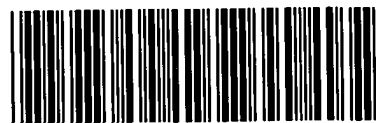


**Summerfield Developments (SW) Limited**  
**Annual Report and Consolidated Financial Statements**  
**Year Ended 31 December 2022**

Registration number: 02539922

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# Summerfield Developments (SW) Limited

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# Summerfield Developments (SW) Limited

## Company Information

**Directors** R D A Lloyd  
M C Blackwell  
J E Holyday  
B J Trickey  
E Khodabandehloo  
K E Chapman

**Company secretary** R A Smith

**Registered office** Taunfield  
South Road  
Taunton  
Somerset  
TA1 3ND

**Auditors** PKF Francis Clark  
Statutory Auditor  
Centenary House  
Peninsula Park  
Rydon Lane  
Exeter  
EX2 7XE

# Summerfield Developments (SW) Limited

## Strategic Report

Year Ended 31 December 2022

The directors present their strategic report for the year ended 31 December 2022.

### Principal activity

The company is the holding company for Summerfield South West Ltd, Summerfield Residential Lettings Ltd and two dormant subsidiaries which have never traded. Collectively these companies will be referred to as "the group". The holding company's trading activities fall within three main areas:

#### Commercial development:

The company has in the past mainly acquired bare land and employed main contractors on a design and build basis to develop general commercial and office parks. It has developed over eighty five percent of a 40 acre commercial business park close to junction 26 on the M5. It also has a final parcel of land on an established business park located at Taunton. In the present economic climate, the directors believe that the current land bank will last for a few more years but are still pursuing further projects for the future.

#### Residential development:

The company has been involved in residential development for over twenty years, latterly working with its related company, Summerfield SD3 Limited which has predominately the same board members as the company, and utilises the same residential office based staff and site teams. More recently, the company has revised its focus from small to medium sites and now aims to operate on one larger site delivering new homes for a period of three to five years. Its current active site is located in Taunton where it is now engaged on the final phase of 101 homes out of a total of 315. In terms of land bank, it is holding the later phases of another site in Watchet, whilst Summerfield SD3 Limited develops phase one. This site, together with other sites on which the directors are engaged in negotiations with owners and planning departments would enable it to continue to maintain its current operational levels for a number of years to come.

#### Commercial property management and investment:

The company has 20 commercial properties; offices in Bristol and Taunton, industrial units in Bristol, Cheltenham, Taunton, Truro and Wellington and shops in Bristol, Newquay, Taunton, Tiverton and Truro. The company has been pursuing a strategy to increase its portfolio of investment properties and has increased the number of properties by nearly 50% in the last five years. Through both acquisition and development the company is continuing to look for suitable investments to add to the portfolio.

Summerfield South West Ltd is the employer company for the group's employees.

Summerfield Residential Lettings Ltd sold its last remaining flats in 2016 and has therefore not traded since 2017.

# Summerfield Developments (SW) Limited

## Strategic Report

Year Ended 31 December 2022

### Fair review of the business

Despite the continuing challenges faced during the year the group has achieved a satisfactory profit in line with the directors' expectations for the year.

During 2022 the company completed the construction of a self-storage facility for an owner occupier business and two blocks of commercial units, one of which was sold to Taunfield Ltd, an associated company and the other was added to the company's investment portfolio.

The residential business has suffered from both delays in construction and shortages of building materials caused by the pandemic, alongside the planning delays caused by nutrient neutrality issues in the company's operating areas which has meant the company has had fewer homes available to sell during 2022 than originally planned for and that had been achieved in previous years.

The company's key financial and other performance indicators during the year were as follows:

	Unit	2022	2021
Commercial gross margin	£	1,006,362	534,114
Residential gross margin	£	1,034,243	1,410,551
Residential units sold	no.	12	39
Rental income net of costs	£	1,810,410	1,598,000

# Summerfield Developments (SW) Limited

## Strategic Report

Year Ended 31 December 2022

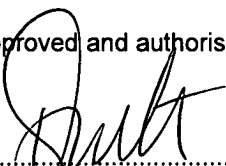
### Principal risks and uncertainties

The group is exposed to both the vagaries of the commercial and residential property markets as well as the uncertainties presented to the entire economy both nationally and internationally. Commercial development activity has a significant gestation period; during the depths of the last recession there were simply all too few potential tenants or land purchasers to negotiate with.

The local housing market in which the group's activities are centred has remained buoyant for the last few years, although economic pressures are now feeding through and local demand has reduced. During 2020 Natural England effectively stopped the local authority issuing any planning consent for new developments due to phosphate pollution on the Somerset Levels. There remains no simple payment solution available in respect of mitigation of phosphate impact and the onus is still on the developers of potential new housing developments to find their own mitigation solutions and to get these signed off by Natural England and the planning authority. Consequently, the group has had to expend significant time and effort in bringing forward a solution to unlock the current development site and continues to try and identify various solutions to enable it to progress with further new developments within the affected area, whilst also seeking alternative sites outside of the problem area.

