

**Cube Homes Limited
Report and Financial Statements
For the Year ended 31 March 2020**

CUBE HOMES LIMITED
Year ended 31 March 2020
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CUBE HOMES LIMITED
Year ended 31 March 2020
COMPANY INFORMATION

Directors

Chair D. Robinson

Other Directors M. Harrison
B. Ahmad
E. Prichard-Selby

Company secretary P. Elvy

Registered office 2a Derwent Avenue
Manchester
M21 7QP

Website <https://www.greatplaces.org.uk/about-us/cube>

Registered Number Companies House No. 06342867

External Auditors BDO LLP
3 Hardman Street
Spinningfields
Manchester
M3 3AT

Internal Auditors PwC
No 1 Spinningfields
1 Hardman Square
Manchester
M3 3EB

Bankers The Royal Bank of Scotland plc
St Ann's Street
St Ann's Square
Manchester
M60 2SS

CUBE HOMES LIMITED

Year ended 31 March 2020

STRATEGIC REPORT

Principal Activities

The principal activity of Cube Homes Limited (“Cube” or “the Company”) during the year was undertaking development of properties for outright sale, and the development and management of properties for market rent. Cube is registered under the Companies Act 2006, is a company limited by share capital and is incorporated in the United Kingdom.

Business Review

2019/20 has been another successful year for Cube with a significantly increased turnover of £17,038k (2019: £5,035k) and a profit after tax of £3,595k (2019: £839k). Of that, £1,750k (2019: £409k) was gift aided to Great Places Housing Association, the charitable parent and the remaining profit has been retained within the business.

During 2019/20 Cube sold 81 units at Arkwright Place in Gorton, Manchester, generating £15.4m of sales revenue and three units at Duchy Road, Salford generating £566k of sales revenue. This compares to 17 units which were sold in the previous financial year. Arkwright Place sold its last property in March 2020. Cube is currently in contract developing a number of schemes for market sale, as well as private rented stock including:

- Duchy Road, Salford. This mixed tenure site comprises 72 units – 32 houses for market sale and 40 in a mixture of affordable tenures. The site is active. Legal completions started in February 2020 and are expected to continue until May 2021.
- The Kingsway, Manchester. 27 market rent apartments and 4 market sale town houses. The site is active. The first legal completions are expected in summer 2020. The market rent apartments should be available in Autumn 2020.
- The development at Prestwich Golf Course comprises 17 large 4 and 5 bedroom homes in the affluent Manchester suburb of Prestwich. The site is active. As at March 2020 there were 4 build completions.
- Kersal Vale Road, Prestwich. This is a mixed tenure site comprising 109 units – 65 houses for market sale and 44 in a mixture of affordable tenures. This site is active. Legal completions are anticipated May 2021 through to Oct 2022.
- Haven Lane, Oldham; 23 market sale properties comprising 3 and 4 bedroom homes. The site is active. Legal completions are expected June 2021 to February 2022.
- New Road, Whitefield; 14 market sale properties comprising of 4 and 5 bedroom homes. The site is active. Legal completions are expected April 2021 to November 2021.
- Werneth Road Woodley. This development comprises 7 large 4 and 5 bedroom homes in the affluent area of Stockport. This project has not commenced yet. Legal completions are planned from April 2021 to July 2021

The impact of Covid-19 has had an impact on Cube’s activities and potential delays to legal completions have been reflected in the data above.

Key performance indicators and risks and uncertainties

Cube has 11 key performance indicators that are monitored monthly. These cover both market sales and market rent activities. They include the profit achieved from sales, the number of sales achieved, and income generated from market rented properties. Other indicators specifically cover the development activities of Cube.

Cube's Board has identified that the main risk comes from its market sales activity which has been impacted by Covid-19. Cube's management team monitor this risk through monthly sales progress reports and updates are also provided to the Board at each Board meeting. To further mitigate this risk Cube has delayed some construction activity and has access to the loan facility referred to below.

