

Registered Number: 09272235



Financial Statements  
for the year ending 31 March 2018

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**Places for People Treasury PLC**  
**Financial Statements**  
**For the year ending 31 March 2018**

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**Places for People Treasury PLC**  
**Board of Directors, Executives and Advisers**  
**For the year ending 31 March 2018**

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<b>Directors</b>	M Cooper D Cowans J Dixon (appointed 1 October 2017) L Lackey C Phillips A Winstanley (appointed 4 August 2017) J Seet (resigned 30 September 2017) S Soin (resigned 4 August 2017)
<b>Company Secretary</b>	C Martin
<b>Registered Office</b>	80 Cheapside London EC2V 6EE
<b>Bankers</b>	Barclays Bank Plc 38 Fishergate Preston PR1 2AD
<b>Registered Auditors</b>	KPMG LLP 15 Canada Square London E14 5GL
<b>Registration of Company</b>	The company is incorporated under the Companies Act 2006 (Registered Number 09272235)

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**Places for People Treasury PLC**  
**Strategic Report**  
**For the year ending 31 March 2018**

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The Board of Directors have pleasure in submitting their Strategic Report and audited financial statements for the year ending 31 March 2018.

**Principal activities**

The company is a wholly owned subsidiary of Places for People Group Limited. The company's principal activity is the raising of finance for Places for People Group Limited and its subsidiary undertakings.

**Business review**

The company's turnover for the year comprised interest receivable from Places for People Homes Limited and Derwent Housing Association Limited.

The company has no key performance indicators beyond raising finance for Places for People Group (The Group) and its subsidiary undertakings.

As the company's activities are limited to the raising of finance for the Places for People Group and its subsidiary undertakings, its administration services were completed by Places for People Group Limited. On this basis there is no significant information to report regarding environmental matters, the company's employees, social and community issues or other contractual issues.

**Principal risks and uncertainties**

As the company on lends most of its proceeds from borrowings to regulated social housing subsidiaries within the Places for People Group, the main risk facing the company is that it is largely dependent on Places for People Group subsidiaries to fulfil their obligations.

Places for People Treasury plc has an investment grade credit rating issued by Moody's Investors Service (Baa1) and Standard and Poors (A-) and as such it is considered that the risk of Places for People Treasury plc failing to meet its obligations under the terms of the loan for monies borrowed from counterparties is low.

**Future developments**

It is anticipated that the company will continue to be part of the Group's medium to long term financing strategy.

**By order of the Board**



**M Cooper**  
**Director**

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**Places for People Treasury PLC**  
**Report of the Board**  
**For the year ending 31 March 2018**

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The Board of Directors have pleasure in submitting their Directors Report and audited financial statements for the year ending 31 March 2018.

**Directors**

The directors who served during the year are shown on page 2 of the accounts.

**Statement of disclosure to the auditors**

At the time of this report:

- a) so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware, and
- b) the directors have taken all 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.

**Statement of Directors' responsibilities in respect of the Strategic Report, Directors' Report and the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**By order of the Board**



**M Cooper**  
**Director**

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLACES FOR PEOPLE TREASURY PLC

### 1 Our opinion is unmodified

We have audited the financial statements of Places for People Treasury PLC ("the Company") for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves and notes, comprising a summary of significant accounting policies and other explanatory notes.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2018 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### ***Basis for opinion***

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were appointed as auditor by the directors on 20 October 2014. The period of total uninterrupted engagement is for the 3 financial years ended 31 March 2018. We have fulfilled our ethical responsibilities under, and we remain independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

### 2 Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matter (unchanged from 2017), in arriving at our audit opinion above, together with our key audit procedures to address this matter and, as required for public interest entities, our results from those procedures. This matter was addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on this matter.

#### **Recoverability of Long Term Debtors**

*Long Term Debtors (amounts falling due in more than one year) £1,018m (2017: £774.0m).*

*Refer to page 11 (accounting policy) and pages 13 to 16 (financial disclosures).*

#### The risk – low risk high value

The Company's primary activity is to issue bonds, source investor financing and on-lend to other entities within the Group. It therefore has long term liabilities which relate to the bonds issued and long term intercompany debtors which relate to the loans provided to other entities in the Group.

