Touchstone Corporate Property Services Limited

Annual report and financial statements

For the year ending 31 March 2022

Registered number 04695692

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Strategic report

The directors present their strategic report on the company for the year ending 31 March 2022.

Principal activity

Touchstone Corporate Property Services Limited (the Company) has continued to provide residential property management services during the year. There are no plans to change the nature of trade in the foreseeable future.

Results for the year and Dividends

The Company generated a profit before tax for the year of £571,080 (2021: £510,809).

During the year, the directors declared and paid a dividend of £500,000 (2021: £500,000).

Review of the business

We deliver management services to the Private Rented Sector (PRS), and we manage over 16,000 homes across the length and breadth of the UK. We operate across a wide range of services and subsectors within the PRS, from Build to Rent (BTR) to LPA Receivership, Shared Ownership and Retirement, with a growing focus on mixed-tenure management to compliment our BTR and Market-let rentals operations.

Our sector continues to emerge strongly from the turbulence of the last 3 years. A heightened focus on housing linked to wellbeing and evolving working practices coupled with ongoing challenges for other parts of the real estate sector has ensured that interest in deploying investment funds into residential assets remains strong. The institutional focus on BTR has widened to encompass Single Family Homes and a more varied tenure mix, with particular interest in affordable rentals, all areas where we are well placed to deliver our services. Annual new business targets were exceeded again with new instructions across the majority of service offerings. Of note was an appointment by a new fund aimed at single family stock targeting 2,000 homes, and an instruction from West Norfolk Borough Council to manage their growing portfolio of new-build rented homes. We also saw additional instructions for our consultancy and mobilisation services and further appointments from PGIM connected to their growing UK residential investments. For our newer service offerings we were appointed by two regional RPs to manage a combination of affordable rental and shared ownership stock.

Our tech and processes are increasingly focussed on the customer journey, and the fully on-line customer sign-up process supported by Residently is now deployed on a growing proportion of our managed stock. We are exploring ways to introduce further elements to bring greater control and efficiencies to our customer find activities. Our dashboards are now fully deployed internally and now provide immediate information access for a growing number of clients, providing a powerful marketing tool for our new business activities. This, along with a focus on more sophisticated Applicaton Programming Interface capabilities, will provide more efficiency in reporting and easier access to supportive Proptech.

Strategic report *(continued)*

Key Performance Indicators

The business reports monthly against a number of Key Performance Indicators (KPIs), which are designed to monitor, among other things, the effectiveness of our property management operations, our management of colleagues, and our impact on the environment.

The table set out below highlights some of our most important KPIs

	2022	2021
Rent Collection		
Rent received as a percentage of rent due	**98.00%**	97.43%
Occupancy		
Let days as a percentage of lettable days	**96.00%**	95.46%
People		
Stability rate	**69.31%**	85.79%

The metrics for occupancy and rent collection are self-explanatory and broadly consistent year on year.

Our stability rate has decreased from that of 2021. The metric is the percent of staff working in the business that have been employed for more than one year.

Touchstone is accredited under ISO14001 (Environmental Management System) and ISO50001 (Energy Management System). The Company continues to manage energy consumption through a number of initiatives - reducing the amount of printing we do, increased management of heating systems and passive infrared sensor (PIR) lighting.

By order of the board

Simon Barton
Director

305 Grays Inn Road
London
WC1X 8QR
15 August 2022

Directors' report

The directors present their report and the audited financial statements of the company for the year ending 31 March 2022.

Directors

The directors who held office during the year and to the date of this report were as follows:

H Kings	
S Barton	
J Clark	
T King	
J Perrett	Appointed 1 June 2021
S Phillips	Appointed 1 June 2021
W Loughnane	Appointed 25 July 2022
D Cowans	Resigned 1 December 2021

Results for the year and Dividends

The Company generated a profit before tax for the year of £571,080 (2021: £510,809). A more detailed analysis of the results for the year is set out in the Strategic Report on pages 2 to 3.

During the year, the directors declared and paid a dividend of £500,000 (2021: £500,000).

Employment Policy

The Company is an equal opportunities employer and its policy is to ensure that all employees and job applicants will be given an equal opportunity. The Company has maintained its commitment to employee involvement throughout the business.

Employees are kept well informed of the performance and objectives of the Company through personal briefings, regular meetings, and the intranet. Directors and senior management regularly visit the Company's offices and discuss matters of current interest and concern to the business with employees.

