

Company number: 07623063



# Places for People

**Places for People Capital Markets PLC**

Financial Statements

For the year ending 31 March 2022

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**Places for People Capital Markets PLC**  
**Board of Directors, Executives and Advisers**  
**For the year ending 31 March 2022**

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**Directors**

M Cooper  
D Cowans Resigned 1 December 2021  
A Winstanley  
G Reed Appointed 1 December 2021

**Company Secretary**

C Martin

**Registered Office**

305 Gray's Inn Road  
London  
WC1X 8QR

**Banker**

Barclays Bank Plc  
38 Fishergate  
Preston  
PR1 2AD

**Registered Auditor**

KPMG LLP  
15 Canada Square  
London  
E14 5GL

**Registration of Company**

The company is incorporated under the Companies Act  
2006 (Registered Number 07623063)

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**Places for People Capital Markets PLC**  
**Strategic Report**  
**For the year ending 31 March 2022**

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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 2022.

**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 Homes Limited.

**Business review**

On 12 January 2012 the company issued a £40 million retail bond. The company subsequently on lent these funds to Places for People Homes Limited, a fellow subsidiary undertaking within the Places for People Group. The retail bond was repaid on 31 January 2022.

The company's interest receivable for the year was primarily received from Places for People Homes Limited.

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.

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

**Going Concern**

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts covering a period of at least 12 months from the date of approval of these financial statements (the going concern period) which indicate that, taking account of severe but plausible downsides, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

In order to settle its own financial obligations and meet the compliance requirements of its external borrowings the Company is dependent on the Places for People Group (Group) generating sufficient cashflows to settle the payments of principal and interest on the onward loan of the funding which the Company raised. Those forecasts are dependent on the Group having adequate resources to continue in business over the going concern assessment period.

The going concern assessment considers whether it is appropriate to prepare the financial statements on a going concern basis. As part of this assessment the Board monitors the external economic and financial environment including any continuing impact of the Covid-19 pandemic, the war in Ukraine, the cost of living crisis and increased energy costs. The Board is focussed on mitigating the risks for the Places for people Group and has assessed the going concern considering the above factors along with the risks included in the Group risk register.

At 31 March 2022 the Places for People Group had cash and undrawn facilities of £1.1bn. The Group continues to actively manage its cash flows in order to mitigate any reductions in income.

The directors have reviewed the projected cash flows covering a period of 12 months from the date of the approval of the financial statements, which indicate that the Group will be able to operate within the levels of its agreed facilities and the compliance with debt covenants. For the purposes of both Viability and Going Concern, the Directors have overlaid several severe but plausible, multi-variant scenarios. These scenarios include limited housing sales, reduction in rents collected, leisure centre closures, loss of management contracts, increase in interest rates, long term increase in inflation and the cost of meeting government sustainability targets.

As a result of these assumptions, and before any cost reductions are applied, management believe the liquidity of the Places for People Group at 31 March 2023 would be £600m and £360m at 31 March 2024 if the Group did not raise any additional finance to that which is currently available.

On the basis described above, the directors are confident that the Group has adequate resources to continue to meet all liabilities, as and when they fall due, for 12 months from the date of approval of the financial statements and therefore consider it appropriate to adopt the going concern basis in preparing the consolidated financial statements.

**Principal risks and uncertainties**

As the company on lends all of its proceeds from capital market transactions to Places for People Homes Limited, the main risk facing the company is that it is entirely dependent on Places for People Homes Limited to fulfil its obligation under the terms of its loan note.

Places for People Homes Limited has retained an investor grade credit rating issued by Moody's Investors Service of A3 and as such it is considered that the risk of Places for People Homes Limited failing to meet its obligations under the terms of the loan for monies borrowed from Places for People Capital Markets PLC is low.

### **Internal control and risk management systems**

The Board of Places for People Group Limited is the ultimate governing body for the Group and is committed to ensuring the highest standards of conduct are maintained across all operations.

The Board is responsible for the Group's system of internal control. This has been designed to manage, and mitigate as far as possible, the risk of any failure to meet business objectives. It can only provide reasonable assurance — not absolute assurance — against material misstatement or loss. The Board's approach to risk management is supported by a structured assurance framework which includes the Audit & Risk Committee.

