

**WHEATLEY PROPERTIES LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 MARCH 2019**



**WHEATLEY PROPERTIES LIMITED**  
**REGISTERED NUMBER: 00656255**

**BALANCE SHEET**  
**AS AT 31 MARCH 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Investments	4	250	250
Investment property	5	7,071,430	7,071,430
		<u>7,071,680</u>	<u>7,071,680</u>
<b>Current assets</b>			
Stocks	6	6,720,549	3,519,762
Debtors: amounts falling due within one year	7	807,504	1,665,087
Cash at bank and in hand	8	435,766	38,663
		<u>7,963,819</u>	<u>5,223,512</u>
Creditors: amounts falling due within one year	9	(11,133,040)	(7,530,857)
<b>Net current liabilities</b>		<u>(3,169,221)</u>	<u>(2,307,345)</u>
<b>Total assets less current liabilities</b>		<u>3,902,459</u>	<u>4,764,335</u>
<b>Net assets</b>		<u><u>3,902,459</u></u>	<u><u>4,764,335</u></u>
<b>Capital and reserves</b>			
Called up share capital		1,000	1,000
Revaluation reserve	10	3,027,364	3,027,364
Profit and loss account	10	874,095	1,735,971
		<u>3,902,459</u>	<u>4,764,335</u>

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**WHEATLEY PROPERTIES LIMITED**  
**REGISTERED NUMBER: 00656255**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2019**

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The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.


The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



.....  
**H W Baker**  
Director

Date: 24.09.19



.....  
**C L Stewart**  
Director

Date: 24.09.19

The notes on pages 3 to 10 form part of these financial statements.

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## WHEATLEY PROPERTIES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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#### 1. General information

Wheatley Properties Limited is a private company, limited by shares, incorporated in England and Wales, registration number 006256255. The registered office is Wheatley House, Dunhams Lane, Letchworth Garden City, Hertfordshire, SG6 1BE.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements have been prepared in pounds sterling, the functional currency, rounded to the nearest £1.

Wheatley Properties Limited is a parent company of a small group. It is not required to prepare group accounts. These financial statements are of the company, not the group.

The following principal accounting policies have been applied:

##### 2.2 Going concern

The company has net current liabilities of £3,169,221 but total net assets of £3,902,459 at the balance sheet date. The company is funded by group loans of £10,873,852 included in current liabilities. The ultimate parent company has indicated its willingness and ability to support the company for at least 12 months from the date of approval for the financial statements. The financial statements have therefore been prepared on a going concern basis.

##### 2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

##### 2.4 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019

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2. Accounting policies (continued)

2.5 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument. The company is joined with other group companies in its banking covenants. Interest charges are recharged across the group and included within interest payable.

2.6 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.7 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

Deferred tax is provided on these gains at the expected rate to apply when the property is sold, reflected in the revaluation reserve.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

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**WHEATLEY PROPERTIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**2. Accounting policies (continued)****2.9 Stocks**

Property developments in progress are valued at the lower of cost and estimated net realisable value and are included in current assets. Cost includes any legal fees relating to the completion of the purchase. Sales of development properties are recognised at the date of completion.

Where market conditions are such that a decision is undertaken to hold properties temporarily and to mitigate the cost of holding the property through lettings, such properties are retained as stock as long as the rental is considered merely incidental to the property trading and development activities. Where considered merely incidental, such rental income is included as other operating income.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.10 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.

**2.11 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.12 Creditors**

Short term 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.

**2.13 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019

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2. Accounting policies (continued)

2.13 Financial instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 5 (2018 - 6).

Directors of the company are also directors of other group companies and are remunerated centrally by a fellow subsidiary.

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**WHEATLEY PROPERTIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**4. Fixed asset investments**

	<b>Investments in subsidiary companies £</b>
<b>Cost or valuation</b>	
At 1 April 2018	250
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At 31 March 2019	250
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<b>Net book value</b>	
At 31 March 2019	250
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At 31 March 2018	250
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**WHEATLEY PROPERTIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**5. Investment property**

	Freehold investment property £	Long term leasehold investment property £	Total £
<b>Valuation</b>			
At 1 April 2018	85,192	6,986,238	7,071,430
<b>At 31 March 2019</b>	<u>85,192</u>	<u>6,986,238</u>	<u>7,071,430</u>
<b>Comprising</b>			
Cost	40,192	4,003,874	4,044,066
Revaluation surplus/(deficit): 2016	45,000	2,982,364	3,027,364
<b>At 31 March 2019</b>	<u>85,192</u>	<u>6,986,238</u>	<u>7,071,430</u>

The 2019 valuations were made by the directors, on an open market value for existing use basis.

The company's investment properties are being used as security for bank loans issued to a fellow group company.

Deferred tax is provided on revaluation gains at the expected taxation rate applicable when the property is sold.

**6. Stocks**

	2019 £	2018 £
Land	2,858,465	2,874,582
Work in progress	3,862,084	645,180
	<u>6,720,549</u>	<u>3,519,762</u>

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**WHEATLEY PROPERTIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**7. Debtors**

	2019 £	2018 £
Trade debtors	118,715	73,191
Amounts owed by group undertakings	517,514	1,421,676
Other debtors	153,794	133,794
Prepayments and accrued income	17,481	36,426
	<u>807,504</u>	<u>1,665,087</u>

**8. Cash and cash equivalents**

	2019 £	2018 £
Cash at bank and in hand	435,766	38,663
	<u>435,766</u>	<u>38,663</u>

**9. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Trade creditors	9,252	35,589
Amounts owed to group undertakings	10,873,852	7,341,852
Corporation tax	86,664	4,975
Accruals and deferred income	163,272	148,441
	<u>11,133,040</u>	<u>7,530,857</u>

**10. Reserves****Revaluation reserve**

The revaluation reserve is the amount arising on the revaluation of fixed assets, being the difference between the amount of these assets determined under the historical cost convention and the amount determined by the revaluation of the assets. Transfers to the revaluation reserve arising from disposals are reflected in transfers from the profit and loss account. The revaluation reserve relates to non-distributable reserves.

**Profit and loss account**

The profit and loss account is represented by retained earnings.

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**WHEATLEY PROPERTIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**11. Guarantees and other financial commitments**

All assets of the company are held as security for bank borrowings in fellow group companies.

**12. Related party transactions**

The company has taken advantage of the exemption available in Section 1A of Financial Reporting Standard 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

At 31 March 2019, included in other debtors is £153,794 (2018 - £133,794) due from connected companies under common control. This amount is unsecured, interest free and repayable on demand.

**13. Parent entity**

The immediate parent company is Wheatley Plc. The ultimate parent company is Wheatley Holdings Limited (formerly Aspenden Trading Limited).

The accounts of the company are included in the consolidated financial statements of Wheatley Holdings Limited (formerly Aspenden Trading Limited), copies of which are available from the Registrar of Companies, Companies House, Cardiff, CF14 3UZ.

**14. Auditors' information**

The auditors' report on the financial statements for the year ended 31 March 2019 was unqualified.

The audit report was signed on 30/09/2019 by Brendan Sharkey FCA (Senior statutory auditor) on behalf of MHA MacIntyre Hudson.