

Registered number: 00705370

# **WHEATLEY GROUP DEVELOPMENTS LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**



---

**WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

**COMPANY INFORMATION**

---

<b>Directors</b>	J P Woods H W Baker G S Woods C L Stewart (resigned 23 June 2023) M J Foreman A L Dutton (appointed 1 September 2022) P Jevon (appointed 23 June 2023)
<b>Company secretary</b>	P Jevon (appointed 23 June 2023)
<b>Registered number</b>	00705370
<b>Registered office</b>	Wheatley House Dunhams Lane Letchworth Garden City Hertfordshire SG6 1BE
<b>Independent auditors</b>	MHA Chartered Accountants & Statutory Auditors 6th Floor 2 London Wall Place London EC2Y 5AU

---

**WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

**CONTENTS**

---

	Page
<b>Strategic report</b>	1 - 2
<b>Directors' report</b>	3 - 4
<b>Independent auditors' report</b>	5 - 8
<b>Statement of comprehensive income</b>	9
<b>Balance sheet</b>	10
<b>Statement of changes in equity</b>	11
<b>Notes to the financial statements</b>	12 - 26

---

## **WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023**

---

#### **Introduction**

The principal activity of the Company continued to be residential and commercial property development.

The Company acquires development sites for the Group.

#### **Business review**

The Company is continuing to purchase residential development sites and to acquire options on longer term sites to ensure continuity of supply. The planning process still inhibits the early start of new schemes and the Government's intention to speed up the planning system have proved ineffective.

The residential schemes under development have all sold well. The first two phases comprising two hundred units at the Buntingford site have been successful and sold well. Phase three comprised of 86 units is almost completed.

The Company residential sites in Crowland (100 units) is now nearly complete and selling well. The site at Henlow is now completed and fully sold.

A site for 26 houses has been purchased in Nazeing and the Company has successfully gained planning for three large houses at Rabley Heath. A subject to planning contract was entered into for a 33 unit scheme in Arlesey.

The Company's commercial portfolio continues to perform well with the rent roll increasing.

#### **Covid-19 pandemic**

The Company has taken appropriate measures to keep working conditions safe for employees and the public at all premises and sites. All staff who record a positive test self-isolate until they receive a negative test.

#### **Principal risks and uncertainties**

The Company faces a number of business risks and uncertainties due to operating in the property development market. In view of this, the Directors have looked carefully at the projects currently in development and at the viability of future acquisitions. Particular attention has been paid to the uncertainties of the supply of materials and labour and increases in costs.

The Company has traded well in the current financial year to take advantage of the public desire to move to better locations. Higher mortgage rates and the ending of the help to buy scheme have put a downward pressure on sales values, however trading has continued to be at a higher value than our initial valuations.

#### **Financial key performance indicators**

The principal Key Performance Indicators being monitored are the careful selection of prime residential and commercial development opportunities to provide viable schemes which are monitored for cost and value.

---

WHEATLEY GROUP DEVELOPMENTS LIMITED

---

STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023

---

This report was approved by the board and signed on its behalf.



.....  
A L Dutton  
Director

Date: 21 DEC 23

---

## **WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023**

---

The directors present their report and the financial statements for the year ended 31 March 2023.

#### **Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard '102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £1,127,997 (2022 - £114,343).

No dividends were paid in the year (2022 - none).

#### **Directors**

The directors who served during the year were:

J P Woods  
H W Baker  
G S Woods  
C L Stewart (resigned 23 June 2023)  
M J Foreman  
A L Dutton (appointed 1 September 2022)

---

## WHEATLEY GROUP DEVELOPMENTS LIMITED

---

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

---

#### Future developments

The Directors aim to maintain the management policies which have resulted in the Company's success in previous years.

The third phase at Buntingford and the Crowland site of 100 units are both nearly complete and selling well.

The Company is pursuing a number of residential sites subject to obtaining planning consent to provide future land stock. A site for 26 units has been acquired in Nazeing, Essex. Construction of three large detached houses at Rabley Heath is underway. A subject to planning contract was entered into for a 33 unit scheme in Arlesey.

The planning system continues to be a drag on swift progress despite the government's efforts to make it more efficient and productive.

The Company is constantly reviewing forward planning to take account of the prevailing national political situation and the aftereffects of the Covid-19 pandemic.