The key means of identifying, evaluating, and managing systems of internal control are:

- Corporate Governance arrangements involving self-assessment against UK Corporate Governance Code.
- A Group-wide internal audit function structured to deliver an internal audit plan driven by the Group strategic risk register, which ensures audits are focused upon the key risks identified by management, as well as being informed by regulatory information and sector intelligence. Audit testing seeks to ensure that appropriate controls are in place to mitigate and manage risk to an acceptable level. All audit reports are reviewed by the Audit & Risk Committee, which also receives updates on the implementation of agreed internal and external audit recommendations.
- Risk Management Framework which is supported by a 'three lines of defence' assurance model, risk based internal audit and assurance mapping. This allows management to manage risks so that the residual risk after mitigation would not cause serious damage to the Group or its subsidiaries. Each risk is allocated to an accountable individual at a senior management level. Risk maps are maintained by each Group business which set out the key internal and external risks faced by that business. Controls in place to mitigate each risk are documented, as are any further actions considered necessary to reduce risk further.
- The Group business plan sets out for each Group business its objectives for the coming year, along with the risks that might prevent achievement of those objectives and the controls and actions in place to mitigate those risks. Throughout the year, boards and managers regularly monitor performance against business plan, value for money and other quality indicators.
- A Group-wide treasury management function reporting at least quarterly to the Treasury Committee.

The Covid-19 crisis drove changes in some approaches to our internal control mechanisms but testing of internal controls through our Business Assurance process continued throughout the period. Recommendations for improvements to controls were raised where appropriate and the implementation of these improvements is monitored by both the Management and the Audit & Risk Committee.

The Audit & Risk Committee has received a full report on the internal control system in place throughout the year and is satisfied that the sources of assurance provided are appropriate, adequate and valid and have provided sufficient evidence to confirm the adequacy of the design and operation of the internal control system in place.

### **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**

28 July 2022

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**Places for People Capital Markets PLC**  
**Report of the Board**  
**For the year ending 31 March 2022**

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The Board of Directors is pleased to present its report and financial statements for the year ending 31 March 2022.

**Directors**

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

**Statement of disclosure to the Auditor**

At the time of approval 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 Board's responsibilities in respect of the Board's report and the financial statements**

The Board is responsible for preparing the Strategic Report, the Board's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Board to prepare financial statements for each financial year. Under those regulations the Board have elected to prepare the financial statements in accordance with UK Accounting Standards FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of its income and expenditure for that period.

In preparing these financial statements, the Board is 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 and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- use 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.

The Board is responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the association and enable them to ensure that its financial statements comply with the Companies Act 2006. It is responsible 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, and has general responsibility for taking such steps as are reasonably open to it 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**

28 July 2022

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLACES FOR PEOPLE CAPITAL MARKETS PLC**

### **Opinion**

We have audited the financial statements of Places for People Capital Markets PLC ("the Company") for the year ended 31 March 2022 which comprise the Statement of Financial Position, Statement of Comprehensive Income and Statement of Changes in Reserves and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its loss 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 have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

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 a year from the date of approval of the financial statements. In our evaluation of the Board's conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Group Board and Audit and Risk Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions.

We did not identify any additional fraud risks.

We performed procedures including the identification of journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by unexpected individuals, journals posted to seldom used accounts, and journals posted to cash that were considered outside of the normal course of business.

*Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

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

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

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

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

**Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report 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 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

**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, 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.

**Board's responsibilities**

As more fully explained in their statement set out on page 5, the directors are responsible for the preparation of financial statements which give a true and fair view; 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; 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 it either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

**Auditor's responsibilities**

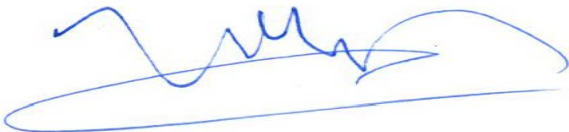
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud 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).



**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.

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke at the bottom.

**Harry Mears (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London  
E14 5GL

**23 August 2022**

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Places for People Capital Markets PLC  
Statement of Comprehensive Income  
For the year ending 31 March 2022

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	Notes	2022 £'000	2021 £'000
Interest receivable	2	1,852	922
Interest payable	3	(1,858)	(922)
<b>Loss on ordinary activities before taxation</b>		<b>(6)</b>	-
Taxation	5	1	-
<b>Loss on ordinary activities after taxation and total comprehensive income</b>		<b>(5)</b>	-

The notes on pages 12 to 17 form an integral part of these financial statements.