Cube carries out some of its trading activity within the wider Great Places Housing Group Limited ("Great Places"). Reference should therefore be made to the financial statements of Great Places. Cube is able to draw on an internal revolving loan facility of up to £40 million from Great Places Housing Association to fund its activities.

BY ORDER OF THE BOARD



P. Elvy
Secretary
14 July 2020

CUBE HOMES LIMITED
Year ended 31 March 2020
REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31 March 2020.

Cube's principal activities, business review, key performance indicators, and risks and uncertainties are included in the Strategic Report on page 4.

Directors

Details of the directors are set out on page 3.

Employees

Cube has no employees (2019: nil).

Statement of responsibilities of the directors

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

The Companies Act 2006 requires the directors to prepare financial statements for each financial year. The directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 accounting estimates that are reasonable and prudent; 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 are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

CUBE HOMES LIMITED
Year ended 31 March 2020
REPORT OF THE DIRECTORS

Going concern

The Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. In particular, assurance is provided by the Company's latest Business Plan including sensitivity analyses and stress testing (approved April 2020) which demonstrates that the Company has sufficient funding facilities in place that will meet planned development and other expenditure and that it is fully able to service its debt facilities.

After a thorough review considering the impact of Covid-19 on all assets, liabilities and commitments, and taking into account the resulting inherent cash risk in property sales, including forecasts, projections and material uncertainty clauses within our investment property valuations, the Board are assured that there are sufficient cash reserves and agreed facilities in place to meet liabilities as they fall due.

Therefore the Board continues to adopt the going concern basis in the financial statements.

Auditors

The directors confirm that:

- in so far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- 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 auditors are aware of that information.

A resolution to re-appoint BDO LLP will be proposed at the AGM on 17 September 2020 in accordance with Section 487(2) of the Companies Act 2006.

BY ORDER OF THE BOARD



P. Elvy
Secretary
14 July 2020

CUBE HOMES LIMITED

Year ended 31 March 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CUBE HOMES LIMITED

Opinion

We have audited the financial statements of Cube Homes Limited ("the Company") for the year ended 31 March 2020 which comprise the statement of comprehensive income, the statement of financial position and the statement of changes in equity, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Emphasis of Matter: Investment property valuations

We draw attention to note 7, which explains that as a result of the impact of the outbreak of the Novel Coronavirus (COVID-19) on the market, the Company's property valuer has advised that less certainty, and a higher degree of caution, should be attached to their valuation than would normally be the case. Our opinion is not modified in respect of this matter.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the

CUBE HOMES LIMITED

Year ended 31 March 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CUBE HOMES LIMITED

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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Director's report.

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

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

Responsibilities of Directors

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

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

CUBE HOMES LIMITED

Year ended 31 March 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CUBE HOMES LIMITED

Auditor's responsibilities for the audit of the financial statements

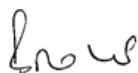
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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.



Julien Rye (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Manchester, UK

6 August 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CUBE HOMES LIMITED**Year ended 31 March 2020****STATEMENT OF COMPREHENSIVE INCOME**

		2020	2019
	Note	£'000	£'000
Turnover	2	17,038	5,035
Cost of sales		(13,067)	(3,887)
Gross profit		3,971	1,148
Administrative expenses		(473)	(437)
Operating profit	3	3,498	711
Interest receivable		-	1
Interest payable and similar charges	4	(32)	(192)
Movement in fair value of investment properties	7	214	150
Income from current asset investment	9	100	198
Profit on ordinary activities before taxation		3,780	868
Tax on profit on ordinary activities	5	(185)	(29)
Profit for the year and total comprehensive income		3,595	839

All amounts derive wholly from continuing operations.

There are no other recognised gains and losses other than the results for the year.

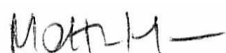
The notes on pages 14 to 21 form part of these financial statements.