#### Qualifying third party indemnity provisions

Director's liability and indemnity insurance was in force throughout the year to cover the directors and officers of the company against actions brought against them in their personal capacities. Cover is not provided where the individual has acted fraudulently or dishonestly.

#### Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### Post balance sheet events

There have been no significant events affecting the Company since the year end.

#### Auditors

Following a rebranding exercise on 15 May 2023 the trading name of the company's independent auditor changed from MHA MacIntyre Hudson to MHA.

A resolution to reappoint MHA as independent auditor will be proposed at the next Annual General Meeting.

This report was approved by the board and signed on its behalf.

  
.....  
A L Dutton  
Director

Date: 21.12.23

---

## **WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

#### **Opinion**

We have audited the financial statements of Wheatley Group Developments Limited (the 'Company') for the year ended 31 March 2023, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, 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 2023 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 directors' 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 Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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



---

**WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WHEATLEY GROUP DEVELOPMENTS LIMITED (CONTINUED)**

---

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the 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 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 Directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 Directors' responsibilities statement set out on page 3, 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 Company or to cease operations, or have no realistic alternative but to do so.

---

## WHEATLEY GROUP DEVELOPMENTS LIMITED

---

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WHEATLEY GROUP DEVELOPMENTS LIMITED (CONTINUED)

---

#### Auditors' 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 Auditors' 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:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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 or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

---

**WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WHEATLEY GROUP DEVELOPMENTS LIMITED (CONTINUED)**

---

**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 Auditors' 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.



Brendan Sharkey FCA (Senior statutory auditor)

for and on behalf of  
**MHA**

Statutory Auditors

London

Date: 22 December 2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

---

**WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

---

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2023**

---

	Note	2023 £	2022 £
Turnover	4	11,867,810	4,404,385
Cost of sales		(7,982,812)	(3,425,225)
<b>Gross profit</b>		<b>3,884,998</b>	<b>979,160</b>
Administrative expenses		(3,574,255)	(2,051,035)
Other operating income	5	1,150,635	1,312,459
<b>Operating profit</b>	6	<b>1,461,378</b>	<b>240,584</b>
Interest receivable and similar income	9	40,422	508
Interest payable and similar expenses	10	(161,444)	(100,177)
<b>Profit before tax</b>		<b>1,340,356</b>	<b>140,915</b>
Tax on profit	11	(212,359)	(26,572)
<b>Profit for the financial year</b>		<b>1,127,997</b>	<b>114,343</b>

There was no other comprehensive income for 2023 (2022:£NIL).

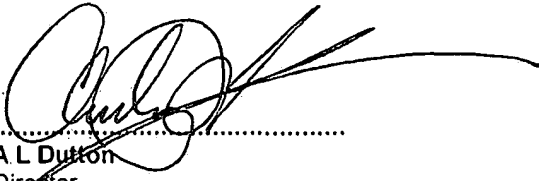
The notes on pages 12 to 26 form part of these financial statements.


**WHEATLEY GROUP DEVELOPMENTS LIMITED**  
**REGISTERED NUMBER: 00705370**

**BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	12	44,841	46,115
Investments	13	235,969	235,969
Investment property	14	1,290,000	1,290,000
		<u>1,570,810</u>	<u>1,572,084</u>
<b>Current assets</b>			
Stocks	15	16,468,425	16,601,001
Debtors: amounts falling due within one year	16	12,891,783	10,890,099
Cash at bank and in hand	17	8,463,103	1,719,862
		<u>37,823,311</u>	<u>29,210,962</u>
Creditors: amounts falling due within one year	18	(30,704,275)	(23,221,197)
<b>Net current assets</b>		<u>7,119,036</u>	<u>5,989,765</u>
<b>Total assets less current liabilities</b>		<u>8,689,846</u>	<u>7,561,849</u>
Creditors: amounts falling due after more than one year	19	(25,636)	(25,636)
<b>Net assets</b>		<u><u>8,664,210</u></u>	<u><u>7,536,213</u></u>
<b>Capital and reserves</b>			
Called up share capital	20	35,000	35,000
Share premium account	21	2,664,390	2,664,390
Revaluation reserve	21	214,712	214,712
Profit and loss account	21	5,750,108	4,622,111
		<u><u>8,664,210</u></u>	<u><u>7,536,213</u></u>

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

  
A. L. Dutton  
Director

  
P. Jevon  
Director

Date: 21.12.23

Date: 21-12-23

The notes on pages 12 to 26 form part of these financial statements.