All operations are continuing.

Places for People Capital Markets PLC  
Statement of Financial Position  
As at 31 March 2022

	Notes	2022 £'000	2021 £'000
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	4	50,001
Cash at bank and in hand		<u>126</u>	<u>133</u>
		<b>130</b>	50,134
<b>Creditors: amounts falling due within one year</b>			
	9	-	(49,999)
		<u>130</u>	<u>135</u>
<b>Net current assets</b>			
		<u>130</u>	<u>135</u>
<b>Net assets</b>			
		<u>130</u>	<u>135</u>
<b>Capital and reserves</b>			
Called up share capital	11	50	50
Profit and loss reserve		<u>80</u>	<u>85</u>
<b>Total capital and reserves</b>		<u>130</u>	<u>135</u>

The financial statements on pages 9 to 17 were approved by the directors on 28th July 2022 and signed on its behalf by:



**M Cooper**  
Director

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Places for People Capital Markets PLC  
Statement of Changes in Reserves  
For the year ending 31 March 2022

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	<b>Total reserves £'000</b>
Balance at 1 April 2021	85
Result for the year	(5)
<b>Balance at 31 March 2022</b>	<b>80</b>

The notes on pages 12 to 17 form an integral part of these financial statements.

## 1. ACCOUNTING POLICIES

### Basis of accounting

A summary of the principal accounting policies, which have been applied consistently, is set out below.

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and with the Companies Act 2006.

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, 305 Gray's Inn Road, London, WC1X 8QR. The Company is considered to be a qualifying entity for the purposes of FRS 102 and has applied the exemptions available under FRS 102.1.11 and FRS 102.1.12 (preparation of a statement of cash flows and related notes).

The financial statements are presented in Sterling (£'000s).

### Going Concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts covering a period of at least 12 months from the date of approval of these financial statements (the going concern period) which indicate that, taking account of severe but plausible downsides, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

In order to settle its own financial obligations and meet the compliance requirements of its external borrowings the Company is dependent on the Places for People Group (Group) generating sufficient cashflows to settle the payments of principal and interest on the onward loan of the funding which the Company raised. Those forecasts are dependent on the Group having adequate resources to continue in business over the going concern assessment period.

In making this assessment the directors have considered the impact of a number of scenarios on the business plan the Group also adopted a stress-testing framework against the base plan. The stress testing impacts were measured against loan covenants and peak borrowing levels compared to agreed facilities, with potential mitigating actions identified to reduce expenditure.

The directors, after reviewing the group and company budgets for 2022/23 and the group's medium term financial position as detailed in the 30-year business plan, are of the opinion that, taking account of severe but plausible downsides, the company will have sufficient funds to meet its liabilities as they fall due over the going concern period. In reaching this conclusion, the directors have considered the following factors:

- the property market - budget and business plan scenarios have taken account of delays in handovers, lower number of property sales, reductions in sales values and potential change in tenure;
- maintenance costs - budget and business plan scenarios have been modelled to take account of cost increases and delays in maintenance expenditure, with major works being phased into future years;
- rent and service charge receivable - arrears and bad debts have been increased to allow for customer difficulties in making payments and budget and business plan scenarios to take account of potential future reductions in rents;
- liquidity - current available cash and unutilised loan facilities of £1.1bn across the group which gave significant headroom for any cash flows that arise;
- the group's ability to withstand other adverse scenarios such as higher interest rates and increases in the number of void properties.

The directors believe the group has sufficient funding in place and expect the group to be in compliance with its debts covenants even in severe but plausible downside scenarios.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

**1. ACCOUNTING POLICIES (Continued)**

**Significant Judgements and accounting estimates**

Management consider there to be no significant judgements or accounting estimates required on preparing these financial statements.

**Financial Instruments**

The Group has elected to apply the recognition and measurement provisions of International Accounting Standard 39 as allowed by FRS 102 sections 11 and 12. Financial instruments are initially recorded at fair value. Subsequent measurement depends on the designation of the instrument as follows:

- Other assets that are short-term in nature such as cash and receivables are predominantly categorised as loans and receivables and measured at amortised cost using the effective interest method.
- Financial liabilities are measured at amortised cost using the effective interest method.

The effective interest rate includes interest and all directly attributable incremental fees and costs.