CUBE HOMES LIMITED**Year ended 31 March 2020****STATEMENT OF FINANCIAL POSITION**

	Note	2020 £'000	2019 £'000
Fixed assets			
Investment property	7	5,660	3,501
Investment in joint venture	8	107	50
Total fixed assets		<u>5,767</u>	<u>3,551</u>
Current assets			
Stock and works in progress	10	18,468	15,989
Debtors	11	250	759
Cash at bank and in hand		51	35
		<u>18,769</u>	<u>16,783</u>
Creditors: Amounts falling due within one year	12	(1,955)	(668)
Net current assets		<u>16,814</u>	<u>16,115</u>
Total assets less current liabilities		<u>22,581</u>	<u>19,666</u>
Creditors:			
Amounts falling due after more than one year	13	(18,754)	(17,684)
		<u>3,827</u>	<u>1,982</u>
Capital and reserves			
Share capital	14	-	-
Revenue reserves		3,304	1,673
Revaluation reserve		523	309
Shareholder's funds		<u>3,827</u>	<u>1,982</u>

The accompanying notes on pages 14 to 21 form part of these financial statements.

These financial statements were approved by the Board of directors on 14 July 2020 and signed on its behalf by:

**M. Harrison****Director**

Company Registration Number 06342867

CUBE HOMES LIMITED**Year ended 31 March 2020****STATEMENT OF CHANGES IN EQUITY**

	Share capital	Revenue reserves	Revaluation reserve	Total equity
	£'000	£'000	£'000	£'000
As at 1 April 2019	0	1,673	309	1,982
Surplus for the year and total comprehensive income	-	3,595	-	3,595
Transfers	-	(214)	214	-
Gift aid payment (see note 6)	-	(1,750)	-	(1,750)
As at 31 March 2020	0	3,304	523	3,827

	Share capital	Revenue reserves	Revaluation reserve	Total equity
	£'000	£'000	£'000	£'000
As at 1 April 2018	0	1,393	159	1,552
Surplus for the year and total comprehensive income	-	839	-	839
Transfers	-	(150)	150	-
Gift aid payment (see note 6)	-	(409)	-	(409)
As at 31 March 2019	0	1,673	309	1,982

The accompanying notes on pages 14 to 21 form part of these financial statements.

Transfers relate to fair value movement on investment properties (note 7).

1. Legal status

The Company is registered under the Companies Act 2006, is a private company limited by share capital and is incorporated in the United Kingdom.

2. Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with FRS 102 the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The following principal accounting policies have been applied:

Disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102:

- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Great Places as at 31 March 2020 and these financial statements may be obtained from their registered office at 2a Derwent Avenue, Manchester, M21 7QP.

Going concern

The Company's latest Business Plan including sensitivity analyses and stress testing (approved April 2020) demonstrates that the Company has sufficient funding facilities in place that will meet planned development and other expenditure and that it is fully able to service its debt facilities. After a thorough review considering the impact of Covid-19 on all assets, liabilities and commitments, Cube's Board has identified that the main risk comes from its market sales activity which has been impacted by Covid-19. The stress testing performed includes modelling the impact of potential delays and reduced sales values being achieved. Cube's management team monitor this risk through monthly sales progress reports and updates are also provided to the Board at each Board meeting. To mitigate this risk Cube has delayed some construction activity and could potentially delay or re-purpose other projects as required. Cube has access to draw on an internal revolving loan facility of up to £40 million from Great Places Housing Association.

Based on this position the Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed.

Turnover

Turnover comprises market rental income net of voids receivable in the year on an accruals basis, sales of properties built for market sale and other services included at the invoiced value (excluding VAT) of goods and services supplied in the year. Income from sales of properties built for sale is recognised at the point of legal completion of the sale. All turnover arose within the United Kingdom.

2. Accounting policies (continued)

Interest payable

Interest is capitalised on borrowings to finance developments up to the date of practical completion if it represents either:

- a) interest on borrowings specifically financing the development programme; or
- b) interest on borrowings of the Company as a whole to the extent that they can be deemed to be financing the development programme.

Other interest payable is charged to the profit and loss account in the year.

Stock and work in progress

Property for resale is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate, based on anticipated selling price less costs to sell. No element of profit is included in the valuation of work in progress.

Land is valued at the lower of cost and net realisable value, land purchased that is directly attributable to a development scheme is included within work in progress.

