

Torus62 Developments Limited
(formerly LMH Developments Limited)

Report and Financial Statements

Year ended 31 March 2019

Company Registration Number: 09687200

TORUS62 DEVELOPMENTS LIMITED BOARD MEMBERS, EXECUTIVE DIRECTORS,
 ADVISORS AND BANKERS

Board Member	Category	Changes in the year
Steve Coffey	Board Member	
Peter Fieldsend	Board Member	
Gordon Hood	Chair	Resigned 31/12/2018
Gordon Hood	Board Member	Appointed 01/01/2019
Andrew Gray	Board Member	Resigned 31/12/2018
Robert Hepworth	Board Member & Chair	Appointed 01/01/2019
Christine Fallon	Board Member	Appointed 01/01/2019

Director	Category	Changes in the year
Chris Bowen	Managing Director	

Registered office
 Helena Central
 Corporation Street
 St Helens, WA9 1LD

Auditors
 Grant Thornton UK LLP
 4 Hardman Square
 Spinningfields
 Manchester M3 3EB

Solicitors
 Brabners LLP
 Horton House
 Exchange Flags
 Liverpool, L2 3YL

Bankers
 Barclays Bank PLC
 Liverpool Lord Street Branch
 48b & 50 Lord Street , Liverpool L2 1TD

 National Westminster Bank PLC
 5 Ormskirk Street
 St Helens, WA10 1DR

Report of the Board

The Board presents its report and audited financial statements for the year ended 31 March 2019.

Business Review

Torus62 Developments Limited (formally LMH Developments Limited) (“the Company”) predominately provides development services for its parent company Torus62 Limited (“Torus”) to deliver new build housing. On 1st January 2019 as part of the amalgamation of the Torus and Liverpool Mutual Homes housing groups, Torus62 Developments Limited (new name for LMH Developments Limited) became a subsidiary of Torus62 Limited. In 2018/19, turnover stood at £33.4m (2018: £22.4m). Operating profits were £0.9m (2018: £0.6m).

In 2018/19 the company completed 191 new homes of various tenures.

Principal Activities

Established in July 2015, the company is a development company that delivers new-build housing developments and major refurbishment services on behalf of the Group.

The company supports the Group’s new-build strategy, which targets the completion of at least 5,300 new homes annually by 2024 across north west England, predominately in the group’s heartland areas of Liverpool, St Helens and Warrington. The company benefits from strategic partnership arrangements with both Liverpool City Council and Knowsley Borough Council.

New-build homes include a combination of Affordable Rent and Affordable Home Ownership options, such as Shared Ownership and Rent to Buy, as well as homes for outright sale.

Donations

The company has made no donations to political organisations during the period.

Post Balance Sheet Events

A Gift Aid donation of £864k payable to Torus Foundation will be recognised in the next financial year. We consider that there are no other events since the year-end that have had a significant effect on the company’s financial position.

Board Members and Executive Directors

Details of the Board members who served throughout the year and up to the date of this report are detailed below.

Board Member	Category	Changes in the year
Steve Coffey	Board Member	
Peter Fieldsend	Board Member	
Gordon Hood	Chair	Resigned 31/12/2018
Gordon Hood	Board Member	Appointed 01/01/2019
Andrew Gray	Board Member	Resigned 31/12/2018
Robert Hepworth	Board Member & Chair	Appointed 01/01/2019
Christine Fallon	Board Member	Appointed 01/01/2019

Director	Category	Changes in the year
Chris Bowen	Managing Director	

Insurance policies indemnify Board members and officers against liability when acting for the company.

Financial Risk Management

The company uses various financial instruments including cash, trade debtors and trade creditors that arise directly from its operations. The Company manages its credit risk through its customer take-on procedures. It is not currently exposed to any currency or interest rate risk.

During 2018-19 an intra group loan facility for £12m was agreed with Torus62 Limited. Terms are at fixed commercial rates and at year end £7.7m was drawn against this facility.

Going Concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future being a period of not less than 12 months from the date of approval of these financial statements. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Annual General Meeting

The company is not required to hold an Annual General Meeting under its Articles of Association.

Approval

The report of the Board was approved by the company Board on 3 September 2019 and signed on its behalf by:


 Steve Coffey
 Board Member

STRATEGIC REPORT

Background

The company is a wholly owned subsidiary of Torus62 Limited and is a company limited by shares.