The Company's policy is to apply best practice in the employment and training of disabled persons. Full and fair consideration is given to every application from disabled persons whose aptitude and skills can be utilised in the business and to their training and career development, including, wherever practical, the retraining and retention of staff who become disabled during their employment.

The Company is responsive to the needs of its employees, customers, and the community at large and endeavours to use everyone's talents and abilities to the full.

Political contributions

The Company made no political donations nor incurred any political expenditure during the year (2021: nil).

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors' report *(continued)*

Going concern

The Company produces a strategic business plan each year. This process includes review and challenge by the Group Board, alongside consideration of principal risks and uncertainties. When the business plan is approved it is then used as the basis for monitoring business performance.

The Company robustly assesses both its risks and mitigating actions through the use of a comprehensive risk mapping process. The principal risks and uncertainties facing the Company are integrated into the Group's risk profile, further information on which is set out in the consolidated financial statements of Places for People Group Limited. A copy of these financial statements can be obtained from the Company Secretary at 305 Grays Inn Road, London, WC1X 8QR.

The going concern assessment considers whether it is appropriate to prepare the financial statements on a going concern basis. The Company has reviewed its business forecast and projections and has produced a business plan for the 3 years ending March 2025. The Company has produced its forecasts on the latest information and experience in the markets in which it operates.

At 31 March 2022 the Company had a cash balance of £2.8m. The directors have prepared a cashflow forecast out to March 2025 and, based on this forecast, are confident that the Company can continue to meet its liabilities as they fall due.

The directors have considered the impact that a severe but plausible downside case, such as the loss of a major client contract, would have on the company's business plan and forecast. The directors are confident that any impact from the loss of a client contract could be mitigated by a reduction in colleague numbers and variable overhead. Furthermore the directors are confident that the breadth of different clients for whom the company provides services and the spread of income and costs in respect of those clients would mean the business could continue to meet its liabilities as they fall due. The directors have also considered the impact of the increased cost of living and rising inflation on the company's customers ability to pay their rent and the subsequent effect it would have on the company's income. The directors are confident that the company would still be able to meet its liabilities as they fall due.

At this stage and to the best of our current knowledge, the going concern principle is appropriate for at least the next 12 months from the date of approval of the financial statements. Taking the above into consideration, along with the company's forecast profitability, cashflow from existing and anticipated future growth and the company's current cash balance, 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.

By order of the board

Simon Barton
Director

305 Grays Inn Road
London
WC1X 8QR
15 August 2022

Statement of directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- 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 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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOUCHSTONE CORPORATE PROPERTY SERVICES LIMITED

Opinion

We have audited the financial statements of Touchstone Corporate Property Services Limited ("the company") for the year ended 31 March 2022 which comprise the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and related notes, including the accounting policies in note 3.

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 profit 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").

In our evaluation of the directors' 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.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

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 above conclusions are 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 as to the Company'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 Board 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, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that revenue is recorded in the wrong period and the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOUCHSTONE CORPORATE PROPERTY SERVICES LIMITED (continued)

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual account combinations.

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 (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

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, 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.

Directors' responsibilities

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOUCHSTONE CORPORATE PROPERTY SERVICES LIMITED (continued)

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.

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.

C. J. Griffiths

Caroline Griffiths (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Gateway House, Tollgate
Chandler's Ford
Eastleigh
SO53 3TG

Date 23 August 2022

Statement of Total Comprehensive Income

for the year ended 31 March 2022

	Note	2022	2021
		£	£
Turnover	4	**8,860,548**	8,581,533
Cost of sales		**(592,692)**	(525,503)
Gross Profit		**8,267,856**	8,056,030
Administrative expenses		**(7,696,773)**	(7,548,081)
Operating profit		**571,083**	507,949
Interest receivable and similar income	8	**-**	3,194
Interest payable and similar expenses	9	**(3)**	(334)
Profit before taxation		**571,080**	510,809
Tax on profit	10	**(88,941)**	(157,975)
Profit for the financial year		**482,139**	352,834
Total comprehensive income for the year		**482,139**	352,834

The Notes on pages 13 to 23 form part of these financial statements.