Cash at bank and in hand in the statement of financial position comprises all cash and cash equivalents that mature or are convertible within three months or less.

<b>2. INTEREST RECEIVABLE</b>	<b>2022</b>	2021
	<b>£'000</b>	£'000
Interest receivable from related undertakings	<u><b>1,852</b></u>	<u>922</u>
	<u><b>1,852</b></u>	<u>922</u>

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

<b>3. INTEREST PAYABLE</b>	<b>2022</b>	2021
	<b>£'000</b>	£'000
Interest on bank loans and overdrafts	<u><b>1,858</b></u>	<u>922</u>

**4. AUDITORS REMUNERATION**

Auditors remuneration charged in the year was £13,600 (2021: £12,360), this cost was met by Places for People Homes Limited as the primary business activity of the company is the raising of finance for Places for People Homes Limited.

**5. TAX ON LOSS ON ORDINARY ACTIVITIES**

	<b>2022</b>	2021
	<b>£'000</b>	£'000
<b>(a) Analysis of charge in period</b>		
<b>Current tax</b>		
Group relief	<b>(1)</b>	-
<b>Tax on profit on ordinary activities</b>	<b>(1)</b>	-

**(b) Factors affecting the tax charge for the period**

The tax assessed is the same as the standard rate of corporation tax in the UK of 19%

	<b>2022</b>	2021
	<b>£'000</b>	£'000
Profit on ordinary activities before tax	<b>(6)</b>	-
Profit on ordinary activities before tax multiplied by the standard rate of corporation tax of 19% (2021: 19%)	<b>(1)</b>	-
	<b>(1)</b>	-

**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.

Places for People Capital Markets PLC  
Notes to the Financial Statements  
For the year ending 31 March 2022

**8. DEBTORS: amounts falling due within one year**

	<b>2022</b>	2021
	<b>£'000</b>	£'000
Amounts due from related undertaking	-	49,999
Corporation tax	<b>3</b>	-
Sundry debtors, prepayments and accrued income	<b>1</b>	2
	<b>4</b>	50,001

**9. CREDITORS: amounts falling due within one year**

	<b>2022</b>	2021
	<b>£'000</b>	£'000
Debenture stocks and bonds	-	49,915
Interest accruals	-	83
Other creditors and accruals	-	1
	-	49,999

**10. 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.

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.

**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 balance sheet date, the carrying amount on the balance sheet plus expected interest and the periods in which they reprice, if earlier than the maturity date.



**10. FINANCIAL INSTRUMENTS (Continued)**

**Interest Rate Risk of Financial Assets as at 31 March 2022**

	Effective interest rate	Total amount	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Debtors:	%	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Index-linked	3.42%	-	-	-	-	-	-	-

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

Comparative figures as at 31 March 2021 were, as follows

	Effective interest rate	Total amount	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Debtors:	%	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Index-linked	3.42%	49,915	49,915	-	-	-	-	-

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.

**Interest Rate Risk of Financial Liabilities as at 31 March 2022**

	Effective interest rate	Total amount	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Creditors:	%	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Index-linked	3.42%	-	-	-	-	-	-	-

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

Comparative figures as at 31 March 2021 were, as follows

	Effective interest rate	Total amount	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Creditors:	%	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Index-linked	3.42%	50,315	50,315	-	-	-	-	-

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 2022 was £nil (carrying value £nil). The fair value of the company's borrowings at 31 March 2021 was £50.4m (carrying value £49.9m).

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Places for People Capital Markets PLC  
Notes to the Financial Statements  
For the year ending 31 March 2022

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**11. SHARE CAPITAL**

	<b>2022</b>	2021
	<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>

Ordinary Shares - 50,000 ordinary shares with a nominal value of £1 are held by Places for People Group Limited, the shares have attached to them full voting rights and dividend. The participation of ordinary shares is proportion to the amount of shares of any class held.

**12. RELATED PARTY TRANSACTIONS**

The only related party transactions during the year are those with the company's fellow Group subsidiary undertaking Places for People Homes Limited as stated in the Strategic Report. The Company has elected to take the exemptions available to it under FRS 102 33.1A.

Places for People Capital Markets PLC is a subsidiary of Places for People Group Limited. Places for People Group Limited holds 100% of the shares in Places for People Capital Markets PLC and is the ultimate parent of the company.