In order to mitigate the impact of these various risks facing the business the directors: regularly update individual project appraisals, monitor sales progress, controlling build rates as a response to any changes, regularly update cash flow forecasts and run alternative scenarios covering variations of key assumptions underpinning those projections. In terms of financial stability, the group's funding arrangements were successfully renewed in 2021, expiring in November 2024 but potentially extendable by a further 12 months. These updated facilities are sufficient to fund the board's medium term plans.

Approved and authorised by the Board on 17 April 2023 and signed on its behalf by:

  
.....  
R A Smith  
Company secretary

# Summerfield Developments (SW) Limited

## Directors' Report

Year Ended 31 December 2022

The directors present their report and the for the year ended 31 December 2022.

### **Directors of the group**

The directors who held office during the year were as follows:

R D A Lloyd

M C Blackwell

J E Holyday

B J Trickey

E Khodabandehloo

K E Chapman

### **Dividends**

During the year a final dividend in respect of 2022 was declared and paid of 62.6p per share (2021: 62.6p), this dividend was waived on 7,519 shares (2021: 9,049), resulting in a dividend of £317,683 (2021: £316,725) being paid in the year.

### **Financial instruments**

#### ***Objectives and policies***

The group borrows significant sums in order to fund both its investment portfolio and the working capital for its development business. In order to ensure that it remains within its facility limits, the directors monitor cash closely. Forward projections are prepared on a regular basis as part of this monitoring and to enable the board to request facilities from its bank that are sufficient for its ongoing operating and planned future development of those operations. The directors monitor the financial ratios relating to secured asset cover to borrowings and profit and rental income cover to interest which constitute the group's covenants to its bank.

#### ***Price risk, credit risk, liquidity risk and cash flow risk***

The group is exposed to interest rate risk, particularly in respect of its relatively fixed rental income stream. In conjunction with its associated company, Summerfield Estates Ltd, the holding company has for a number of years maintained a portfolio of interest rate hedges. The cost/benefit of these instruments are allocated between the two companies on the basis of the income streams from their respective investment property portfolios.

In respect of of the group's property sales full payment is generally required before title is passed; where this is not the case a charge is taken over the property in return for such an extension of credit. In respect of the group's property letting activities the covenant strength of tenants is monitored and proactive credit control exercised.

Whilst, as with every other business, cost inflation will have some impact on profitability the group does not enter into any long term fixed price agreements so cost increases will be passed onto customers in so far as market conditions allow.

# Summerfield Developments (SW) Limited

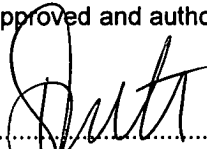
## Directors' Report

Year Ended 31 December 2022

### Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved and authorised by the Board on 17 April 2023 and signed on its behalf by:



.....  
R A Smith  
Company secretary



# Summerfield Developments (SW) Limited

## Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Summerfield Developments (SW) Limited

## Independent Auditor's Report to the Members of Summerfield Developments (SW) Limited

### Opinion

We have audited the financial statements of Summerfield Developments (SW) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022, which comprise the Consolidated Statement of Income and Retained Earnings, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, 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 group's and the parent company's affairs as at 31 December 2022 and of the group's 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 director'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 group and parent company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

### 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.

## **Summerfield Developments (SW) Limited**

### **Independent Auditor's Report to the Members of Summerfield Developments (SW) Limited**

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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent 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**

As explained more fully in the Statement of Directors' Responsibilities set out on page 7, 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 group's and the parent 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.

## Summerfield Developments (SW) Limited

### Independent Auditor's Report to the Members of Summerfield Developments (SW) Limited

#### **Auditor's responsibilities for the audit of the financial statements**

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

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 framework applicable to the holding company and group and the industry in which the group operates. We identified the principal risks of non-compliance with laws and regulations as relating to breaches around health and safety and planning regulations. We also considered other laws and regulations that have a direct impact on the preparation of the financial statements, such as The Companies Act 2006 and relevant tax legislation. We considered the extent to which any non-compliance with these laws and regulations may have on the group's ability to continue trading and the risk of a material misstatement in the financial statements. We also evaluated the risk of misstatement of profit, including management bias in accounting estimates.