The company has undertaken the provision of the following during the trading period:

- Building contract maintenance for the provision of new homes
- Defect liability management.
- Provision of multiple tenure types including rent to buy, shared ownership and affordable housing.

New Developments

- During 2018/19 Torus62 Developments Limited (formally LMH Developments Limited) had 20 of live schemes at the end of the year (2017/18: 22 live contracts), with a further 16 at pre-development stage. At year end there were a total of 1,059 homes on site. Included in this figure are the novated contracts from Torus Living Limited (former development company of Torus62 Limited, prior to amalgamation). In the financial year the company completed a total of 191 homes.

The business team continued to review opportunities to develop new homes across North West England, with schemes now live in the Liverpool City, Knowsley, Sefton, St Helens, Warrington, Halton, Cheshire East, Cheshire West, West Lancashire and Wirral local authority areas.

Objectives and Strategy

The 2018/19 Business Plan has two key focuses, summarised below, which identify the strategic direction and focus of the organisation.

TORUS62 DEVELOPMENTS LIMITED (FORMERLY LMH DEVELOPMENTS LIMITED)
 Year ended 31 March 2019

Corporate Plan Focus	Strategic Implementation
Investment	<p>Torus62 Developments Limited (formally LMH Developments Limited) was established to maximise the VAT efficiency for Group on the building projects it undertakes.</p> <p>Meet business plan targets and deliver a positive rate of return.</p> <p>Ensure lean business and operational processes operate in association with effective IT systems.</p> <p>Deliver efficiency savings to maximise profit and commercial performance.</p>
Resilience	<p>The VAT efficiencies generated within Torus62 Developments Limited (formally LMH Developments Limited) support further projects within Group communities.</p> <p>Provide high performance by fulfilling the expectations of Torus and meeting contractual targets.</p> <p>Develop a range of services that offer flexible solutions to meet changing needs, expectations and demands of clients.</p> <p>Provide opportunities for local suppliers and service providers to support the local economy.</p> <p>Ensure compliance with statutory and industry regulators.</p> <p>Establish relationships within the Torus Group.</p>

Service Performance

The new amalgamated company Business Plan anticipates that, in 2019/20, net expenditure on works, fees and operating costs will reach £91.6m and that this can generate a total profit of £2.0m.

Risks to Delivery of the Business Plan

Risks that may prevent the company delivering its Business Plan are reported to Torus Board on a quarterly basis in its Financial Report. Risks are recorded and assessed in terms of their impact and probability with the report analysing:

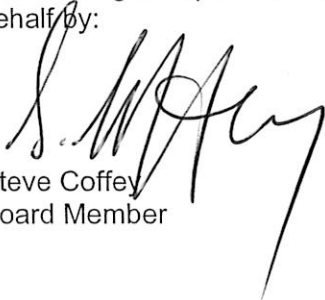
- Torus and Torus62 Development’s current exposure to these risks;
- The management action to mitigate this exposure; and
- The high risk areas critical to successful delivery of the Business Plan

A summary of the current high risk area to the business is provided below.

Key Risk	Status	Planned Development in Internal Controls
Financial failure of contractors	<ul style="list-style-type: none"> • With external factors creating economic uncertainty and issues with contractors working on development projects, this has been highlighted as an increasing risk 	<ul style="list-style-type: none"> • For every contract a ‘due diligence’ process is followed. This comprises of an Experian credit check which is used as a basis for protecting the company through subsequent decisions such as Form of Contract, payment schedules, damage clauses in contracts, performance bonds and retention percentages. These can all vary according to the risk identified and the mitigation required. References and access to company accounts throughout build programs are also used when appropriate.

Approval

The Strategic Report was approved by the Board on 3 September 2019 and signed on its behalf by:



Steve Coffey
 Board Member

STATEMENT OF THE RESPONSIBILITIES OF THE DIRECTORS FOR THE REPORT AND FINANCIAL STATEMENTS

The Directors are responsible for preparing the Strategic Report and Report of the Board 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 the Directors have elected to prepare the financial statements in accordance with 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'. 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 and 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 judgments and accounting estimates that are reasonable and prudent and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- The Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Approval

The Statement of the responsibilities of the Directors for the report and financial statements was approved by the Board on 3 September 2019 and signed on its behalf by:


Steve Coffey
Board Member

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TORUS62
DEVELOPMENTS LIMITED (FORMALLY LMH DEVELOPMENTS LIMITED)

Opinion

We have audited the financial statements of Torus62 Developments Limited (formally LMH Developments Limited) ("the Company") for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the report of the board for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the report of the board have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the report of the board.

