

CHARITY NUMBER 1213283

COMPANY NUMBER 11688135

REGULATOR OF SOCIAL HOUSING NUMBER 5152

J49 LIMITED

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE EIGHTEEN MONTH PERIOD
ENDED 31 MAY 2025**



J49 LIMITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 MAY 2025

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J49 LIMITED
TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MAY 2025

REFERENCE AND ADMINISTRATIVE DETAILS

TRUSTEES	Steven Coles (Chairman) (appointed 22 August 2024) Judith Harries (appointed 15 August 2024) Stephen Penfold Reshima Sharma Dr. Louisa Snow Declan Flynn (resigned 19 June 2024) Malcolm Holman (resigned 28 March 2025) Julian Marriott (resigned 15 November 2024) Stephanie Mills (resigned 22 September 2025) Lily Odigie (resigned 16 July 2024)
CHARITY NUMBER	1213283
COMPANY NUMBER	11688135
REGULATOR OF SOCIAL HOUSING NUMBER	5152
REGISTERED OFFICE	14 New King Street Deptford London SE8 3HS
CHIEF EXECUTIVE	Simon Thomas
INDEPENDENT AUDITOR	Knox Cropper LLP 65 Leadenhall Street London EC3A 2AD
BANKERS	Triodos Bank Deanery Road Bristol BS1 5AS
SOLICITORS	Steele Raymond LLP Richmond Point 43 Richmond Hill Bournemouth BH2 6LR Bates Wells 10 Queen Street Place London EC4R 1BE

J49 LIMITED
TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MAY 2025

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the 18-month period ended 31 May 2025.

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102"), the Statement of Recommended Practice Accounting for Registered Social Housing Providers 2018 (Housing SORP), the Accounting Direction for Private Registered Providers of Social Housing 2019 and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Charitable objects

The relief of those in need, by reason of poverty or financial hardship, age, ill-health, disability, or other social or economic disadvantage in the UK for the public benefit by providing safe, affordable, and sustainable housing and signposting to support services.

Organisation beliefs and purpose

Recognising that building community is key to good housing, the DNA model of J49 is 'Creative Community Living'. If people thrive in their communities, in high quality, environmental and affordable accommodation, this provides a great urban and rural model for residents to enjoy short- and long-term homes and to flourish. J49 works with community partners such as churches, charities, Local Authorities and organisations that have already developed existing community engagement. This provides a platform to partner with them to build affordable homes in a community context. J49 is a values driven organisation that believes that those values are key to long-term partnerships and building sustainable and integrated communities.

Business plan and model

J49 became a Registered Provider (RP) of social housing on 2nd December 2021 and operates as a non-profit, public benefit company limited by guarantee. In May 2025, J49 also become a registered charity and so is fully embedded in the 'not for profit' sector. This allows for a clear focus on social benefit, on public transparency, and new income streams via donations and grants.

J49 aspires to develop or acquire up to 2,000 new or re-furbished residential dwellings in the next 3 years and has a pipeline of 200-300 for development. These homes would be in communities across the whole spectrum of the UK and would follow the J49 DNA of 'Creative Community Living'.

However, where opportunities arise which are aligned with our strategic purposes, we will also build our housing portfolio through other approaches, including:

- Acquisition (buying or leasing properties which J49 will manage and maintain). We are currently working on an acquisition project which would generate positive cash flow almost immediately on acquisition;
- Housing management, where J49 will partner with a Local Authority and social care organisation for a particular housing demographic; and
- Partnerships, where J49 will be an active partner for the development or management of housing for a particular housing need.

To build our community living, each development will develop partnerships with community organisations, user groups in the community space and residents in a 'local management group'. This structure empowers residents and users to shape decisions for the long term for the benefit of the community.

J49 LIMITED
TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MAY 2025

J49 is also committed to using new technology to improve the environmental footprint of our properties and provide low carbon heating solutions such as ground source and/or air source heating systems, solar thermal and solar PV.

These will help to protect residents against high energy cost volatility and to alleviate fuel poverty. A ground source heating system is installed at our first development in Deptford, and we are not aware of any similar installations in a new social housing development, which is 100% affordable. J49 is committed not to cross-fund between assets, so that money generated in the community can be reinvested into that same community for the long term.

Public Benefit

The trustees confirm that they have complied with the duty under section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit and seek to meet J49 Limited's charitable purposes in following its objectives.

OPERATING REVIEW

Progress to date

Our first development for 33 affordable apartments in Deptford for those in vulnerable housing need, particularly in the 20-35 age demographic, was completed in 2024. The development has been funded through grants from the Greater London Authority (GLA) and London Borough of Lewisham, a loan from a social impact bank, and fundraising (for the community space).