---

**WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

---

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2023**

---

	Called up share capital £	Share premium account £	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 April 2021	35,000	2,664,390	214,712	4,507,768	7,421,870
Comprehensive income for the year					
Profit for the year	-	-	-	114,343	114,343
At 1 April 2022	35,000	2,664,390	214,712	4,622,111	7,536,213
Comprehensive income for the year					
Profit for the year	-	-	-	1,127,997	1,127,997
At 31 March 2023	35,000	2,664,390	214,712	5,750,108	8,664,210

The notes on pages 12 to 26 form part of these financial statements.

---

## WHEATLEY GROUP DEVELOPMENTS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

#### 1. General information

Wheatley Group Developments Limited is a private company, limited by shares, incorporated in England and Wales, registration number 00705370. 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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

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

Group accounts are not required as the information in respect of Wheatley Group Developments Limited and its subsidiary companies is included in the consolidated financial statements of the ultimate parent entity, Wheatley Holdings Limited.

The following principal accounting policies have been applied:

##### 2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Wheatley Holdings Limited as at 31 March 2023 and these financial statements may be obtained from the Registrar of Companies, Companies House, Cardiff, CF14 3UZ.

---

## WHEATLEY GROUP DEVELOPMENTS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

#### 2. Accounting policies (continued)

##### 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:

###### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 2.4 Operating leases: the Company as lessor

Rental income from operating leases is credited to profit or loss on a straight-line basis over the lease term.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight-line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

##### 2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### 2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

##### 2.7 Finance costs

Finance costs are charged to profit or loss 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.

##### 2.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.



---

## WHEATLEY GROUP DEVELOPMENTS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

#### 2. Accounting policies (continued)

##### 2.9 Taxation

Tax is recognised in profit or loss 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.

##### 2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using both the straight-line method and reducing balance bases.

Depreciation is provided on the following basis:

Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	20% reducing balance
Computer equipment	-	20% straight-line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

---

## WHEATLEY GROUP DEVELOPMENTS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

#### 2. Accounting policies (continued)

##### 2.11 Investment property

Investment property is carried at fair value determined annually by external valuers or by the directors 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 profit or loss, net of deferred taxation.

##### 2.12 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.

##### 2.13 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.

##### 2.14 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.

##### 2.15 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.

##### 2.16 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.

---

## WHEATLEY GROUP DEVELOPMENTS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

#### 2. Accounting policies (continued)

##### 2.17 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 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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.

---

## WHEATLEY GROUP DEVELOPMENTS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

#### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described above, management is required to make judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimate and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on amounts recognised in the financial statements are described below:

##### Investment properties

Judgments have been made in relation to the valuation of investment properties. The directors are satisfied that investment properties are fairly valued in the financial statements.

##### Stock

Judgments have been made in relation to the valuation of stock. The directors are satisfied that stock is fairly valued in the financial statements.

##### Amounts recoverable on debtors

Judgments have been made in relation to the recovery of trade debtors and provisions for bad debts. The directors have concluded that amounts included as trade debtors are fairly valued at the year end.

#### 4. Turnover

An analysis of turnover by class of business is as follows:

	2023 £	2022 £
Property sales	11,867,810	4,404,385
	<u>11,867,810</u>	<u>4,404,385</u>

All turnover arose within the United Kingdom.

---

**WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**5. Other operating income**

	2023 £	2022 £
Other operating income	6,059	6,194
Net rents receivable	527,715	489,763
Insurance premiums receivable	16,861	16,502
Fees receivable	600,000	800,000
	<u>1,150,635</u>	<u>1,312,459</u>

**6. Operating profit**

The operating profit is stated after charging:

	2023 £	2022 £
Operating lease rentals	<u>5,198</u>	<u>3,116</u>

**7. Auditors' remuneration**

	2023 £	2022 £
Fees payable to the Company's auditors for the audit of the Company's financial statements	7,000	2,695

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

**8. Employees**

The average monthly number of employees, including directors, during the year was 6 (2022 - 5).

Directors of the company are also directors of other group companies and receive no remuneration or pensions from the company but are remunerated centrally.