The carrying amount of the long term intercompany debtor balance represents 96.2% of the Company's total assets. Their recoverability is not at a high risk of significant misstatement or subject to significant judgement. However, due to their materiality in the context of the Company financial statements, this is considered to be the area that had the greatest effect on our overall Company audit.

#### Our response

Our procedures included:

- Tests of detail:** Assessing 100% of intercompany long term debtors owed by other entities in the Group (2017: 100%) to identify, with reference to the other entities' financial draft balance sheets, whether they have a positive net asset value and therefore coverage of the debt owed.
- Assessment of other entities:** Assessing the work performed by the Group audit team, and considering the results of that work, on net assets. This included assessment of the fair value headroom available on those net assets, and therefore the ability of the other entities to fund repayment of the receivable.

#### Our results

We found the Company's assessment of the recoverability of the Long term debtor balance to be acceptable (2017 result: acceptable).

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**Places for People Treasury PLC**  
**Report of the Independent Auditor**  
**For the year ending 31 March 2018**

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**3 Our application of materiality and an overview of the scope of our audit**

Places for People Treasury PLC is part of a Group headed by Places for People Group Limited. Materiality of £0.27m (2017: £0.02m), as communicated by the Group audit team, has been applied to the audit of the Company.

We agreed to report to the Audit and Risk Committee any corrected or uncorrected identified misstatements exceeding £0.02m, in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Company was undertaken to the materiality level specified above and was all performed at the Company's office in Preston.

**4 We have nothing to report on going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

**5 We have nothing to report on the other information in the Directors' Report or the Strategic Report**

The directors are responsible for the other information presented in the Directors' Report and the Strategic Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

***Strategic report and directors' report***

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

**6 We have nothing to report on the other matters on which we are required to report by exception**

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

**7 Respective responsibilities**

***Directors' responsibilities***

As explained more fully in their statement set out on page 4, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

***Auditor's responsibilities***

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

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**Places for People Treasury PLC**  
**Report of the Independent Auditor**  
**For the year ending 31 March 2018**

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*Irregularities – ability to detect*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience, through discussion with the directors and other management (as required by auditing standards).

We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting (including related company legislation) and taxation legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements items.

In addition we considered the impact of laws and regulations in the specific areas of health and safety, liquidity and certain aspects of company legislation recognising the nature of the company's activities. With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the directors and other management. We considered the effect of any known or possible non-compliance in these areas as part of our procedures on the related financial statements items.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

As with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

**8 The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Andrew Sayers (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants  
15 Canada Square  
Canary Wharf  
London  
E14 5GL

28/06/2018



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**Places for People Treasury PLC**  
**Statement of Comprehensive Income**  
**For the year ending 31 March 2018**

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	Notes	<b>2018</b> <b>£'000</b>	2017 £'000
Turnover	2	<b>27,068</b>	17,736
Cost of sales	3	<b>(26,031)</b>	(17,247)
Operating costs		<u><b>(11)</b></u>	<u>(5)</u>
<b>Profit on ordinary activities before taxation</b>	4	<b>1,026</b>	484
Taxation	5	<u><b>(196)</b></u>	<u>(97)</u>
<b>Profit on ordinary activities after taxation</b>		<u><b>830</b></u>	<u>387</u>

The notes on pages 11 to 17 form an integral part of these financial statements.

**Places for People Treasury PLC**  
**Statement of Financial Position**  
**As at 31 March 2018**

	Notes	2018 £'000	2017 £'000
<b>Non current assets</b>			
Debtors: amounts falling due after more than one year	8	<b>1,018,268</b>	774,476
<b>Current assets</b>			
Debtors: amounts falling due within one year	9	<b>8,117</b>	10,566
Cash at bank and in hand		<b>1,135</b>	7,646
Investments	10	<b>30,990</b>	4,500
		<b>40,242</b>	22,712
<b>Creditors: amounts falling due within one year</b>	11	<b>(28,318)</b>	(32,160)
<b>Net current assets/(liabilities)</b>		<b>11,924</b>	(9,448)
<b>Total assets less current liabilities</b>		<b>1,030,192</b>	765,028
<b>Creditors: amounts falling due after more than one year</b>	12	<b>1,028,888</b>	764,554
<b>Capital and reserves</b>			
Called up share capital	14	<b>50</b>	50
Revenue reserve		<b>1,254</b>	424
<b>Total capital and reserves</b>		<b>1,304</b>	474
		<b>1,030,192</b>	765,028