Based on this understanding we designed our audit procedures to identify irregularities. Our procedures involved the following:

- We made enquiries of senior management as to their knowledge of any non-compliance or potential non-compliance with laws and regulations that could affect the financial statements. As part of these enquiries we also discussed with management whether there have been any known instances of fraud, of which there were none.
- We identified the individuals with responsibility for ensuring the group complies with laws and regulations and discussed with them the procedures and policies in place.
- We obtained the most recent certificate issued in relation to health and safety from The Building Safety Group and reviewed this for evidence of any non-compliance.
- We obtained and reviewed a sample of the holding company's site inspections.
- We confirmed the holding company's NHBC registration with the NHBC.
- We reviewed minutes of meetings of senior management and those charged with governance.
- We challenged the assumptions and judgements made by management in its significant accounting estimates.
- We audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

## Summerfield Developments (SW) Limited

### Independent Auditor's Report to the Members of Summerfield Developments (SW) Limited

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. 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, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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.



.....  
Glenn Nicol (Senior Statutory Auditor)  
PKF Francis Clark, Statutory Auditor

Centenary House  
Peninsula Park  
Rydon Lane  
Exeter  
EX2 7XE

Date: 19 April 2023

## Summerfield Developments (SW) Limited

### Consolidated Statement of Income and Retained Earnings

Year Ended 31 December 2022

	Note	2022 £	2021 £
Turnover	3	8,270,189	12,455,464
Cost of sales		<u>(6,229,584)</u>	<u>(10,510,799)</u>
Gross profit		2,040,605	1,944,665
Administrative expenses		(1,984,968)	(1,822,937)
Other operating income	4	<u>1,904,112</u>	<u>1,591,495</u>
Operating profit	5	<u>1,959,749</u>	<u>1,713,223</u>
Other interest receivable and similar income	9	338	-
Interest payable and similar charges	10	<u>(643,413)</u>	<u>(532,875)</u>
		(643,075)	(532,875)
Movement in fair values	13, 17	<u>3,287,383</u>	<u>4,047,813</u>
Profit before tax		4,604,057	5,228,161
Taxation	11	<u>(510,900)</u>	<u>(745,213)</u>
Profit for the financial year		<u>4,093,157</u>	<u>4,482,948</u>
<b>Profit/(loss) attributable to:</b>			
Owners of the company		<u>4,093,157</u>	<u>4,482,948</u>
Retained earnings brought forward		27,410,572	23,244,349
Dividends paid		<u>(317,683)</u>	<u>(316,725)</u>
Retained earnings carried forward		<u>31,186,046</u>	<u>27,410,572</u>

The notes on pages 18 to 35 form an integral part of these financial statements.


# Summerfield Developments (SW) Limited

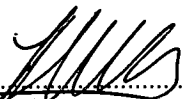
## Consolidated Balance Sheet

31 December 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	12	347,896	339,182
Investment property	13	<u>29,543,000</u>	<u>24,060,000</u>
		<u>29,890,896</u>	<u>24,399,182</u>
<b>Current assets</b>			
Stocks	15	11,733,678	8,651,084
Debtors	16	1,353,676	1,590,605
Cash at bank and in hand		<u>539,707</u>	<u>42,426</u>
		13,627,061	10,284,115
<b>Creditors: Amounts falling due within one year</b>	17	<u>(2,778,818)</u>	<u>(3,522,071)</u>
<b>Net current assets</b>		<u>10,848,243</u>	<u>6,762,044</u>
<b>Total assets less current liabilities</b>		40,739,139	31,161,226
<b>Creditors: Amounts falling due after more than one year</b>	17	(7,876,735)	(2,346,667)
<b>Provisions for liabilities</b>		<u>(938,000)</u>	<u>(685,000)</u>
<b>Net assets</b>		<u>31,924,404</u>	<u>28,129,559</u>
<b>Capital and reserves</b>			
Called up share capital	21	515,000	515,000
Share premium reserve		296,884	292,477
Own shares		(73,526)	(88,490)
Profit and loss account		<u>31,186,046</u>	<u>27,410,572</u>
Equity attributable to owners of the company		<u>31,924,404</u>	<u>28,129,559</u>
Shareholders' funds		<u>31,924,404</u>	<u>28,129,559</u>

Approved and authorised by the Board on 17 April 2023 and signed on its behalf by:

  
.....  
R D A Lloyd  
Director

  
.....  
J E Holyday  
Director

Company Registration Number: 02539922

# Summerfield Developments (SW) Limited

## Balance Sheet

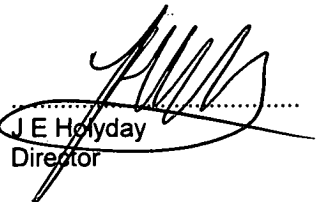
31 December 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	12	347,896	339,182
Investment property	13	29,543,000	24,060,000
Investments	14	<u>1,102</u>	<u>1,102</u>
		<u>29,891,998</u>	<u>24,400,284</u>
<b>Current assets</b>			
Stocks	15	11,733,678	8,651,084
Debtors	16	1,367,269	1,604,198
Cash at bank and in hand		<u>538,265</u>	<u>40,984</u>
		13,639,212	10,296,266
<b>Creditors: Amounts falling due within one year</b>	17	<u>(2,755,958)</u>	<u>(3,499,211)</u>
<b>Net current assets</b>		<u>10,883,254</u>	<u>6,797,055</u>
<b>Total assets less current liabilities</b>		40,775,252	31,197,339
<b>Creditors: Amounts falling due after more than one year</b>	17	(7,876,735)	(2,346,667)
<b>Provisions for liabilities</b>		<u>(938,000)</u>	<u>(685,000)</u>
<b>Net assets</b>		<u>31,960,517</u>	<u>28,165,672</u>
<b>Capital and reserves</b>			
Called up share capital	21	515,000	515,000
Share premium reserve		296,884	292,477
Own shares		(73,526)	(88,490)
Profit and loss account		<u>31,222,159</u>	<u>27,446,685</u>
<b>Shareholders' funds</b>		<u>31,960,517</u>	<u>28,165,672</u>

The company made a profit after tax for the financial year of £4,093,157 (2021 - profit of £4,482,950).

Approved and authorised by the Board on 17 April 2023 and signed on its behalf by:

  
.....  
R D A Lloyd  
Director

  
.....  
J E Holyday  
Director

Company Registration Number: 02539922



## Summerfield Developments (SW) Limited

### Consolidated Statement of Changes in Equity Year Ended 31 December 2022

	Share capital £	Share premium £	Own shares £	Profit and loss account £	Total £
At 1 January 2022	515,000	292,477	(88,490)	27,410,572	28,129,559
Profit for the year	-	-	-	4,093,157	4,093,157
Movement in own shares	-	4,407	14,964	-	19,371
Total comprehensive income	-	4,407	14,964	4,093,157	4,112,528
Dividends	-	-	-	(317,683)	(317,683)
At 31 December 2022	<u>515,000</u>	<u>296,884</u>	<u>(73,526)</u>	<u>31,186,046</u>	<u>31,924,404</u>
	Share capital £	Share premium £	Own shares £	Profit and loss account £	Total £
At 1 January 2021	515,000	284,351	(101,604)	23,244,349	23,942,096
Profit for the year	-	-	-	4,482,948	4,482,948
Movement in own shares	-	8,126	13,114	-	21,240
Total comprehensive income	-	8,126	13,114	4,482,948	4,504,188
Dividends	-	-	-	(316,725)	(316,725)
At 31 December 2021	<u>515,000</u>	<u>292,477</u>	<u>(88,490)</u>	<u>27,410,572</u>	<u>28,129,559</u>

The notes on pages 18 to 35 form an integral part of these financial statements.  
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## Summerfield Developments (SW) Limited

### Statement of Changes in Equity

Year Ended 31 December 2022

	Share capital £	Share premium £	Own shares £	Profit and loss account £	Total £
At 1 January 2022	515,000	292,477	(88,490)	27,446,685	28,165,672
Profit for the year	-	-	-	4,093,157	4,093,157
Movement in own shares	-	4,407	14,964	-	19,371
Total comprehensive income	-	4,407	14,964	4,093,157	4,112,528
Dividends	-	-	-	(317,683)	(317,683)
At 31 December 2022	<u>515,000</u>	<u>296,884</u>	<u>(73,526)</u>	<u>31,222,159</u>	<u>31,960,517</u>

	Share capital £	Share premium £	Own shares £	Profit and loss account £	Total £
At 1 January 2021	515,000	284,351	(101,604)	23,280,460	23,978,207
Profit for the year	-	-	-	4,482,950	4,482,950
Own shares purchased by EBT	-	8,126	13,114	-	21,240
Total comprehensive income	-	8,126	13,114	4,482,950	4,504,190
Dividends	-	-	-	(316,725)	(316,725)
At 31 December 2021	<u>515,000</u>	<u>292,477</u>	<u>(88,490)</u>	<u>27,446,685</u>	<u>28,165,672</u>

The notes on pages 18 to 35 form an integral part of these financial statements.  
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# Summerfield Developments (SW) Limited