This success has been achieved against a backdrop of global economic pressures, high interest rates, supply chain issues and industry-wide cost inflation. We are working to be on site with a new development in Newham in January 2026 and the acquisition of over 200 properties in a supported living portfolio in December 2025.

Future developments

J49 has a pipeline of developments which will lead to further planned investment in the next three years. J49 has signed a JV with a significant fund that will allow investment of £500M-£1B in the next phase of its development. This partnership is committed to help alleviate poverty, increase the availability of social and affordable housing and add significant change to 1000s of people's lives.

There are a further three more planned developments in London, totalling 700 homes all with planning, alongside strategic places in England of around 700-1000 homes over the next few years.

The vision is to see around 2,000 properties for affordable housing and specialist housing under J49 management in the next 3 years. The funding partnership will enable this and the expansion of staff will resource this.

J49 LIMITED
TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MAY 2025

FINANCIAL REVIEW

This report marks the first period of generating significant income through the operation of our first housing project. It also represents the first period of reporting for J49 Limited as a registered charity, alongside its established Registered Provider (RP) of social housing status.

Total income for the 18-month period to 31st May 2025 stood at £718,031 (*2023 restated: £765,450*) comprised of rent and service charge income from social housing lettings of £297,019 (*2023 restated: nil*), grants for social housing lettings of £420,873 (*2023 restated: £765,450*) and other income of £139 (*2023 restated: nil*).

Total expenditure for the 18-month period totalled £668,338 (*2023 restated: £43,223*) which was made up of operating costs on social housing lettings of £501,104 (*2023 restated: £38,847*) and net interest payable on loans of £167,324 (*2023 restated: £4,376*) to support the housing development completed in the period. This generated a surplus for the year of £49,693 (*2023 restated: £722,227*).

Expenditure on fixed assets during the period totalled £2,879,183 as the 33 affordable apartment build in Deptford completed and preparatory work commenced on projects in Newham and Ipswich.

At the end of the period the charity had £3.475m of loans in place, which along with social housing grant supported the completion of the Deptford development.

RESERVES AND RESERVES POLICY

The trustees regularly review the charity's financial position, through monthly management accounts, cash flow budgets and longer-term strategic modelling with a view to strengthening the charity's financial position. There is recognition that, as a relatively new organisation, it may take time to establish free reserves to a level that the trustees feel appropriate. Accordingly, the trustees have presently agreed to set a target for cash funds of £100,000 to support operating activity. This has been calculated to be around 3 months of core operating costs. At the period end cash funds stood at £26,488. This target will be regularly reviewed as the organisation grows in its development plans.

GOING CONCERN

The trustees have reviewed the future cash flows of the charity based upon the current and future anticipated projects to be undertaken, the existing loan facility available and loan covenants in place.

In particular the Board recognised that J49 needs to be significantly larger and have more diverse income streams to be sustainable for the long-term. In December 2025 leases for approximately 200 housing units were signed and the Board will be reviewing the possibilities of taking on a second portfolio of properties in the spring of 2026. In addition to this, there are two projects funded by grants from the NHS in Leeds that have also been agreed and signed for, and will commence in 2026.

The trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they have adopted a going concern basis in preparing these financial statements.

RISK MANAGEMENT

J49 runs a risk register for every new project and integrates this into a J49 business risk register with a traffic light system. Risks are notified to the Board with defined sets of actions to mitigate the risks identified.

J49 is committed to de-risk major issues through a 'clear risk pathway analysis'. As a new entity the principal current risk we face is cash flow, but we stress test our model at higher interest rates to confirm we can continue to meet loan service targets and keep cash flow positive. The acquisition strategy above will also mean there will be immediate returns on investment. This will start to show in our accounts in Q1 2026.

J49 LIMITED
TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MAY 2025

J49 will monitor and report on key KPIs once it has the new portfolios in place in place, and these will be reflected in its financial statements for the year ending 31 May 2026. J49 has adopted an industry standard management system, called Room Match (RMS). It will manage every data, rent and compliance issue for the RSH, GLA and Homes England, and will inform J49 staff of deadlines, key issues and KPIs. It will also monitor maintenance, and resident engagement daily to inform staff, provide feedback to the board and keep good resident engagement, complaints and responsibilities at the forefront of the J49 team's mind.