The financial statements on pages 8 to 17 were approved by the Board of Directors on 25 JUNE 2018 and were signed on its behalf by:



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**M Cooper**  
**Director**

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Places for People Treasury PLC  
Statement of Changes in Reserves  
For the year ending 31 March 2018

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	Profit and loss Reserve £'000	Total Reserves £'000
Balance at 1 April 2017	424	424
Profit for year from Statement of Comprehensive Income	830	830
<b>Balance at 31 March 2018</b>	<u><u>1,254</u></u>	<u><u>1,254</u></u>

## 1. ACCOUNTING POLICIES

### Basis of preparation

The company's ultimate parent undertaking, Places for People Group Limited includes the company in its consolidated financial statements. The consolidated financial statements of Places for People Group Limited are prepared in accordance with FRS 102 and are available to the public and may be obtained from Places for People Group Limited, 80 Cheapside, London, EC2V 6EE. In these financial statements, the company is considered to be a qualifying entity for the purposes of this FRS and has applied the exemptions available under FRS 102 as below.

As the consolidated financial statements of the ultimate parent undertaking, Places for People Group Limited, include the equivalent disclosures, the company has also taken the exemptions under FRS 102 available in respect of financial instruments and has not provided disclosures otherwise required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

### Basis of accounting

After making enquiries, the Board has reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the company's financial statements.

A statement of cash flows has not been prepared as Places for People Treasury PLC is a wholly owned subsidiary of Places for People Group Limited which has prepared a consolidated cash flow statement as permitted by FRS 102.

The company has chosen to apply the recognition and measurement provisions of IAS 39 Financial Instruments: Recognition and Measurement (as adopted for use in the EU), the disclosure requirements of Sections 11 and 12 and the presentation requirements, as appropriate, of 11.38A or 12.25B as permitted by paragraphs 11.2(b) and 12.2(b) of FRS 102 in relation to recognising, derecognising, measuring and disclosing financial instruments.

### Turnover

Turnover represents interest receivable on amounts loaned to a related undertaking and fees relating to the costs of raising the finance for the loans charged to that related undertaking. All turnover arose in the United Kingdom.

### Financial Instruments

The company has chosen to apply the recognition and measurement provisions of IAS 39 Financial Instruments: Recognition and Measurement (as adopted for use in the EU), the disclosure requirements of Sections 11 and 12 and the presentation requirements, as appropriate, permitted by paragraphs 11.2(b) and 12.2(b) of FRS 102 in relation to recognising, derecognising, measuring and disclosing financial instruments.

Financial instruments are initially recorded at fair value. Subsequent measurement depends on the designation of the instrument as follows:

- Debt service reserves held in trust as security against debt holdings are categorised as held-to-maturity and measured at amortised cost using the effective interest method.
- Loans and mortgages receivable are categorised as loans and receivables and measured at amortised cost using the effective interest method.
- Other assets, including trade investments and joint venture investments and assets that are short term in nature such as cash and receivables are predominantly categorised as loans and receivables.
- Financial liabilities are predominantly measured at amortised cost using the effective interest method.
- Discounted bonds are shown at their redemption value less deferred interest. Deferred interest represents the discount on the issue of the discounted bonds, and discounts are recognised in the profit and loss account on an effective yield basis.

Derivatives require fair value measurement each year and consequently they are subject to categorisation under the hierarchy approach.

The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date. Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Comprehensive Income immediately, together with any changes in the fair value of the hedged item that is attributable to the hedged risk.

The company assesses financial assets for impairment at the balance sheet date. Impairment losses are recognised in the Income and Expenditure account.