Statement of Financial Position

at 31 March 2022

	Notes	2022 £	2021 £
Fixed assets			
Property, plant and equipment	11	**391,660**	479,271
Total fixed assets		**391,660**	479,271
Current assets			
Debtors	12	**1,647,554**	1,731,443
Cash at bank and in hand		**2,840,770**	2,940,949
		4,488,324	4,672,392
Creditors - amounts falling due within one year	13	**(2,017,055)**	(2,270,873)
Net current assets		**2,471,269**	2,401,519
Net assets		**2,862,929**	2,880,790
Capital and reserves			
Called up share capital	15	**35,002**	35,002
Share premium account		**3,998**	3,998
Profit and loss account		**2,823,929**	2,841,790
Shareholders' funds		**2,862,929**	2,880,790

The Notes on pages 13 to 23 form part of these financial statements.

These financial statements were approved by the Board of directors on 15 August 2022 and were signed on its behalf by:

Simon Barton
Director
Company registered number: 04695692

Statement of Changes in Equity

For the year ending 31 March 2022

	Called up Share Capital £	Share Premium Account £	Profit and loss account £	Total equity £
Balance at 1 April 2020	35,002	3,998	2,988,956	3,027,956
Total Comprehensive income for the year				
Profit for the year	-	-	352,834	352,834
Dividends	-	-	(500,000)	(500,000)
Balance at 31 March 2021	35,002	3,998	2,841,790	2,880,790
Balance at 1 April 2021	35,002	3,998	2,841,790	2,880,790
Total Comprehensive income for the year				
Profit for the year	-	-	482,139	482,139
Dividends	-	-	(500,000)	(500,000)
Balance at 31 March 2022	**35,002**	**3,998**	**2,823,929**	**2,862,929**

The Notes on pages 13 to 23 form part of these financial statements.

Notes to the financial statements

1. Company Information

Touchstone Corporate Property Services Limited (the company) has continued to provide residential property management services during the year.

The company is a private company limited by shares and is incorporated, registered and domiciled in England and Wales. The address of its registered office is 305 Grays Inn Road, London, WC1X 8QR.

2. Basis of Preparation

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 financial statements have been prepared on the historical cost basis.

The financial statements are presented in Sterling, and rounded to the nearest £.

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 Grays Inn Road, London, WC1X 8QR. In these financial statements, the company is considered to be a qualifying entity (for the purposes of FRS 102 section 1.12) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Statement of cashflows and related notes; and
- Key Management Personnel compensation

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Going concern

The financial statements have been prepared on a going concern basis.

The going concern assessment considers whether it is appropriate to prepare the financial statements on a going concern basis. The Company has reviewed its business forecast and projections and has produced a business plan for the 3 years ending March 2025. The Company has produced its forecasts on the latest information and experience in the markets in which it operates.

At 31 March 2022 the Company had a cash balance of £2.8m. The directors have prepared a cashflow forecast out to March 2025 and, based on this forecast, are confident that the Company can continue to meet its liabilities as they fall due.

The directors have considered the impact that a severe but plausible downside case, such as the loss of a major client contract, would have on the company's business plan and forecast. The directors are confident that any impact from the loss of a client contract could be mitigated by a reduction in colleague numbers and variable overhead. Furthermore the directors are confident that the breadth of different clients for whom the company provides services and the spread of income and costs in respect of those clients would mean the business could continue to meet its liabilities as they fall due. The directors have also considered the impact of the increased cost of living and rising inflation on the company's customers ability to pay their rent and the subsequent effect it would have on the company's income. The directors are confident that the company would still be able to meet its liabilities as they fall due.

At this stage and to the best of our current knowledge, the going concern principle is appropriate for at least the next 12 months from the date of approval of the financial statements. Taking the above into consideration, along with the company's forecast profitability, cashflow from existing and anticipated future growth and the company's current cash balance, 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.

Notes to the financial statements *(continued)*

3. Principal accounting policies

3.1 Property, plant and equipment

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives, using the straight line method. Leased assets are depreciated over the shorter of the lease term and their useful lives. The estimated useful lives are as follows:

- Leasehold improvements - over the period of the lease
- Computer hardware - 4 years
- Furniture and equipment - 5 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

3.2 Basic Financial Instruments

Cash in the statement of financial position comprises cash at bank and in hand.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in administrative expenses.

Investment in non-puttable ordinary shares are initially recorded at transaction price. The carrying value of these investments are reviewed on an annual basis and any losses arising from impairment are recognised in the income statement.

3.3 Employee benefits

Defined contribution plans and other long term employee benefits

The company operates a defined contribution pension scheme. A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

3.4 Turnover

The company provides residential property management services.

