <u>107,196</u> |
| | | (12,731) | (51,157) |
| Other operating income | | <u>825</u> | <u>559</u> |
| OPERATING LOSS | 4 | (11,906) | (50,598) |
| Interest payable and similar expenses | | <u>60,538</u> | <u>35,192</u> |
| LOSS BEFORE TAXATION | | (72,444) | (85,790) |
| Tax on loss | | <u>-</u> | <u>-</u> |
| LOSS FOR THE FINANCIAL YEAR | | <u>(72,444)</u> | <u>(85,790)</u> |

The notes form part of these financial statements


LUMEN HOUSING LIMITED (REGISTERED NUMBER: RS008279)

BALANCE SHEET
31 MARCH 2023

| | Notes | 2023 | | 2022 | |
|--|-------|------------------|--------------------|------------------|--------------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 9 | | 3,767,151 | | 2,455,300 |
| CURRENT ASSETS | | | | | |
| Debtors | 10 | 6,644 | | 6,691 | |
| Cash at bank | | <u>228,985</u> | | <u>53,589</u> | |
| | | 235,629 | | 60,280 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 11 | <u>4,228,836</u> | | <u>2,669,192</u> | |
| NET CURRENT LIABILITIES | | | <u>(3,993,207)</u> | | <u>(2,608,912)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>(226,056)</u> | | <u>(153,612)</u> |
| RESERVES | | | | | |
| Retained earnings | | | <u>(226,056)</u> | | <u>(153,612)</u> |
| | | | <u>(226,056)</u> | | <u>(153,612)</u> |

The financial statements were approved by the Board Members and authorised for issue on 04/07/23 and were signed on its behalf by:


.....
C Stone – Chair, Board Member


.....
M A Towers - Secretary


.....
A Bell – Board Member

The notes form part of these financial statements

LUMEN HOUSING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. STATUTORY INFORMATION

Lumen Housing Limited is a registered society and private registered provider of social housing in the United Kingdom. The registered society's registered number and registered office address can be found on the Registered Society Information page.

Lumen Housing Limited constitutes a public benefit entity as defined by FRS 102.

The principal place of business is 348-350 Lytham Road, Blackpool, FY4 1EW.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities", the Statement of Recommended Practice for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Cooperative and Community Benefit Societies Act 2014. The financial statements have been prepared on a going concern basis under the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the registered society, rounded to the nearest £1.

Going concern

The accounts have been prepared on the going concern basis, despite the registered society reporting net liabilities of £226,056 at 31 March 2023. The directors consider the basis of preparation to be appropriate based on the continuing financial support of its ultimate controlling party, Blackpool Council, and other principal creditors.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

LUMEN HOUSING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets (including social housing properties) are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, legal fees and development costs.

Depreciation is reviewed annually and is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected life as follows:

| | | |
|--------------------------------------|------------|---------------|
| Land Value | Indefinite | |
| Housing properties- wall structure | 80 years | Straight line |
| Housing properties- other components | | |
| Kitchens | 15 years | Straight line |
| Bathrooms | 15 years | Straight line |
| Communal Improvements | 18 years | Straight line |
| Electrics | 30 years | Straight line |
| Heating System | 30 years | Straight line |
| Boilers (Domestic) | 15 years | Straight line |
| Pitched Roof | 80 years | Straight line |
| Roofline | 30 years | Straight line |
| Windows | 40 years | Straight line |
| External Doors | 40 years | Straight line |
| CCTV & Door Entry | 15 years | Straight line |
| External Curtilage | 20 years | Straight line |

Government grants

Social housing grants can be claimed towards the cost of major works and have been received to finance the development of housing properties. These grants are recognised at the fair value of the asset received or receivable. As the assets are accounted for using the cost model the government grant is accounted for using the accruals model. The difference between the fair value of the asset and the consideration is recognised as a liability and amortised over the useful economic life of the asset. The amortisation of the grant is recognised against the cost of depreciation.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

LUMEN HOUSING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was NIL (2022 - NIL).

4. OPERATING LOSS

The operating loss is stated after charging:

| | 2023 | 2022 |
|-----------------------------|--------------|--------------|
| | £ | £ |
| Depreciation - owned assets | 44,744 | 21,864 |
| Auditors' remuneration | <u>7,977</u> | <u>4,639</u> |

5. SOCIAL HOUSING TURNOVER AND COSTS

| | 2023 | 2022 |
|--|------------------|------------------|
| | £ | £ |
| Rents receivable excluding service charges | <u>196,040</u> | <u>86,469</u> |
| Total turnover | 196,040 | 86,469 |
| Social housing activity expenditure | <u>(208,442)</u> | <u>(137,407)</u> |
| Operating deficit from social housing activities | <u>(12,402)</u> | <u>(50,938)</u> |
| Net deficit from social housing activities | <u>(12,402)</u> | <u>(50,938)</u> |