Further details on financial instruments are given in note 13.

Places for People Treasury PLC  
Notes to the Financial Statements  
For the year ending 31 March 2018

**2. TURNOVER**

	<b>2018</b>	2017
	<b>£'000</b>	£'000
Interest receivable on loans to Group companies	<b>27,062</b>	17,736
Other	<b>6</b>	-
	<b><u>27,068</u></b>	<u>17,736</u>

All interest receivable relates to financial assets not at fair value through the statement of comprehensive income.

**3. COST OF SALES**

	<b>2018</b>	2017
	<b>£'000</b>	£'000
On loans from related undertakings	<b>39</b>	44
On bank loans and overdrafts	<b>25,992</b>	17,203
	<b><u>26,031</u></b>	<u>17,247</u>

All interest payable relates to financial liabilities not at fair value through the statement of comprehensive income.

**4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	<b>2018</b>	2017
	<b>£'000</b>	£'000
Profit on ordinary activities before taxation is stated after charging:		
Auditors remuneration	<b>10</b>	7
	<b><u>10</u></b>	<u>7</u>

**5. TAX ON PROFIT ON ORDINARY ACTIVITIES**

<b>a) Tax expense included in statement of comprehensive income</b>	<b>2018</b>	2017
	<b>£'000</b>	£'000
<b>Current tax</b>		
UK corporation tax on profits of the period	-	61
Group relief	<b>196</b>	36
<b>Tax on profit on ordinary activities</b>	<b><u>196</u></b>	<u>97</u>

**b) Reconciliation of tax expense**

The tax assessed is different to the standard rate of corporation tax in the UK 19%, as explained below.

	<b>2018</b>	2017
	<b>£'000</b>	£'000
Profit on ordinary activities before tax	<b><u>1,026</u></b>	<u>484</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2017: 20%)	<b>195</b>	97
Expenses not deductible for tax purposes	<b>1</b>	-
<b>Tax on profit on ordinary activities (note 5a)</b>	<b><u>196</u></b>	<u>97</u>

Places for People Treasury PLC  
Notes to the Financial Statements  
For the year ending 31 March 2018

**6. DIRECTORS' EMOLUMENTS**

The directors emoluments during the year were met by Places for People Group Limited. They do not receive remuneration for their duties as directors of the company.

**7. EMPLOYEES**

The company had no employees during the year. Administrative services were provided by the Places for People Group at no charge to the company.

**8. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2018</b>	2017
	<b>£'000</b>	£'000
Amounts due from related undertakings	<b>1,007,994</b>	728,352
Revaluation of foreign currency denominated debt	<b>4,469</b>	28,799
Derivative financial instruments held to manage the interest rate profile and currency risk	<b>5,805</b>	17,325
	<b><u>1,018,268</u></b>	<u>774,476</u>

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2018</b>	2017
	<b>£'000</b>	£'000
Other debtors and accrued income	<b>8,090</b>	9,410
Corporation tax	<b>27</b>	-
Derivative financial instruments held to manage the interest rate profile and currency risk	<b>-</b>	1,156
	<b><u>8,117</u></b>	<u>10,566</u>

**10. CURRENT ASSET INVESTMENTS**

	<b>2018</b>	2017
	<b>£'000</b>	£'000
Cash collateral held by banks	<b>8,990</b>	-
Bank deposits payable in one year	<b>22,000</b>	4,500
	<b><u>30,990</u></b>	<u>4,500</u>

Places for People Treasury PLC  
Notes to the Financial Statements  
For the year ending 31 March 2018

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018	2017
	£'000	£'000
Housing, bank and other loans	-	10,000
Derivative financial instruments held to manage the interest rate profile and currency risk	775	7,726
Interest accruals	10,292	9,829
Other creditors and accruals	6	7
Amounts due to related undertakings	17,245	4,598
	<u>28,318</u>	<u>32,160</u>