The company's turnover represents the value, excluding value added tax, of services supplied to customers during the year. Revenue from services is recognised when the services are rendered and the outcome of the transaction can be estimated reliably. Revenue from property management is recognised in the period the service is provided.

Notes to the financial statements *(continued)*

3. Principal accounting policies *(continued)*

3.5 Expenses

Operating lease

Rentals payable under operating leases are charged to the statement of comprehensive income on a straight-line basis over the lease term.

The aggregate benefit of lease incentives are recognised as a reduction to the expenses recognised over the lease term on a straight line basis.

3.6 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustments to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the statement of financial position date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

3.7 Key estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The directors do not consider any judgements, estimates or assumptions to have a significant effect on the financial statements.

Notes to the financial statements *(continued)*

4. Turnover

The Company's turnover was derived from its principle activity wholly undertaken in the United Kingdom

	2022	2021
	£	£
Rendering of services	**8,836,060**	8,558,502
Interest earned on client deposits	**7,560**	15,881
Kickstart government grant	**16,928**	7,150
	8,860,548	8,581,533

5. Expenses and auditor's remuneration

Included in profit are the following:

	2022	2021
	£	£
Depreciation of owned assets	**109,938**	132,517
Loss on the disposal of fixed assets	**-**	17,714
Operating lease charges - land and buildings	**277,962**	278,856
Operating lease charges - other assets	**94,069**	87,378

Auditor's remuneration:

	2022	2021
	£	£
Fees payable to the company's auditor for the audit of the company's annual accounts	**28,325**	25,750

Notes to the financial statements *(continued)*

6. Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year, analysed by category was as follows:

	2022	2021
	No.	No.
Property management and administration	**193**	190

The aggregate payroll costs of these persons were as follows:

	2022	2021
	£	£
Wages and salaries	**5,399,367**	5,038,463
Severance pay	**4,300**	16,300
Social security costs	**473,662**	433,587
Other pension costs	**247,654**	248,520
	6,124,983	5,736,870

Notes to the financial statements *(continued)*

7. Directors' remuneration

	2022	2021
	£	£
Directors' emoluments	**705,528**	468,411
Pension contributions to defined contribution schemes	**50,943**	37,327
	756,471	505,738

The amounts set out above include remuneration in respect of the highest paid director as follows:

	2022	2021
	£	£
Directors' emoluments	**165,025**	163,607
Pension contributions to defined contribution schemes	**13,036**	12,852
	178,061	176,459

	2022	2021
	No.	No.
Retirement benefits were paid during the year to the following number of directors under:		
Defined contribution schemes	**6**	4

8. Interest receivable and similar income

	2022	2021
	£	£
Interest received from HMRC	**-**	3,194

9. Interest payable and similar expenses

	2022	2021
	£	£
Bank loans and overdrafts	**3**	334

Notes to the financial statements *(continued)*

10. Taxation

Total tax expenses recognised in the statement of comprehensive income

	2022 £	2021 £
Current Tax		
Current tax on income for the period	**110,646**	106,998
Adjustment in respect of prior periods	**-**	42,091
Total current tax	**110,646**	149,089
Deferred tax (see note 14)		
Origination and reversal of timing differences	**12,828**	8,886
Adjustments in respect of prior periods	**-**	-
Effect of tax rate change on opening balance	**(34,533)**	-
Total deferred tax charge / (credit)	**(21,705)**	8,886
Tax on profit on ordinary activities	**88,941**	157,975

Notes to the financial statements *(continued)*

10. Taxation *(continued)*

	2022 Current tax £	2022 Deferred tax £	2022 Total tax £	2021 Current tax £	2021 Deferred tax £	2021 Total tax £
Recognised in Profit and loss account	**110,646**	**(21,705)**	**88,941**	149,089	8,886	157,975
Total tax	**110,646**	**(21,705)**	**88,941**	149,089	8,886	157,975

Reconciliation of tax charge

The tax assessed is lower (2021 higher) than the standard rate of corporation tax in the UK of 19% (2021 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	**571,080**	510,809
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2021 19%)	**108,505**	97,054
Effects of:		
Fixed asset differences	**10,518**	17,456
Expenses not deductible	**1,373**	1,374
Adjustments to tax charge in respect of previous periods - deferred tax	**-**	-
Adjustment in respect of prior period	**-**	42,091
Remeasurement of deferred tax for changes in tax rates	**(31,455)**	-
Tax on profit on ordinary activities	**88,941**	157,975

Factors affecting current and future tax charge
The main rate of corporation tax since 1st April 2017 has been 19%.