## Consolidated Statement of Cash Flows

Year Ended 31 December 2022

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Profit for the year		4,093,157	4,482,948
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	108,589	109,591
Fair value movements	13	(3,287,383)	(4,047,814)
Profit on disposal of tangible assets		(9,141)	(53,752)
Finance income	9	(338)	-
Finance costs	10	643,413	532,875
Share based payment charge		19,371	21,240
Income tax expense	11	510,900	745,213
		<u>2,078,568</u>	<u>1,790,301</u>
Working capital adjustments			
Increase in stocks	15	(3,082,594)	(283,063)
Decrease in trade debtors	16	236,929	167,065
(Decrease)/increase in trade creditors	17	(109,236)	495,548
Cash generated from operations		(876,333)	2,169,851
Income taxes paid	11	(191,065)	(265,732)
Net cash flow from operating activities		<u>(1,067,398)</u>	<u>1,904,119</u>
<b>Cash flows from investing activities</b>			
Interest received		338	-
Acquisitions of tangible assets		(123,142)	(166,505)
Proceeds from sale of tangible assets		14,980	94,300
Acquisition of investment properties	13	(4,744,806)	(39,760)
Proceeds from sale of investment properties		-	684,729
Cost of fixed asset additions acquired under finance lease		-	69,346
Net cash flows from investing activities		<u>(4,852,630)</u>	<u>642,110</u>
<b>Cash flows from financing activities</b>			
Interest paid	10	(643,413)	(532,875)
Proceeds from bank borrowing draw downs		7,500,000	(3,000,000)
Payments to finance lease creditors		(9,882)	(30,306)
Dividends paid		(317,683)	(316,725)
Net cash flows from financing activities		<u>6,529,022</u>	<u>(3,879,906)</u>
Net increase/(decrease) in cash and cash equivalents		608,994	(1,333,677)
Cash and cash equivalents at 1 January		(69,287)	1,264,390
Cash and cash equivalents at 31 December		<u>539,707</u>	<u>(69,287)</u>

The notes on pages 18 to 35 form an integral part of these financial statements.

# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

Year Ended 31 December 2022

### 1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Taunfield  
South Road  
Taunton  
Somerset  
TA1 3ND

These financial statements were authorised for issue by the Board on 19 April 2023.

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. There are no material departures.

#### Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of the group is considered to be pound sterling because that is the currency of the primary economic environment in which the group operates.

#### Summary of disclosure exemptions

Summerfield Developments (SW) Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its individual financial statements. Exemptions have been taken in relation to financial instruments, remuneration of key management personnel and presentation of a cash flow and related notes.

# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

### Year Ended 31 December 2022

#### **Basis of consolidation**

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December 2022.

As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006. The profit of the parent company is shown within the company statement of changes in equity.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

#### **Going concern**

The group meets its day to day working capital requirements through its bank facilities, which include an overdraft and revolving credit facility. At the time of approval of the financial statements the group had total facilities of £13m available. The group's current banking facilities are in place until the usual three year renewal in November 2024.

The directors have reviewed projections and cash flow forecasts for a period of at least twelve months from the date of approval of these financial statements, which demonstrate the group's ability to continue trading within available facilities, and on the assumption of them being renewed, the directors continue to adopt the going concern basis of presentation.

#### **Turnover**

Turnover represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities, stated net of value added tax.

#### **Developments**

Development turnover and profits are ordinarily recognised on legal completion.

#### **Long-term Contracts**

Profit is recognised on long term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated by reference to the value of work performed to date as a proportion of the total contract value.

#### **Rental income**

Rental income is recognised on a straight line basis over the lease term, even if the amounts due are not received on such a basis. Incentives provided to tenants to sign a lease, including rent free periods, are similarly spread on a straight line basis over the lease term.

# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

Year Ended 31 December 2022

### **Government grants**

Grants are accounted for under the accruals model as permitted by FRS102.

Grants of a revenue nature are recognised in the Profit and Loss account under other operating income in the same period as the related expenditure.

### **Tax**

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the group operates and generates taxable income.

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the consolidated profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

### **Tangible assets**

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

Year Ended 31 December 2022

### Depreciation

With the exception of investment properties, depreciation is provided on all tangible fixed assets to write off the cost less estimated residual value of each asset over its expected useful life, and is calculated on a reducing balance basis (unless otherwise stated) at the following annual rates:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant, machinery and other office equipment	20%
Motor vehicles	30%
Improvements to leased property	over the remaining term of the lease
Computer equipment	33% (on a straight line basis)

### Investment property

Investment properties are measured at fair value annually with any change recognised in the profit and loss account.

### Work in progress

Developments

Developments are stated at the lower of cost and net realisable value. Cost comprises direct expenditure less relevant income.

### Long-term Contracts

Work in progress is valued at cost less foreseeable losses and progress payments received and receivable and includes attributable overheads based on normal levels of activity. Provision is made in the full for all losses incurred or expected on incomplete contracts.

Amounts recoverable on long term contracts are included in debtors at the net sales value of work done less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

### Defined contribution pension obligation

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

Year Ended 31 December 2022

### **Financial instruments**

#### ***Classification***

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Bank loans; and
- Cash and bank balances.

All financial instruments are classified as basic.

#### ***Recognition and measurement***

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for bank loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Bank loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

### **Derivative financial instruments and hedging**

#### ***Derivatives***

The group has entered into derivative financial instruments in the form of interest rate swaps to manage the interest rate risk arising from the group's operations and sources of finance. Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance sheet date. The resulting gain or loss is recognised immediately in the profit and loss account. Hedge accounting is not applied.



# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

### Year Ended 31 December 2022

#### Key sources of estimation uncertainty

Carrying value of land and work in progress:

The group's principal activities are commercial and residential property development, the majority of which is not contracted prior to the development commencing. The group balance sheet therefore contains current assets that are not covered by a forward sale as at 31 December 2022. In estimating the net realisable value of a site, management considers, on a site by site basis, the forecast sales rates, expected sales prices and estimated costs to complete. Expected costs to complete reflect current and anticipated inflationary pressure from subcontractors and suppliers.

Recognition of profit where developments are accounted for as construction contracts:

The group applies its policy on contract accounting when recognising revenue and profit on partially complete contracts. The application of this policy requires judgements to be made in respect of total expected costs to complete for each site. The group has in place established internal control procedures to ensure that the evaluation of costs and revenues is based upon agreed estimates.

Valuation of investments properties:

As described in note 13 to the financial statements, investment properties are valued to open market value by the Board of Directors as at 31 December 2022. Valuations are calculated with regard to the net present value of future rental income streams with discount rates reflecting such variables as the length of lease, strength of covenant and the nature and location of properties.

#### 3 Turnover

The analysis of the group's revenue for the year from continuing operations is as follows:

	2022 £	2021 £
Residential and commercial property	<u>8,270,189</u>	<u>12,455,464</u>

#### 4 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2022 £	2021 £
Government grants	-	26,879
Rental income net of associated costs	1,810,410	1,598,000
Management charges and other income	<u>93,702</u>	<u>(33,384)</u>
	<u>1,904,112</u>	<u>1,591,495</u>

# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

Year Ended 31 December 2022

### 5 Operating profit

Arrived at after charging/(crediting)

	<b>2022</b>	<b>2021</b>
	£	£
Depreciation expense	108,589	109,591
Profit on disposal of property, plant and equipment	<u>(9,141)</u>	<u>(53,752)</u>

### 6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	<b>2022</b>	<b>2021</b>
	£	£
Wages and salaries	847,587	919,539
Social security costs	106,875	165,818
Pension costs, defined contribution scheme	<u>104,779</u>	<u>228,598</u>
	<u>1,059,241</u>	<u>1,313,955</u>

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

	<b>2022</b>	<b>2021</b>
	No.	No.
Site staff	2	4
Administration and support	<u>12</u>	<u>19</u>
	<u>14</u>	<u>23</u>

# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

Year Ended 31 December 2022

### 7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2022 £	2021 £
Remuneration	425,449	456,552
Contributions paid to money purchase schemes	<u>23,107</u>	<u>26,257</u>
	<u>448,556</u>	<u>482,809</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2022 No.	2021 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>3</u>

In respect of the highest paid director:

	2022 £	2021 £
Remuneration	266,097	201,479
Company contributions to money purchase pension schemes	<u>11,890</u>	<u>13,539</u>

### 8 Auditor's remuneration

	2022 £	2021 £
Audit of these financial statements	<u>21,500</u>	<u>20,580</u>

# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

Year Ended 31 December 2022

### 9 Other interest receivable and similar income

	2022 £	2021 £
Other finance income	338	-

### 10 Interest payable and similar expenses

	2022 £	2021 £
Interest on bank overdrafts and borrowings	302,950	141,935
Interest on obligations under finance leases and hire purchase contracts	1,529	941
Interest expense on other finance liabilities	338,934	389,999
	<u>643,413</u>	<u>532,875</u>

### 11 Taxation

Tax charged/(credited) in the profit and loss account

	2022 £	2021 £
<b>Current taxation</b>		
UK corporation tax	225,638	223,707
UK corporation tax adjustment to prior periods	32,262	(19,494)
	257,900	204,213
<b>Deferred taxation</b>		
Arising from changes in tax rates and laws	253,000	541,000
Tax expense in the income statement	<u>510,900</u>	<u>745,213</u>

# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

### Year Ended 31 December 2022

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2021 - lower than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	<b>2022</b> £	<b>2021</b> £
Profit before tax	<u>4,604,057</u>	<u>5,228,161</u>
Corporation tax at standard rate	874,771	993,351
Effect of expense not deductible in determining taxable profit (tax loss)	5,427	1,988
Decrease from effect of fair value gains exempt from taxation	(371,603)	(227,513)
Increase/(decrease) in UK and foreign current tax from adjustment for prior periods	32,262	(19,494)
Tax decrease from effect of capital allowances and depreciation	<u>(29,957)</u>	<u>(3,119)</u>
Total tax charge	<u>510,900</u>	<u>745,213</u>
<b>Deferred tax</b>		
<b>Group</b>		
Deferred tax assets and liabilities		
	<b>Asset</b> £	<b>Liability</b> £
<b>2022</b>		
Revaluation of investment property	-	938,000
	<u>-</u>	<u>938,000</u>
	<b>Asset</b> £	<b>Liability</b> £
<b>2021</b>		
Revaluation of investment property	-	685,000
	<u>-</u>	<u>685,000</u>
<b>Company</b>		
Deferred tax assets and liabilities		
	<b>Asset</b> £	<b>Liability</b> £
<b>2022</b>		
Revaluation of investment properties	-	938,000
	<u>-</u>	<u>938,000</u>
	<b>Asset</b> £	<b>Liability</b> £
<b>2021</b>		
Revaluation of investment properties	-	685,000
	<u>-</u>	<u>685,000</u>