**12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2018	2017
	£'000	£'000
Public debenture stocks/bonds	400,000	400,000
Housing, bank and other loans	590,433	318,987
Revaluation of foreign currency denominated debt	4,469	28,799
Derivative financial instruments held to manage the interest rate profile and currency risk	33,986	16,768
<b>Total creditors falling due after more than one year</b>	<u>1,028,888</u>	<u>764,554</u>

**Analysis of debt and other financial liabilities**

These are repayable as follows:-

	£'000	£'000
In one year or less	775	17,726
In one year or more but less than two years	65,022	11,256
In two years or more but less than five years	322,285	81,271
In five years or more		
By instalments	17,525	-
Not by instalments	624,056	672,027
	<u>1,029,663</u>	<u>782,280</u>

**13. FINANCIAL INSTRUMENTS**

**Financial risk management objectives and policies**

The Places for People Group board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the Audit & Risk Committee, which is responsible for developing and monitoring the Group's risk management policies. The Committee reports regularly to the board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Places for People Treasury PLC  
Notes to the Financial Statements  
For the year ending 31 March 2018

13. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies (continued)

The Group Audit & Risk Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the Company. The Group Audit & Risk Committee is assisted in its oversight role by Business Assurance. Business Assurance undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit & Risk Committee.

The Group's Treasury function is responsible for the management of the funds and control of the associated risks. Its activities are governed in accordance with Board approved policy and are subject to regular audit.

Ageing Profile and Interest Rate Risk of Financial Instruments

The risk of movement in interest rates is fully mitigated by the company charging the full movement to Places for People Homes Limited.

For each class of interest bearing financial asset and financial liability, the following tables indicate the range of interest rates effective at the statement of financial position date, the carrying amount on the statement of financial position plus expected interest and the periods in which they reprice, if earlier than the maturity date.

The ageing profiles below include the impact of hedging transactions, all of which have cash flow movements in line with the impact in the statement of comprehensive income.

Ageing Profile and Interest Rate Risk of Financial Assets as at 31 March 2018

	Effective interest rate %	Total amount £'000	Within 1 year £'000	1-2 years £'000	2-3 years £'000	3-4 years £'000	4-5 years £'000	Over 5 years £'000
Debtors:								
Fixed rate	3.40%	645,117	-	67,532	-	-	193,654	383,931
Floating rate	2.47%	324,756	-	-	143,000	-	120,719	61,037
Index linked	4.03%	42,591	-	-	-	-	42,591	-
		<b>969,873</b>	<b>-</b>	<b>67,532</b>	<b>143,000</b>	<b>-</b>	<b>314,373</b>	<b>444,968</b>
Cash at bank and in hand		1,135	1,135	-	-	-	-	-
		<b>971,008</b>	<b>1,135</b>	<b>67,532</b>	<b>143,000</b>	<b>-</b>	<b>314,373</b>	<b>444,968</b>
Derivative financial instruments held to manage interest rate / currency risk		5,805	704	(3,288)	713	729	664	6,283
		<b>976,813</b>	<b>1,839</b>	<b>64,244</b>	<b>143,713</b>	<b>729</b>	<b>315,037</b>	<b>451,251</b>

All financial assets carry a fixed interest rate unless otherwise shown.

Of the financial assets above £734,861,000 are debt instruments measured at amortised cost and £18,480,000 are derivatives measured at fair value through the statement of comprehensive income.

Comparative figures as at 31 March 2017 were, as follows

	Effective interest rate %	Total amount £'000	Within 1 year £'000	1-2 years £'000	2-3 years £'000	3-4 years £'000	4-5 years £'000	Over 5 years £'000
Debtors:								
Fixed rate	3.41%	613,439	-	-	62,213	-	-	551,226
Floating rate	1.79%	114,913	-	10,000	-	4,800	-	100,113
		<b>728,352</b>	<b>-</b>	<b>10,000</b>	<b>62,213</b>	<b>4,800</b>	<b>-</b>	<b>651,339</b>
Cash at bank and in hand		7,646	7,646	-	-	-	-	-
		<b>735,998</b>	<b>7,646</b>	<b>10,000</b>	<b>62,213</b>	<b>4,800</b>	<b>-</b>	<b>651,339</b>
Derivative financial instruments held to manage interest rate / currency risk		18,481	1,156	1,335	13,009	755	730	1,496
		<b>754,479</b>	<b>8,802</b>	<b>11,335</b>	<b>75,222</b>	<b>5,555</b>	<b>730</b>	<b>652,835</b>

Trade and other receivables are not included in the above table as they are non-interest bearing and are not subject to interest rate risk.