Compliance with economic standards

As part of the framework for the regulation of social housing providers, the Regulator of Social Housing (RSH) sets standards which Registered Providers of social housing must meet. At the balance sheet date, J49 has completed the Deptford development and has demonstrated compliance with the Governance and Viability Standard, the Value for Money Standard and the Rent Standard. J49 has completed its compliance audit with the GLA on the current building development finished in Deptford in line with GLA's requirements.

J49 is a registered partner with the GLA and with Homes England.

VALUE FOR MONEY

Value for Money Financial Metrics

In accordance with the Value for Money (VFM) Standard, issued by the Regulator for Social Housing (RSH), we report below the metrics for the current period. As J49 completed its first housing development during the period these metrics will not be directly comparable with future periods as the number of properties being managed increases and further developments are completed.

Sector Metrics	2025
Reinvestment	99%
New supply delivered- social housing	100%
New supply delivered- non-social housing	nil
Gearing	33%
EBITDA MRI Interest cover	21%
Social housing cost per unit	£12,477
Operating margin – social housing	30%
Operating margin –overall	7%
Return on capital employed	0.5%

J49 LIMITED
TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MAY 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

J49 Limited was established and registered as a charity in May 2025 with charity registration number 1213283. The Trustees who served during the period of this are as set out on page 1. With the transition to becoming a charity, and with the illness and subsequent death of the Chair of the Board, this has been a period of significant change.

In line with the National Housing Federation's Code of Governance 2020, the maximum tenure for trustees of J49 will normally be up to six consecutive years (comprising two three-year terms of office), but where a member has served six years, and the board agrees that it is in the organisation's best interests, their tenure may be extended up to a maximum of nine years.

Recruitment to board vacancies is open and transparent, with a clear role description being introduced for all recruitment from the end of 2025, and is based on the board's considered view of the skills and attributes required to discharge its functions. The board selects and appoints new members objectively on merit and undertakes appraisals of its members and of the board as a whole, usually at its annual away day.

Governance, board composition and diversity

J49 is working through the National Homes Federation's Code of Governance 2020 and aspires towards the highest standards of governance and board performance. We have assessed that we are currently compliant with all key areas of the Code. In advance of our first building completion, and in response to the Social Housing White Paper (November 2020) we have developed a Residents' Housing Charter and Resident Engagement Strategy.

We also aspire to increase the diversity of the Board. We are actively recruiting for new Board members with senior housing management experience and other skills, experiences and backgrounds to contribute to our work, and will also welcome input from residents when our first development is occupied and engagement in place.

All trustees are required to declare their interests annually and at each Board meeting, and are not able to vote on matters in which they have a direct interest.

STRUCTURE AND MANAGEMENT

The Board of Trustees is the main governance vehicle for J49 Limited, and has overall responsibility for strategy, compliance, service delivery, finance and regulatory matters. Responsibility for J49's day-to-day operations is delegated to an expanding Management Team, which reports through the Chief Executive. The Board meets at least four times a year – more regularly when necessary - and members of the Management Team attend all meetings. The board has updates on financial matters, safeguarding concerns, and resident welfare as standing items on its agenda.

In 2026, J49 will implement a Health and Safety Committee (H&S Committee) with the purpose of ensuring that policies, procedures and working practices regarding health and safety including fire safety, meet or exceed any legal obligations and reflect best practice. It will promote the fire safety of J49 premises and housing stock and the wellbeing and safety of employees, residents, contractors, service users and others, eliminating and reducing injury, illness and business losses by proactive risk assessment and risk reduction. The role of H&S Committee will be to support the Board in engendering a positive H&S culture supported by robust compliance. It has responsibility for scrutiny, monitoring and reporting, and making recommendations to improve. Health and Safety will be a standing item on the main Board agenda, hearing reports and recommendations from the H&S Committee.

J49 LIMITED
TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MAY 2025

STATEMENT OF THE RESPONSIBILITIES OF THE BOARD IN RESPECT OF THIS REPORT AND THE FINANCIAL STATEMENTS

The trustees (who are also the directors of J49 Limited for the purposes of company law) are responsible for preparing the Report of the Board of Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charity SORP
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

INTERNAL CONTROL STATEMENT

The Board accepts that it is responsible for the organisation's system of internal controls and for reviewing its effectiveness. The Senior Management Team reports annually to the Board on internal controls. J49's system of internal controls is designed to manage rather than eliminate the risk of failure to achieve business objectives. The system can only provide reasonable and not absolute assurance against misstatement or loss.