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (after deducting transaction costs) and subsequently held at amortised cost.

Fixed asset investments

Investment properties are principally properties which are available for rent at a market value rate or are properties that are commercial properties.

Properties in the course of construction are held at fair value and they are reviewed annually. Completed investment properties are revalued annually to their fair value and no depreciation is provided. The Directors consider that this accounting policy results in the financial statements giving a true and fair view.

Changes in fair value are recognised in profit and loss. The aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value, in which case it is retained in the profit and loss reserve ("Revenue reserve").

Investments in unlisted company shares, which have been classified as fixed asset investments as the company intends to hold them on a continuing basis, are held at cost with consideration given to impairment at each reporting date. Any impairment losses are recognised in profit or loss for the year.

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determining whether property held for resale is stated at the lower of cost and net realisable value (including selling costs). Management make use of various sources of information in making this assessment including cost comparison to original development plan, internal development team cost expectations, post year-end sales activity, data from the internal sales team and market information from similar projects.
- Valuation of investment property involves significant judgement and expertise. Investment properties are professionally valued annually by an external firm of chartered surveyors on the basis of market value. These third party valuations are sense checked using our own knowledge of the properties and market data available regarding similar properties.

NOTES TO THE FINANCIAL STATEMENTS

3. Operating profit

Operating profit is arrived at after charging:

	2020 £'000	2019 £'000
Auditor's remuneration (excluding VAT)		
-for the audit of the financial statements	7	5
-for other services relating to taxation	2	3

Excluded from the auditor's remuneration is an additional £6k capital expenditure relating to tax advice for the Kingsway scheme.

The Company has no employees (2019: none). The directors received remuneration for their services to the Company from Great Places, the ultimate parent company of Cube, of £13k (2019: £13k).

4. Interest payable and similar charges

	2020 £'000	2019 £'000
Intra group loans	1,123	863
Less: Interest payable capitalised on housing properties under construction	(1,091)	(671)
	32	192

5. Corporation tax

The tax charge on the profit on ordinary activities for the year was as follows:

	2020 £'000	2019 £'000
Analysis of the charge in the period:		
Current tax charge for the year	185	29
Current tax adjustment in respect of prior years	-	-
UK corporation tax charge for year	185	29
Factors affecting tax charge for the period:		
Profit on ordinary activities before tax	3,780	868
Gift aid payment	(1,750)	(409)
	2,030	459
Tax on profit on ordinary activities at the standard rate of corporation tax in the UK of 19% (2019: 19%)	386	87
Expenses not deductible for tax purposes (primarily development expenditure)	(201)	(58)
	185	29

6. Gift Aid

A gift aid payment of £1,750k (2019: £409k) to Great Places Housing Association was paid on 16 March 2020 in respect of the year end 31 March 2020. Therefore, for the purposes of s338 of the Income and Corporation Taxes Act 1988, the Company deemed this to be a charge on income in the accounting period ended 31 March 2020 thereby reducing its corporation tax charge for that year to £185k. Gift aid has been treated as a distribution in the Statement of Changes in Equity.

7. Investment properties

The investment properties were valued at 31 March 2020 by Aspin and Company Chartered Surveyors ("Aspin"), on the basis of Market Value, as defined in the Valuation Global Standards of the Royal Institution of Chartered Surveyors ("Red Book Global").

The outbreak of the Covid-19, declared by the World Health Organisation as a Global Pandemic on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries.

Market activity is being impacted in many sectors. Aspin can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. The current response to COVID-19 means that Aspin are faced with an unprecedented set of circumstances on which to base a judgement.

Aspin's valuation assessment is therefore reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the Red Book Global. Consequently, less certainty –and a higher degree of caution –should be attached to their valuation than would normally be the case. The valuation reported is provided with this material uncertainty.