Matters on which we are required to report by exception

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

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent 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.

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 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.



Stuart Muskett
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Manchester
Date: 11 September 2019

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2019	Note	2019 £'000	2018 £'000
Turnover	3	33,395	22,356
Cost of Sales		<u>(32,531)</u>	<u>(21,711)</u>
Gross profit	4	864	645
Interest Receivable		<u>-</u>	<u>-</u>
Profit on ordinary activities before taxation		864	645
Tax on profit on ordinary activities	7	<u>(41)</u>	<u>(60)</u>
Profit for the financial year		<u>823</u>	<u>585</u>
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		<u><u>823</u></u>	<u><u>585</u></u>

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

	Share Capital £'000	Revenue reserve £'000	Total reserves £'000
Balance at 1 April 2017	250	251	451
Gift Aid	-	(314)	(314)
Profit for the year	-	585	585
Balance at 31 March 2018	<u>250</u>	<u>522</u>	<u>772</u>
Gift Aid	-	(649)	(649)
Profit for the year	-	823	823
At 31 March 2019	<u><u>250</u></u>	<u><u>696</u></u>	<u><u>946</u></u>

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

At 31 March 2019

	Note	2019 £'000	2018 £'000
Current assets			
Stock	8	7,972	1,559
Debtors	9	8,006	2,289
Cash at bank and in hand		649	329
		<u>16,626</u>	<u>4,177</u>
Creditors: Amounts falling due within one year	10	(7,961)	(3,405)
Net current Assets		<u>8,666</u>	<u>772</u>
Total assets less current liabilities		<u>8,666</u>	<u>772</u>
Creditors: Amounts falling due after more than one year	11	(7,720)	-
Net Assets		<u>946</u>	<u>772</u>
Capital and reserves			
Share Capital	12	250	250
Revenue reserve	13	696	522
Total Funds		<u>946</u>	<u>772</u>

The financial statements were approved by the Board on 3 September 2019 and signed on its behalf by:



Steve Coffey
 Board Member

Company number: 09687200

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Legal status

Torus 62 Developments Limited (formally LMH Developments Limited) ("the Company") is a company limited by shares and is registered under the Companies Act 2006. The company's registered office is 4 Corporation Street, St.Helens, Merseyside, WA9 1LD.

2. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with UK accounting standards, including Financial Reporting Standard 102, "the Financial Reporting standard applicable in the United Kingdom and the Republic of Ireland", and with the Companies Act 2006. The financial statements are presented in sterling (£).

The company has adopted the following disclosure exemptions as per FRS102:

- the requirement to present a statement of cash flows and related notes;
- the requirement to disclose key management personnel compensation;
- financial instrument disclosures, including:
 - categories of financial instruments,
 - items of income, expenses, gains or losses relating to financial instruments, and exposure to and management of financial risks.

Going Concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that Torus62 Developments Limited has adequate resources to continue in operational existence for the foreseeable future being a period of not less than 12 months from the date of approval of these financial statements. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Significant Judgements and Estimates

Preparation of the financial statements requires management to make significant judgements and estimates. There have been no significant judgements or estimates made in the preparation of these accounts.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

Stocks and work-in-progress

Stock and work-in-progress is stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price less all further costs to complete and all costs to be incurred in marketing, selling and distribution.

NOTES TO THE FINANCIAL STATEMENTS

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Intra-group Loan

Torus62 Developments Limited (formally LMH Developments Limited) has an intra-group loan with Torus62 Limited, its parent company, for the purchase of land at Rossfield Park. The initial loan was made on 29/6/2018 for £8,820k over 5 years with an interest rate of 5.4% per annum. There have been repayments against the loan and the current balance stands at £7,720k. Interest is paid monthly to Torus. The loan facility stands at £12m, and further draw-downs are expected in the next financial year as build commences.

Taxation

The charge for taxation is based on the taxable profit for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes.

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date. Deferred tax balances are not discounted.

NOTES TO THE FINANCIAL STATEMENTS

3. Turnover

All turnover arose in the United Kingdom and relates to the rendering of services.