The process of identifying, evaluating and managing the significant risks faced by the business is ongoing. Key elements of the businesses internal controls include:

- Board approved terms of reference
- annual review of internal controls by the Board
- clearly defined management responsibilities for the identification, evaluation and control of significant risks
- comprehensive business planning processes with detailed financial budgets and forecasts
- stress testing of business plan and appointment of external consultant to support treasury management
- regular reporting to the Board on key objectives, performance measures and outcomes
- regular reviews of financial regulations and standing orders
- policies in place for giving and receiving hospitality, whistleblowing, fraud, GDPR and investment / borrowing
- independent assurance reviews

J49 LIMITED
TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MAY 2025

AUDITORS

Knox Cropper LLP were appointed as Auditors and, subject to their willingness to continue in office, a resolution for re-appointment will be proposed at the forthcoming Annual General Meeting.

By order of the Board

Steven Coles

Steven Coles (Dec 3, 2025 17:01:16 GMT)

.....
Steven Coles
Chairman

03/12/25

.....
Date

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
J49 LIMITED

OPINION

We have audited the financial statements of J49 Limited for the 18 month period ended 31 May 2025, which comprise the statement of financial activities, the balance sheet and 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 (United Kingdom Generally Accepted Accounting Practice) including FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the state of J49 Limited's affairs as at 31 May 2025 and of its income and expenditure for the period then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 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 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 Charitable 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

In auditing the financial statements, we have concluded that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Board with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the board report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
J49 LIMITED

OPINION 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 Trustees' Report, which includes the directors' report prepared for the purposes of Company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, included within the Trustees' Report, has 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Board 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 Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or

RESPONSIBILITIES OF THE BOARD

As explained more fully in the Statement of the Board's responsibilities, the Board is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board 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 Board is responsible for assessing the Charitable 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 Board either intends to liquidate the Charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), Companies Act 2006, Charities Act 2011, the Housing and Regeneration Act 2008 and the regulatory standards issued by the Regulator of Social Housing.
- We understood how the Charitable company complies with those frameworks via communication with those charged with governance, as well as reviewing the Charitable company's documented policies and procedures.
- We assessed the susceptibility of the Charitable company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. These included risks associated with revenue recognition, application of accounting estimates, management override of controls, which were discussed and agreed by the audit team.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
J49 LIMITED

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

- Our approach included agreeing the Charitable company's recognition of income to the terms of tenancy agreements, reviewing the assumptions used and controls applied in the calculation of accounting estimates, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved a review of the reporting to the board members with respect to the application of the documented policies and procedures and a review of the financial statements to ensure compliance with the reporting requirements of the Charitable company.

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

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

USE OF OUR REPORT

This report is made solely to the Charitable company's members, 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 Charitable 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 Charitable company and the Charitable company's members, for our audit work, for this report or for the opinions we have formed.

Knox Cropper LLP

Simon Goodridge
Senior Statutory Auditor
for and on behalf of Knox Cropper LLP
Chartered Accountants
Statutory Auditor

Date: 03/12/25

65 Leadenhall Street
London, EC3A 2AD

J49 LIMITED
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MAY 2025

	Notes	Un- restricted Funds	Restricted Funds	18 month period ending 31 May 2025 Total	RESTATED Year ending 30 November 2023 Total
		£	£	£	£
INCOME FROM					
Grants and donations		76,692	344,181	420,873	765,450
Charitable activities		297,019	-	297,019	-
Investment Income	4	139	-	139	-
TOTAL INCOME	2	373,850	344,181	718,031	765,450
EXPENDITURE ON					
Charitable Activities		668,338	-	668,338	43,223
TOTAL EXPENDITURE	3	668,338	-	668,338	43,223
NET INCOME BEFORE TRANSFERS		(294,488)	344,181	49,693	722,227
Gross transfers		1,109,631	(1,109,631)	-	-
NET MOVEMENT IN FUNDS		815,143	(765,450)	49,693	722,227
FUND BALANCES BROUGHT FORWARD		(53,773)	765,450	711,677	(10,550)
FUND BALANCES CARRIED FORWARD		761,370	-	761,370	711,677

The Statement of Financial Activities includes all gains and losses recognised in the period.

All activities reported above, both in the current and preceding year relate to continuing activities.

The accompanying notes form part of these financial statements.