	Investment Properties completed	Investment Properties under construction	Investment Properties Total 2020	Investment Properties Total 2019
	£'000	£'000	£'000	£'000
As at 1 April	2,115	1,386	3,501	4,542
Additions	-	1,945	1,945	59
Transfers on completion	371	(371)	-	-
Reclassified	-	-	-	(1,250)
Revaluation	214	-	214	150
As at 31 March	2,700	2,960	5,660	3,501

Investment Properties under construction are at a relatively early stage of construction. Therefore the costs to date, including the initial land costs, are deemed to be the most appropriate measure of fair value as at 31 March 2020.

The surplus on revaluation of investment properties was £214k (2019: £150k). Of this £214k (2019: £150k) has been credited to the revaluation reserve as it represents an increase to original property values.

CUBE HOMES LIMITED

Year ended 31 March 2020

NOTES TO THE FINANCIAL STATEMENTS

7. Investment properties (continued)

If investment property had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2020	2019
	£'000	£'000
Gross cost	3,192	4,365
Additions	1,945	59
Reclassified	-	(1,250)
Accumulated depreciation based on historical cost	(54)	(36)
Historical cost net book value	5,083	3,138

8. Investment in joint ventures

	£'000
As at 1 April 2019	50
Additions	57
As at 31 March 2020	107

In the prior year, Cube entered into a joint venture arrangement with nine other registered providers to create GMJV FundCo LLP. GMJV FundCo LLP, together with the Greater Manchester Combined Authority, have invested in Hive Homes (Greater Manchester) LLP a delivery vehicle to build homes for outright sale. Cube will be investing up to £3m as a mix of debt and equity into Hive Homes.

9. Current asset investment

In 2017/18, Cube entered into a partnership arrangement with a commercial builder to build new homes. All units have now been sold and the remaining balance was included as a debtor in 2019 with the income received in April 2019. In the year 2020, income of £100k (2019: £198k) has been recognised in relation to this arrangement. No further income is due.

10. Stock and work in progress

	2020	2019
	£'000	£'000
Properties for resale - completed	2,044	-
Properties for resale - work in progress	16,424	15,989
	18,468	15,989

11. Debtors

	2020	2019
	£'000	£'000
Due from group undertakings	76	11
Others debtors	174	748
	250	759

All amounts are due to be received within 12 months. Amounts due from group undertakings are repayable on demand and do not attract interest charges.

NOTES TO THE FINANCIAL STATEMENTS

12. Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Amounts owed to group undertakings	66	81
Trade creditors	3	109
Corporation tax	210	36
Accruals and deferred income	709	313
Other creditors	967	129
	1,955	668

Amounts owed to group undertakings due in less than one year are repayable on demand and do not attract interest charges.

13. Creditors: amounts falling due after more than one year

	2020 £'000	2019 £'000
Loan due to parent undertaking	18,754	17,684
	18,754	17,684

The loan from Great Places Housing Association is repayable at the end of the 25 year term which expires in 2038. The loan bears interest at a fixed rate of 6%.

14. Share capital

Share capital

	2020 £	2019 £
100 Ordinary shares of £1 each, allotted, called up and fully paid	100	100

15. Financial commitments

	2020 £'000	2019 £'000
Capital expenditure commitments were as follows:		
Expenditure contracted but not provided for in the accounts	27,249	12,563
Expenditure authorised by the Board, but not contracted	2,319	25,053
	29,568	37,616
Capital commitments will be funded as follows:		
Existing loan facilities	8,565	8,742
Market sales	21,003	28,874
	29,568	37,616

16. Related party transaction

The Company has taken advantage of the exemption available not to disclose transactions between group companies on the basis that it is included in the consolidated accounts of Great Places Housing Group Limited.

17. Ultimate controlling party

The ultimate controlling party of the Company is Great Places Housing Group Limited, which is a company registered under the Co-operative and Community Benefit Societies Act 2014 and a registered provider of social housing under the Housing Act.

The immediate parent company of Cube is Great Places Housing Association, itself a subsidiary of Great Places Housing Group Limited, which is also a company registered under the Co-operative and Community Benefit Societies Act 2014.

The consolidated accounts of Great Places Housing Group Limited can be obtained from 2a Derwent Avenue, Manchester, M21 7QP, or via its website at www.greatplaces.org.uk.