### 13. FINANCIAL INSTRUMENTS

#### Ageing Profile and Interest Rate Risk of Financial Liabilities as at 31 March 2018

	Effective interest rate %	Total amount £'000	Within 1 year £'000	1-2 years £'000	2-3 years £'000	3-4 years £'000	4-5 years £'000	Over 5 years £'000
<b>Bonds:</b>								
Fixed rate	2.88%	400,000	-	-	-	-	-	400,000
<b>Loans:</b>								
Fixed rate	4.31%	207,618	-	67,532	-	-	69,154	70,932
Floating Rate	2.33%	345,984	-	-	155,000	-	80,605	110,379
Index Linked	4.03%	42,591	-	-	-	-	-	42,591
Loan fees		(1,444)	-	-	(1,444)	-	-	-
		<b>994,749</b>	<b>-</b>	<b>67,532</b>	<b>153,556</b>	<b>-</b>	<b>149,759</b>	<b>623,902</b>
Derivative financial instruments held to manage interest rate / currency risk		<b>34,761</b>	<b>775</b>	<b>(2,509)</b>	<b>1,818</b>	<b>1,975</b>	<b>15,177</b>	<b>17,525</b>
		<b>1,029,510</b>	<b>775</b>	<b>65,023</b>	<b>155,374</b>	<b>1,975</b>	<b>164,936</b>	<b>641,427</b>

All financial liabilities carry a fixed interest rate unless otherwise shown.

Of the financial liabilities above, £735,636,000 are financial liabilities measured at amortised cost. £24,494,000 are financial liabilities measured at fair value through the statement of comprehensive income.

Comparative figures as at 31 March 2017 were, as follows

	Effective interest rate %	Total amount £'000	Within 1 year £'000	1-2 years £'000	2-3 years £'000	3-4 years £'000	4-5 years £'000	Over 5 years £'000
<b>Bonds:</b>								
Fixed rate	2.88%	400,000	-	-	-	-	-	400,000
<b>Housing Loans:</b>								
Fixed rate	4.31%	203,302	-	-	62,213	-	-	141,089
Floating Rate	2.27%	84,471	10,000	10,000	-	4,800	-	59,671
Index Linked	3.80%	41,214	-	-	-	-	-	41,214
		<b>728,987</b>	<b>10,000</b>	<b>10,000</b>	<b>62,213</b>	<b>4,800</b>	<b>-</b>	<b>641,974</b>
Derivative financial instruments held to manage interest rate / currency risk		<b>24,494</b>	<b>7,726</b>	<b>1,256</b>	<b>12,930</b>	<b>677</b>	<b>652</b>	<b>1,253</b>
		<b>753,481</b>	<b>17,726</b>	<b>11,256</b>	<b>75,143</b>	<b>5,477</b>	<b>652</b>	<b>643,227</b>

Trade and other payables are not included in the above table as they are non-interest bearing and are not subject to interest rate risk.

#### Fair values of financial liabilities

The fair value of the company's borrowings at 31 March 2018 was £1,022,351,000 (carrying value £792,109,000).

The fair value of the company's borrowings has been assessed on the basis of the market price of the retail bonds at 31 March 2018.

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**14. SHARE CAPITAL**

	<b>2018</b>	2017
	<b>£'000</b>	£'000
<b>Authorised</b>		
Ordinary shares of £1 each	<u>50</u>	<u>50</u>
<b>Allotted, issued and fully paid</b>		
Ordinary shares of £1 each	<u>50</u>	<u>50</u>

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption

**15. RELATED PARTY TRANSACTIONS**

The only related party transactions during the year are those with fellow Group subsidiaries as stated in the Strategic Report.

Places for People Treasury PLC is a wholly owned subsidiary of Places for People Group Limited.