The main rate of corporation tax will be increased from 19% to 25% (effective 1 April 2023). This change will increase the company's future tax charge accordingly.

As this change in corporation tax rate has been substantively enacted at the Balance Sheet date, deferred tax has been calculated using the increased rate of 25% due to the expected reversal of the deferred tax asset.

Notes to the financial statements *(continued)*

11. Property, plant and equipment

	Leasehold improvements	IT equipment	Fixtures, Fittings and equipment	Total
	£	£	£	£
Cost				
At 1 April 2021	655,387	333,586	173,892	1,162,865
Additions	-	10,129	12,198	22,327
Disposals	-	-	-	-
At 31 March 2022	655,387	343,715	186,090	1,185,192
Depreciation and Impairment				
At 1 April 2021	305,893	219,480	158,221	683,594
Depreciation charge for year	58,679	44,590	6,669	109,938
Eliminated on disposal	-	-	-	-
At 31 March 2022	364,572	264,070	164,890	793,532
Net book value at 31 March 2022	**290,815**	**79,645**	**21,200**	**391,660**
Net book value at 31 March 2021	349,494	114,106	15,671	479,271

12. Debtors: amounts falling due within one year

	2022	2021
	£	£
Trade debtors	**597,920**	741,121
Other debtors	**2,944**	6,343
Deferred tax assets (see note 14)	**131,059**	109,354
Amounts owed from related undertakings	**277,867**	150,902
Prepayments and accrued income	**637,764**	723,723
	1,647,554	1,731,443

Notes to the financial statements *(continued)*

13. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	**114,523**	117,608
Taxation and social security	**346,114**	320,576
Other creditors	**78,426**	76,988
Accruals and deferred income	**913,413**	1,271,678
Amounts due to related undertakings	**564,579**	484,023
	2,017,055	2,270,873

Amounts due to related undertakings includes £520,127 (2021: £413,129) for corporation tax payments made on the Company's behalf.

14. Deferred tax asset

Deferred tax assets are attributable to the following:

	2022	2021
	£	£
Capital allowances	**107,268**	93,342
Short term timing differences	**23,791**	16,012
	131,059	109,354

15. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
35,000 ordinary shares of £1 each	**35,000**	35,000
2,000 B ordinary shares of £0.001	**2**	2
	35,002	35,002

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

The holders of B ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote at meetings of the Company.

Notes to the financial statements (*continued*)

16. Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2022 £	2021 £
In one year or less	**360,489**	357,090
Between one and two years	**336,393**	322,064
Between two and five years	**906,319**	874,476
In more than five years	**-**	290,000
	1,603,201	1,843,630

During the year £372,031 was recognised as an expenses in the profit and loss account in respect of operating leases (2021: £366,234).

17. Pension Obligations

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £247,654 (2021: £248,520).

Contributions totalling £96,536 (2021: £81,845) were payable to the fund at the year end and are included in creditors.

18. Contingent Liability

The Company, together with certain fellow subsidiaries of the Places for People Group, has guaranteed to holders of the Places for People Finance plc 4.25% 2023 bond, the principal amount and interest accrued in respect of this bond in the event of default by the issuer.

The total capital outstanding at 31 March 22 for this bond was £65,000,000 (2021: £65,000,000). The total interest accrued at 31 March 22 for this bond was £813,403 (2021: £813,403).

These represent the maximum exposure for the company.

The directors consider it extremely unlikely that the company would be required to make any payments in respect of this guarantee.

19. Ultimate parent company

Touchstone Corporate Property Services Limited is a subsidiary of Places for People Ventures Operations Limited. The ultimate controlling party is Places for People Group Limited.

Places for People Group Limited includes the company in its consolidated financial statements. This is the largest group in which the results of the Company are consolidated. The consolidated financial statements are prepared in accordance with FRS 102 and are available to the public and may be obtained from Places for People Group Limited, 305 Grays Inn Road, London, WC1X 8QR. No other group financial statements include the results of the Company.

As the ultimate parent company publishes consolidated group accounts, the company has accordingly used the exemption not to report transactions with other group members and permitted by FRS 102 section 33.1A.