J49 LIMITED
BALANCE SHEET
AS AT 31 MAY 2025

	Notes	31 May 2025		RESTATED 30 November 2023	
		£	£	£	£
FIXED ASSETS					
Housing Properties	9		10,371,520		7,581,103
Other Tangible Fixed Assets	9		610		1,110
			<u>10,372,130</u>		<u>7,582,213</u>
CURRENT ASSETS					
Debtors	10	27,146		114,531	
Cash and cash equivalents		<u>26,488</u>		<u>536,126</u>	
		53,634		650,657	
LESS CREDITORS					
Amounts falling due within one year	11	<u>(205,102)</u>		<u>(964,761)</u>	
Net Current Assets			<u>(151,468)</u>		<u>(314,104)</u>
Total Assets Less Current Liabilities			10,220,662		7,268,109
CREDITORS					
Amounts falling due after more than one year	12		(9,459,292)		(6,556,432)
Total Net Assets	16		<u>761,370</u>		<u>711,677</u>
Capital and Reserves					
Restricted funds			-		765,450
Unrestricted funds			<u>761,370</u>		<u>(53,773)</u>
			<u>761,370</u>		<u>711,677</u>

The financial statements were approved by the Board on 03/12/25

and were signed on its behalf by:

Steven Coles
Steven Coles (Dec 3, 2025 17:01:16 GMT)
 Steven Coles

Chairman

J49 LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MAY 2025

	Notes	18 month period ending 31 May 2025 £	Year ending 30 November 2023 £
NET CASH GENERATED FROM OPERATING ACTIVITIES		<u>(339,367)</u>	<u>144,619</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Interest received		139	-
Additions to Housing Properties		(2,879,183)	(6,274,143)
Capital grants		2,188,314	3,429,215
		<u>(690,730)</u>	<u>(2,844,928)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Interest paid		(167,324)	(4,376)
Other loans received		50,000	-
Bank loan received		3,475,000	2,950,593
Bank loan repayments		(2,950,593)	-
Loan arrangement fee		113,376	-
		<u>520,459</u>	<u>2,946,217</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS		<u>(509,638)</u>	<u>245,908</u>
Cash and cash equivalents at the start of the year		<u>536,126</u>	<u>290,218</u>
Cash and cash equivalents at the end of the year		<u>26,488</u>	<u>536,126</u>

J49 LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MAY 2025

**RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM
OPERATING ACTIVITIES**

	18 month period ending 31 May 2025	Year ending 30 November 2023
	£	£
Net movement in funds	49,693	722,227
Interest receivable	(139)	
Interest paid	167,324	4,376
Depreciation of fixed assets	89,266	
Increase/(decrease) in Creditors	(732,895)	(731,217)
(Increase)/decrease in Debtors	87,385	149,233
Net cash inflow from Operating Activities	<u>(339,367)</u>	<u>144,619</u>

J49 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2025

1. **PRINCIPAL ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in respect of material items in the charitable company's financial statements.

(a) **Basis of Accounting:**

The charitable company is a private registered provider of social housing, registered with the Regulator of Social Housing under the Housing and Regeneration Act 2008, and a private company limited by guarantee (No. 00734705) which does not have a share capital.

A description of the nature of the charitable company's operations and its principal activity is disclosed on page 2. The charitable company's registered office is stated on page 1.

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable In the UK and Republic of Ireland" ("FRS 102"), the Statement of Recommended Practice Accounting for Registered Social Housing Providers 2018 (Housing SORP), the Accounting Direction for Private Registered Providers of Social Housing 2019 and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The Board have considered the principal risks and uncertainties facing the Charitable company and the implications for its income and expenditure for at least a period of twelve months from the date of approval of these financial statements.

In particular the Board recognised that J49 needs to be significantly larger and have more diverse income streams to be sustainable for the long-term. In December 2025 leases for approx. 200 housing units were signed and the Board will be reviewing the possibilities of taking on a second portfolio of properties in the spring of 2026. In addition to this, there are two projects funded by grants from the NHS in Leeds that have also been agreed and signed for, and will commence in 2026.

Based on this the Board consider that there are no uncertainties about the Charitable company's ability to continue as a going concern.

(b) **SORP Departure**

The Society has departed from the Housing SORP by opting to produce a Statement of Financial Activities under the Charities SORP because it judged this treatment more appropriate in presenting detailed information to the members. As a result, the Statement of Comprehensive Income required under the Housing SORP has been omitted. It is considered that the equivalent information can be obtained from the Statement of Financial Activity included.

The Statement of Changes in Reserves required under the Housing SORP has also been omitted, however this information is presented in the Statement of Financial Activity.

J49 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2025

PRINCIPAL ACCOUNTING POLICIES (Continued)

(c) **Turnover and revenue recognition**

Turnover represents rental income and service charge receivable less losses arising from voids, plus any fees or grants from local authorities and other bodies and other miscellaneous income.

Rental income, net of voids, is recognised when the property is available for letting.