## Summerfield Developments (SW) Limited

### Notes to the Financial Statements

Year Ended 31 December 2022

#### 12 Tangible assets

##### Group & Company

	Land and buildings £	Motor vehicles £	Plant and machinery £	Total £
<b>Cost or valuation</b>				
At 1 January 2022	178,531	229,022	756,100	1,163,653
Additions	6,358	63,635	53,149	123,142
Disposals	-	(22,616)	(34,670)	(57,286)
At 31 December 2022	<u>184,889</u>	<u>270,041</u>	<u>774,579</u>	<u>1,229,509</u>
<b>Depreciation</b>				
At 1 January 2022	152,672	116,599	555,200	824,471
Charge for the year	10,739	36,372	61,478	108,589
Eliminated on disposal	-	(18,803)	(32,644)	(51,447)
At 31 December 2022	<u>163,411</u>	<u>134,168</u>	<u>584,034</u>	<u>881,613</u>
<b>Carrying amount</b>				
At 31 December 2022	<u>21,478</u>	<u>135,873</u>	<u>190,545</u>	<u>347,896</u>
At 31 December 2021	<u>25,859</u>	<u>112,423</u>	<u>200,900</u>	<u>339,182</u>

##### Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2022 £	2021 £
Other property, plant and equipment	<u>44,381</u>	<u>55,477</u>

# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

Year Ended 31 December 2022

### 13 Investment properties

#### Group & Company

	<b>2022</b>
	<b>£</b>
At 1 January	24,060,000
Additions	4,744,806
Fair value adjustments	<u>738,194</u>
At 31 December	<u><u>29,543,000</u></u>

All investment properties are freehold or long leasehold.

Investment properties are included at fair value and are based on directors' valuations as at 31 December 2022. The valuations represent open market value and are calculated with regard to the net present value of future income streams with discount rates reflecting each variables as the length of lease, strength of covenant and the nature and location of the properties. The movement in fair value is recognised through the profit and loss.

### 14 Investments

#### Company

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Investments in subsidiaries	<u>1,102</u>	<u>1,102</u>

#### Subsidiaries

##### Cost or valuation

At 1 January 2022	<u>1,102</u>
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##### Carrying amount

At 31 December 2022	<u><u>1,102</u></u>
At 31 December 2021	<u><u>1,102</u></u>

# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

Year Ended 31 December 2022

### Details of undertakings

Details of the investments in which the company holds any class of share capital are as follows:

Undertaking	Proportion of voting rights and shares held	
	2022	2021
<b>Subsidiary undertakings</b>		
Blackdown Properties Limited	100%	100%
Summerfield South West Limited	100%	100%
Summerfield Homes Ltd	100%	100%
Summerfield Residential Lettings Limited	100%	100%

Blackdown Properties Limited and Summerfield Homes Ltd are dormant.

The principal activity of Summerfield South West Limited is to act as the main employer for the Summerfield Developments (SW) Limited group of companies.

Summerfield Residential Lettings Limited has not traded throughout the year.

All the group undertakings are included in the consolidated accounts and were incorporated in the United Kingdom, with registered offices all at Taunton, South Road, Taunton, Somerset, TA4 3DN.

For the year ended 31 December 2022 the following subsidiaries were entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies:

Summerfield South West Limited  
Summerfield Residential Lettings Limited

### 15 Stocks

	2022	Group	2022	Company
	£	2021	£	2021
		£		£
Developments	<u>11,733,678</u>	<u>8,651,084</u>	<u>11,733,678</u>	<u>8,651,084</u>



# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

Year Ended 31 December 2022

### 16 Debtors

	Note	2022 £	Group 2021 £	2022 £	Company 2021 £
Trade debtors		323,849	183,052	323,849	183,052
Amounts due from group undertakings	24	-	-	13,593	13,593
Other debtors		523,873	453,674	523,873	453,674
Prepayments		335,859	448,993	335,859	448,993
Amounts due from related undertakings		170,095	504,886	170,095	504,886
		<u>1,353,676</u>	<u>1,590,605</u>	<u>1,367,269</u>	<u>1,604,198</u>

Included within other debtors are amounts due after one year of £nil (2021: £40,284)