4. Operating profit

Auditor's remuneration for the company are included within the fees to Torus62 Limited and charged to Torus62 Developments Limited (formally LMH Developments Limited) via the service level agreement.

The company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the group accounts of the parent company.

5. Interest payable and financing costs

	2019 £'000	2018 £'000
Intragroup loan	322	-
Interest payable capitalised on housing properties under construction	(322)	-
	<u>-</u>	<u>-</u>
	2019	2018
Capitalisation rate used to determine the finance costs capitalised in the period	<u>4%</u>	<u>0%</u>

6. Employees

Average monthly number of employees expressed in full time equivalents:

	2019 2019 No.	2018 2018 No.
Leadership	1.0	1
Development	18.5	11
	<u>19.5</u>	<u>*12</u>

Employee costs:

	2019 £'000	2018 £'000
Wages and salaries	755	124
Social security costs	80	13
Other pension costs	49	6
	<u>884</u>	<u>*143</u>

*2018 staff numbers and employee costs were for a 3 month period only, as costs prior to 1st January 2018 were recharged via an SLA and expensed as a cost of sale. 12 employees were TUPE'd into LMH Developments on 1st January 2018.

Torus62 Developments Limited (formally LMH Developments Limited) operates a Stakeholder Money Purchase Pension Scheme supplied by AVIVA. The charge for the year represents contributions payable by Torus62 Developments Ltd (formally LMH Developments Limited). Pension payments recognised as an expense during the year amount to £49,194 (2018: £5,985).

Board Members and Executive Directors Remuneration

The Chairman of the Torus62 Developments Limited (formally LMH Developments Limited) Board is employed as a member of the Torus Group Board, no emoluments have been made from Torus62 Developments Limited for his services.

The two other directors of Torus62 Developments Limited (formally LMH Developments Limited) are employed by the Company's parent undertaking Torus62 Limited. There are no charges made for these services.

7. Tax on ordinary activities

	2019	2018
	£'000	£'000
Tax charge for the year		
UK corporation tax	41	60
Total tax charge	<u>41</u>	<u>60</u>
Current tax reconciliation		
Profit on ordinary activities before tax	<u>864</u>	<u>645</u>
Theoretical tax at UK Corporation tax rate of 19% (2018: 19%)	164	123
Effects of:		
Prior Year movements of current tax for Gift Aid	(123)	(63)
Total tax charge for the year	<u>41</u>	<u>60</u>

8. Stock

	2019	2018
	£'000	£'000
Work in progress	<u>7,972</u>	<u>1,559</u>
	<u>7,972</u>	<u>1,559</u>

NOTES TO THE FINANCIAL STATEMENTS

9. Debtors

	2019 £'000	2018 £'000
Due within one year		
Amount due from group undertakings	7,929	2,101
Trade debtors	77	188
	<u>8,006</u>	<u>2,289</u>

There has been no impairment loss recognised against trade debtors during the year.

10. Creditors: amounts falling due within one year

	2019 £'000	2018 £'000
Trade Creditors	279	943
Other Creditors	27	-
Amounts due to group undertakings	2,641	120
Corporation tax	164	123
Accruals	4,850	2,219
	<u>7,961</u>	<u>3,405</u>

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

	2019 £'000	2018 £'000
Amounts owed to group undertakings	7,720	-
	<u>7,720</u>	<u>-</u>

Torus62 Developments Limited entered into a intragroup loan agreement for £12m at an interest rate of 5.4% over five years.

12. Share capital

	2019 No. of shares	2019 Share Capital value £'000	2018 No. of shares	2018 Share Capital value £'000
At 31 March – Ordinary Shares of £1 each	<u>250,000</u>	<u>250</u>	<u>250,000</u>	<u>250</u>

The shares provide members with the right to vote at general meetings, but do not provide any rights to dividends or distributions on a winding up.

13. Reserves

Share capital represents the nominal value of shares that have been issued. Revenue reserve includes all current and prior period retained profits and losses.

14. Relationship with parent company

The immediate and ultimate parent company and controlling party is Torus62 Limited.

15. Related parties

The company has taken advantage of the exemption under Financial Reporting Standard 102 section 33 and not disclosed transactions with Torus62 Limited, Torus Foundation and Housing Maintenance Solutions Ltd on the grounds that all entities are wholly owned.