Service charge income and costs are recognised on an accrual basis.

(d) **Housing Properties**

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit.

Freehold and long leasehold housing properties are stated at cost less depreciation and impairment. The cost of land is not depreciated. The cost of housing properties is the initial purchase price, together with those costs that are directly attributable to acquisition and construction, and interest charges incurred during the development period.

Properties in the course of construction are stated at cost and transferred to completed housing properties when completed.

Interest charges on loans financing development are capitalised up to the date of completion of the scheme and only when development activity is in progress.

Administration costs relating to development activities are capitalised only to the extent that they are incremental to the development process and directly attributable to bringing the property into their intended use.

Where an asset comprises components with materially different useful economic lives, those assets are separately identified and depreciated over those individual lives.

Subsequent expenditure related to the replacement of previously capitalised components or the enhancement of such components that results in incremental future benefit is capitalised and the carrying amount of any replaced component or part component is derecognised.

Depreciation is charged to write down the net book value of major components to their residual values on a straight line basis over their estimated useful lives of the major components as follows:

	Useful life (years)
Structure	125
Roof	60
Window and external doors	30
Electrical wiring	30
Lifts	25
Kitchens	20
Bathroom	20
Central heating/boilers	20
Fire compartmentalisation	20

(e) **Other Tangible Fixed Assets**

Other tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected useful economic lives of the assets as follows:

	Useful life (years)
Office equipment	5

J49 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2025

PRINCIPAL ACCOUNTING POLICIES (Continued)

(f) Social Housing Grants

Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and included in turnover over the estimated useful life of the associated asset structure (not land), under the accruals model. Social Housing Grants (SHG) received for items of cost written off in the Statement of Financial Activity is included as part of turnover.

When SHG in respect of housing properties, in the course of construction, exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

These grants may be repayable in the event that the relevant property is sold, or the charitable company ceases to use it for social housing, or if certain other relevant events take place, but can be rolled over into other purchase or development activities in certain circumstances.

(g) Loan finance and interest

Loans are stated in the Statement of Financial Position at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts amortised. Where loans are redeemed during the year, any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Financial Activity in the year in which the redemption took place. Loan finance issue costs are amortised over the life of the related loan. Loan interest costs are calculated using the effective interest method of the difference between the loan amount at initial recognition and amount of maturity of the related loan.

(h) Taxation

As J49 has charitable status for tax purposes, any surplus is exempt from a charge to Corporation Tax, in accordance with the provisions of the section 478 of the Corporation Taxes Act 2010.

(i) Interest Payable

Interest payable is charged to the income and expenditure account in the year to which it relates.

(j) Significant Management Judgements and Estimation Uncertainties

The following are the critical judgements and key sources of estimation uncertainty that the Board has made in the process of applying the Charitable company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Identification of housing property components

The Charitable company accounts for its expenditure on housing properties using component accounting. Under component accounting, the housing property is divided into those major components which are considered to have substantially different useful economic lives. Judgement is used in allocating property costs between components (land, structure kitchens, bathrooms etc) and in determining the useful economic lives of each component

Housing property depreciation is calculated on a component by component basis. The identification of such components is a matter of judgement and may have a material impact on the depreciation charge. The components selected are those which reflect how the major repairs to the property are managed.

Depreciation of tangible fixed assets

Tangible fixed assets are depreciated over their useful lives, taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary, depending on a number of factors, such as technological innovation, product life cycles, future market conditions and maintenance programmes.

PRINCIPAL ACCOUNTING POLICIES (Continued)

J49 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2025

Impairment of non-financial assets.

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is normally a group of properties at scheme level whose cash income can be separately identified.

(k) **Prior year adjustment**

Following J49 Limited registration as a charity the comparative figures for the year ended 30 November 2023 and balance sheet as at 30 November 2023 have been restated in accordance with the Charity SORP with the departures from the Housing SORP as noted above.