6. FINANCIAL ASSISTANCE AND OTHER GRANTS RECEIVABLE

The total accumulated amount of financial assistance and other grants received or receivable at the date of the statement of financial position, based upon properties owned at that date, was as follows:

| | 2023 | 2022 |
|--|------------------|----------------|
| | £ | £ |
| Held against the cost of assets acquired | <u>1,378,951</u> | <u>357,057</u> |

7. ACCOMMODATION OWNED

| | Number of units at 31 March 2023 | Number of units at 31 March 2022 |
|-------------------------------|---|---|
| Units in development | 5 | 8 |
| Units first let post year end | 7 | - |
| Units let at social rent | <u>41</u> | <u>27</u> |
| | <u>53</u> | <u>35</u> |

LUMEN HOUSING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

8. PAYMENTS TO MEMBERS, KEY MANAGEMENT PERSONNEL AND OFFICERS

The registered society incurred officers fees of £22,922 (2022: £20,062) recharged from Blackpool Housing Company Limited in the year.

9. TANGIBLE FIXED ASSETS

| | Land and buildings £ |
|-----------------------|-------------------------------------|
| COST | |
| At 1 April 2022 | 2,482,153 |
| Additions | <u>1,349,382</u> |
| At 31 March 2023 | <u>3,831,535</u> |
| DEPRECIATION | |
| At 1 April 2022 | 26,853 |
| Charge for year | <u>37,531</u> |
| At 31 March 2023 | <u>64,384</u> |
| NET BOOK VALUE | |
| At 31 March 2023 | <u>3,767,151</u> |
| At 31 March 2022 | <u>2,455,300</u> |

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 | 2022 |
|---------------|--------------|--------------|
| | £ | £ |
| Trade debtors | 6,387 | 4,028 |
| Other debtors | <u>257</u> | <u>2,663</u> |
| | <u>6,644</u> | <u>6,691</u> |

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 | 2022 |
|------------------------------------|------------------|------------------|
| | £ | £ |
| Trade creditors | 53,552 | 17,916 |
| Amounts owed to group undertakings | 4,099,746 | 2,603,951 |
| Taxation and social security | - | 65 |
| Other creditors | <u>75,538</u> | <u>47,260</u> |
| | <u>4,228,836</u> | <u>2,669,192</u> |

12. CAPITAL COMMITMENTS

| | 2023 | 2022 |
|---|---------------|----------|
| | £ | £ |
| Contracted but not provided for in the financial statements | <u>50,380</u> | <u>-</u> |

LUMEN HOUSING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

13. RELATED PARTY DISCLOSURES

The registered society has received a loan from its sole member and parent company Blackpool Housing Company Limited. The amounts due to Blackpool Housing Company Limited at the year end date was £4,089,008 (2022: £2,594,202) and interest charged on the loan was £60,538 (2022: £35,192). Management fees of £50,700 (2022: £42,082) have been incurred from Blackpool Housing Company Limited. £181,499 (2022: £51,149) has been recharged from Blackpool Housing Company Limited to the registered society on an apportionment basis.

14. ULTIMATE CONTROLLING PARTY

The ultimate parent and controlling entity is Blackpool Council.

Blackpool Council heads the largest group for which the results of Lumen Housing Limited are consolidated. Copies of its financial statements are available to the public from the Chief Financial Officer at Number One, Bickerstaffe Square, Talbot Road, Blackpool, Lancashire, FY1 3AH.

LUMEN HOUSING LIMITED
TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023

| | 2023 | | 2022 | |
|------------------------|---------------|------------------------|---------------|------------------------|
| | £ | £ | £ | £ |
| Turnover | | | | |
| Rents received | | 196,040 | | 86,469 |
| Cost of sales | | | | |
| Purchases | | <u>63,715</u> | | <u>30,430</u> |
| GROSS PROFIT | | 132,325 | | 56,039 |
| Other income | | | | |
| Sundry receipts | | <u>825</u> | | <u>559</u> |
| | | 133,150 | | 56,598 |
| Expenditure | | | | |
| Directors' salaries | 22,922 | | 20,062 | |
| Post and stationery | 711 | | 270 | |
| Advertising | 3,691 | | 2,580 | |
| Repairs and renewals | 36 | | 58 | |
| IT expenses | 155 | | 122 | |
| Sundry expenses | 1,939 | | 897 | |
| Management Charges | 50,700 | | 34,282 | |
| Professional fees | 1,133 | | 2,292 | |
| Legal fees | 17,932 | | 19,425 | |
| Auditors' remuneration | 7,977 | | 4,639 | |
| Bad debts | <u>-</u> | | <u>487</u> | |
| | | <u>107,196</u> | | <u>85,114</u> |
| | | 25,954 | | (28,516) |
| Finance costs | | | | |
| Bank charges | 329 | | 219 | |
| Loan | <u>60,538</u> | | <u>35,192</u> | |
| | | <u>60,867</u> | | <u>35,411</u> |
| | | (34,913) | | (63,927) |
| Depreciation | | | | |
| Freehold property | | <u>37,531</u> | | <u>21,863</u> |
| NET LOSS | | <u>(72,444)</u> | | <u>(85,790)</u> |

This page does not form part of the statutory financial statements