### 17 Creditors

	Note	2022 £	Group 2021 £	2022 £	Company 2021 £
<b>Due within one year</b>					
Loans and borrowings	18	10,253	121,595	10,253	121,595
Trade creditors		610,303	399,176	610,303	399,176
Amounts due to group undertakings	24	-	-	1,100	1,100
Corporation tax		123,261	56,426	123,261	56,426
Social security and other taxes		27,359	22,782	27,359	22,782
Other creditors		313,308	282,966	313,310	282,968
Accrued expenses		1,069,879	925,889	1,069,396	925,406
Derivative financial instruments		137,000	726,510	137,000	726,510
Amounts due to related undertakings		487,455	986,727	463,976	963,248
		<u>2,778,818</u>	<u>3,522,071</u>	<u>2,755,958</u>	<u>3,499,211</u>
<b>Due after one year</b>					
Loans and borrowings	18	<u>7,876,735</u>	<u>2,346,667</u>	<u>7,876,735</u>	<u>2,346,667</u>

# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

Year Ended 31 December 2022

### 18 Loans and borrowings

	2022 £	Group 2021 £	2022 £	Company 2021 £
<b>Current loans and borrowings</b>				
Bank overdrafts	-	111,713	-	111,713
Hire purchase contracts	10,253	9,882	10,253	9,882
	<u>10,253</u>	<u>121,595</u>	<u>10,253</u>	<u>121,595</u>

	2022 £	Group 2021 £	2022 £	Company 2021 £
<b>Non-current loans and borrowings</b>				
Bank borrowings	7,500,000	-	7,500,000	-
HP and finance lease liabilities	28,203	38,456	28,203	38,456
Derivative financial instruments	348,532	2,308,211	348,532	2,308,211
	<u>7,876,735</u>	<u>2,346,667</u>	<u>7,876,735</u>	<u>2,346,667</u>

The bank borrowings are secured by fixed charges on property and by floating charges on other assets of the group. Interest is charged on the outstanding balance at a rate of 2.75% plus SONIA (2021: 2.75% above LIBOR).

Obligations under finance lease liabilities are secured on the assets to which they relate.

# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

Year Ended 31 December 2022

### 19 Obligations under leases and hire purchase contracts

#### Group and company

##### Finance leases

The total of future minimum lease payments is as follows:

	2022	2021
	£	£
Not later than one year	10,253	9,882
Later than one year and not later than five years	28,203	38,456
	<u>38,456</u>	<u>48,338</u>

##### Operating leases

The total of future minimum lease payments is as follows:

	2022	2021
	£	£
Not later than one year	<u>-</u>	<u>36,750</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £Nil (2021 - £49,000).

### 20 Pension schemes

#### Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £104,779 (2021 - £228,598).

### 21 Share capital

#### Allotted, called up and fully paid shares

	No.	2022	No.	2021
		£		£
Ordinary of £1 each	<u>515,000</u>	<u>515,000</u>	<u>515,000</u>	<u>515,000</u>

# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

Year Ended 31 December 2022

### 22 Contingent liabilities

#### Company

The holding company has entered into a cross guarantee to secure the Lloyds Bank plc borrowings of Summerfield SD3 Limited, which at 31 December 2022 stood at £nil. At 31 December 2022, indemnities in respect of performance bonds have been provided by Group companies totalling £2,033,491 (2021: £2,910,513). Bonds taken out by Summerfield SD3 Limited totalling a further £222,200 (2021: £231,500) are also covered by the cross guarantee in favour of Lloyds Bank plc.

# Summerfield Developments (SW) Limited

## Notes to the Financial Statements

Year Ended 31 December 2022

### 23 Analysis of changes in net debt

#### Group

	At 1 January 2022 £	Financing cash flows £	At 31 December 2022 £
<b>Cash and cash equivalents</b>			
Cash	42,426	497,281	539,707
Overdrafts	(111,713)	111,713	-
	<u>(69,287)</u>	<u>608,994</u>	<u>539,707</u>
<b>Borrowings</b>			
Long term borrowings	-	(7,500,000)	(7,500,000)
Lease liabilities	(48,338)	9,882	(38,456)
	<u>(48,338)</u>	<u>(7,490,118)</u>	<u>(7,538,456)</u>
	<u>(117,625)</u>	<u>(6,881,124)</u>	<u>(6,998,749)</u>

### 24 Related party transactions

#### Group

#### Summary of transactions with entities with joint control or significant interest

During the year the group incurred rent and service charges of £117,688 (2021: £113,667) and made sales of £83,414 (2021: £80,497) to a company with significant influence. The group also sold a property at market value of £1,800,000 to the company with significant influence. At the year end the balance owed by the company with significant influence was £196,567 (2021: £311,384).

#### Summary of transactions with other related parties

During the year the group recharged a portion of overheads and payroll costs of £198,249 (2021: £709,596) to and were recharged a portion of overheads and payroll costs of £382,270 (2021: £nil) by companies with directors in common. The group also charged interest rate swap interest of £238,962 (2021: £336,511) to a company with directors in common. At the year end the group was owed £170,095 (2021: £207,094) by and owed £268,409 (2021: £986,299) to companies with directors in common.