J49 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2025

2. TOTAL INCOME

	18 month period ending 31 May 2025	Year ending 30 November 2023
	£	£
Grants and donations	420,873	765,450
Income from charitable activities	297,019	-
Income from Social Housing Lettings (note 21)	717,892	765,450
Interest receivable (note 4)	139	-
	<u>718,031</u>	<u>765,450</u>

3. TOTAL EXPENDITURE

	18 month period ending 31 May 2025	Year ending 30 November 2023
	£	£
Operating costs on Social Housing Lettings (note 21)	501,014	38,847
Interest payable on Bank Loans (note 5)	167,324	4,376
	<u>668,338</u>	<u>43,223</u>

4. INTEREST RECEIVABLE

	18 month period ending 31 May 2025	Year ending 30 November 2023
	£	£
Interest receivable	139	-
	<u>139</u>	<u>-</u>

5. INTEREST PAYABLE

	18 month period ending 31 May 2025	Year ending 30 November 2023
	£	£
Interest payable on Bank Loans	167,324	4,376
	<u>167,324</u>	<u>4,376</u>

6. SURPLUS FOR THE YEAR

Surplus for the financial year is stated after charging :

	18 month period ending 31 May 2025	Year ending 30 November 2023
	£	£
<i>Depreciation :</i>		
Housing Properties	88,766	-
Other Fixed Assets	500	-
<i>Auditors' Remuneration (Net of VAT)</i>		
In their capacity as auditors	<u>10,000</u>	<u>-</u>

J49 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2025

7. EMPLOYEES

	18 month period ending 31 May 2025 £	Year ending 30 November 2023 £
<i>Staff Costs during the year:</i>		
Wages and Salaries	15,435	-
Social Security Costs	341	-
Employers Pension Costs	123	-
	<u>15,898</u>	<u>-</u>

	18 month period ending 31 May 2025 No.	Year ending 30 November 2023 No.
The average weekly number of persons employed by the Charitable company during the year was:	<u>1</u>	<u>-</u>

8. KEY MANAGEMENT PERSONNEL

The key management personnel of the charitable company are those persons having authority and responsibility for planning, directing and controlling the activities of J49, directly or indirectly, including any director of the entity. This is considered to comprise the Board members and the management team of the charitable company. The total remuneration of the key management personnel amounted to £133,433 (23: £29,000).

J49 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2025

9. TANGIBLE FIXED ASSETS

	Social housing properties completed £	Social housing properties under construction £	Total social housing properties £	Office equipment £	Total tangible fixed assets £
Cost					
At 1 December 2023	-	7,581,103	7,581,103	1,110	7,582,213
Additions	-	2,879,183	2,879,183	-	2,879,183
Transfers	10,258,913	(10,258,913)	-	-	-
At 31 May 2025	10,258,913	201,373	10,460,286	1,110	10,461,396
Depreciation					
At 1 December 2023	-	-	-	-	-
Charge for the period	88,766	-	88,766	500	89,266
At 31 May 2025	88,766	-	88,766	500	89,266
Net Book Value					
At 31 May 2025	10,170,147	201,373	10,371,520	610	10,372,130
At 1 December 2023	-	7,581,103	7,581,103	1,110	7,582,213

	18 month period ending 31 May 2025	Year ending 30 November 2023
Works to Existing Properties	£	£
Capitalised	2,879,183	6,273,033
Charged to Income & Expenditure Account	1,741	-
	<u>2,880,924</u>	<u>6,273,033</u>

10. DEBTORS

	31 May 2025 £	30 November 2023 £
Social Housing Rents and Service Charges	51,830	5,923
Less: Provision for bad and doubtful debts	<u>(8,067)</u>	<u>-</u>
	43,763	5,923
Prepayments	70	-
Other Debtors	<u>(16,687)</u>	<u>108,608</u>
	<u>27,146</u>	<u>114,531</u>

J49 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2025

11. CREDITORS:**Amounts falling due within one year**

	31 May 2025	30 November 2023
	£	£
Other loans	50,000	-
Social housing grants	45,798	-
Trade creditors	12,457	647,661
Other creditors	66	5
Accruals and deferred income	96,781	317,095
	<u>205,102</u>	<u>964,761</u>

12. CREDITORS:**Amounts falling due after more than one year**

	31 May 2025	30 November 2023
Bank loans	3,475,000	2,837,217
Social housing grants	5,861,732	3,719,215
Accruals	122,560	-
	<u>9,459,292</u>	<u>6,556,432</u>

13. LOANS

	31 May 2025	30 November 2023
Loans repayable:		
Between one and two years	-	-
Between two and five years	236,188	-
Over five years	3,238,812	2,837,217
	<u>3,475,000</u>	<u>2,837,217</u>

The above loan is with Charity Bank and is secured of the Charity's properties.

The loan is repayable at dates between 2027 and 2049. The loan bears interest at a variable rate of 2% over LIBOR.

14. SOCIAL HOUSING GRANT

	31 May 2025	30 November 2023
	£	£
Opening	3,719,215	290,000
Grants received in the period	2,222,663	3,429,215
Released to income in the period	(34,348)	-
Closing	<u>5,907,530</u>	<u>3,719,215</u>

J49 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2025

15. CAPITAL COMMITMENTS

	31 May 2025	30 November 2023
	£	£
Capital expenditure that has been contracted for but has not been provided for in the financial statements	-	1,896,811
Capital expenditure that has been authorised by the Board of Management but has not yet been contracted for	4,375,497	-
Total	<u>4,375,497</u>	<u>1,896,811</u>
Proposed financing of above expenditure:		
Loans	1,369,509	-
Social Housing Grant	1,755,988	1,896,811
Other grants	1,250,000	-
	<u>4,375,497</u>	<u>1,896,811</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Net Current Assets £	Creditors >1 year £	Total 2025 £	Total 2023 £
General Unrestricted Funds	10,372,130	(151,468)	(9,459,292)	761,370	(53,773)
Restricted Funds	-	-	-	-	765,450
Total Funds	<u>10,372,130</u>	<u>(151,468)</u>	<u>(9,459,292)</u>	<u>761,370</u>	<u>711,677</u>

	Tangible Fixed Assets £	Net Current Assets £	Creditors >1 year £	Total 2023 £
General Unrestricted Funds	7,582,213	(1,079,554)	(6,556,432)	(53,773)
Restricted Funds	-	765,450	-	765,450
Total Funds	<u>7,582,213</u>	<u>(314,104)</u>	<u>(6,556,432)</u>	<u>711,677</u>

17. LEASE COMMITMENTS

The charitable company has three 125 year leases over land and property it has and is developing. Two of the leases have peppercorn rents and the third has an annual rent of £5,000 from the period ended 31 May 2025 which will increase 2% per annum.

J49 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2025

18. RELATED PARTY TRANSACTIONS

The charitable company was invoiced for project management costs amounting to £5,800 (2023 £27,800) by Jubilee Resource Community Ltd of which Julian Marriott, one of the trustees during the period, is a director.

There were no other related party transactions in the financial year.

19. MEMBERS LIABILITY

The company is limited by guarantee and has no share capital. The liability of each member in the event of winding up is £1.

20. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	Turnover	Operating costs	Operating Surplus
	£	£	£
<i>18 month period to 31 May 2025</i>			
Social Housing Lettings (Note 21)	717,892	(501,014)	216,878
	<u>717,892</u>	<u>(501,014)</u>	<u>216,878</u>
<i>Year to 30 November 2023</i>			
Social Housing Lettings (Note 21)	765,450	(38,847)	726,603
	<u>765,450</u>	<u>(38,847)</u>	<u>726,603</u>

21. INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	18 month period ending 31 May 2025 £	Year ending 30 November 2023 £
Rent receivable	234,436	-
Service charge income	33,833	-
Amortised government grants	34,348	-
Other grants	386,525	765,450
Other income	28,750	-
Turnover from Social Housing Lettings	<u>717,892</u>	<u>765,450</u>
Management	394,253	38,847
Service charge costs	9,428	-
Depreciation of Housing Properties	89,266	-
Bad Debts	8,067	-
Operating costs on Social Housing Lettings	<u>501,014</u>	<u>38,847</u>
Operating surplus on Social Housing Lettings	<u>216,878</u>	<u>726,603</u>

J49 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2025

22. ACCOMMODATION IN MANAGEMENT

During the year the year J49 completed the build of Bear House, Deptford containing 33 studios (London Living Rent (LLR) Dwellings) let at London Affordable Rent.

No units were managed on behalf of J49 by another body.

23. Comparative Fund and SOFA Balances

	Unrestricted Funds	Restricted Funds	Total Funds Year Ended 30 November 2023 £
INCOME AND EXPENDITURE	£	£	£
Income from:			
Donations and grants	-	765,450	765,450
Grants Receivable	-	765,450	765,450
Total Income	-	765,450	765,450
Expenditure upon:			
Charitable Activities	43,223	-	43,223
Total Expenditure	43,223	-	43,223
Net Income/(Expenditure)	(43,223)	765,450	722,227
Transfers between funds	-	-	-
Net Movement in funds for the year	(43,223)	765,450	722,227
Net funds at 1 December 2022	(10,550)	-	(10,550)
Net funds at 30 November 2023	(53,773)	765,450	711,677









J49 2025 final for signing

Final Audit Report

2025-12-03

Created:	2025-12-03
By:	Simon Goodridge (simon.goodridge@knoxcropper.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAglAbyEk6YCWRInOzlAB1myXJLBZYiqeN

"J49 2025 final for signing" History

-  Document created by Simon Goodridge (simon.goodridge@knoxcropper.com)
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