---

WHEATLEY GROUP DEVELOPMENTS LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

---

9. Interest receivable

	2023 £	2022 £
Bank interest receivable	40,422	508
	<u>40,422</u>	<u>508</u>

10. Interest payable and similar expenses

	2023 £	2022 £
Bank interest payable	161,444	99,240
Finance leases and hire purchase contracts	-	607
Other interest payable	-	330
	<u>161,444</u>	<u>100,177</u>

11. Taxation

	2023 £	2022 £
<b>Corporation tax</b>		
Current tax on profits for the year	212,359	26,572
	<u>212,359</u>	<u>26,572</u>
<b>Total current tax</b>	<u>212,359</u>	<u>26,572</u>

---

**WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**11. Taxation (continued)****Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2022 - lower than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	<u>1,340,356</u>	<u>140,915</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	254,668	26,774
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	103	382
Capital allowances for year in excess of depreciation	(2,072)	(584)
Utilisation of tax losses	(40,340)	-
<b>Total tax charge for the year</b>	<u><b>212,359</b></u>	<u><b>26,572</b></u>

**Factors that may affect future tax charges**

The rate of corporation tax increased to 25% on 1 April 2023.

---

**WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**12. Tangible fixed assets**

	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 April 2022	77,912	58,631	80,613	217,156
Additions	-	3,639	9,440	13,079
At 31 March 2023	77,912	62,270	90,053	230,235
<b>Depreciation</b>				
At 1 April 2022	53,012	55,798	62,231	171,041
Charge for the year	6,212	946	7,195	14,353
At 31 March 2023	59,224	56,744	69,426	185,394
<b>Net book value</b>				
At 31 March 2023	18,688	5,526	20,627	44,841
At 31 March 2022	24,900	2,833	18,382	46,115

**13. Fixed asset investments**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 April 2022	235,969
At 31 March 2023	235,969



---

**WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**13. Fixed asset investments (continued)****Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Wheatley Homes Limited	Property marketing	Ordinary	100%
Wheatley Winton Hayes Limited	Building and construction industry	Ordinary	100%

The registered office for all subsidiary undertakings is Wheatley House, Dunhams Lane, Letchworth Garden City, Herts, SG6 1BE.

**14. Investment property**

	Long term leasehold investment property £
<b>Valuation</b>	
At 1 April 2022	1,290,000
At 31 March 2023	1,290,000
<b>Comprising</b>	
Cost	1,075,288
Annual revaluation surplus/(deficit):	
2016	499,712
2020	(285,000)
At 31 March 2023	1,290,000

The 2023 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.

---

**WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**15. Stocks**

	2023 £	2022 £
Land	5,023,993	4,850,176
Work in progress	6,295,414	6,601,807
Completed properties	5,149,018	5,149,018
	<u>16,468,425</u>	<u>16,601,001</u>

**16. Debtors**

	2023 £	2022 £
Trade debtors	254,438	337,413
Amounts owed by group undertakings	12,548,862	10,430,745
Other debtors	23,679	56,353
Prepayments and accrued income	64,804	65,588
	<u>12,891,783</u>	<u>10,890,099</u>

**17. Cash and cash equivalents**

	2023 £	2022 £
Cash at bank and in hand	8,463,103	1,719,862
	<u>8,463,103</u>	<u>1,719,862</u>

---

**WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

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

	2023 £	2022 £
Trade creditors	187,320	110,265
Amounts owed to group undertakings	29,950,242	22,815,322
Corporation tax	212,359	26,572
Other creditors	39,716	30,764
Accruals and deferred income	314,638	238,274
	<u>30,704,275</u>	<u>23,221,197</u>

**19. Creditors: Amounts falling due after more than one year**

	2023 £	2022 £
Debentures loans	25,636	25,636
	<u>25,636</u>	<u>25,636</u>

The debenture loans are secured on the assets of the company.

**20. Share capital**

	2023 £	2022 £
Allotted, called up and fully paid		
35,000 (2022 - 35,000) Ordinary shares of £1.00 each	<u>35,000</u>	<u>35,000</u>

---

## WHEATLEY GROUP DEVELOPMENTS LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

---

#### 21. Reserves

##### Share premium account

Changes in the share premium account are set out in the Statement of Changes in Equity.

##### 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, net to relevant taxation. 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.

#### 22. Commitments under operating leases

At 31 March 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	5,892	-
Later than 1 year and not later than 5 years	8,838	-
	<u>14,730</u>	<u>-</u>

Lease payments recognised as an expense in the year were £5,198 (2022: £3,116).

#### 23. Guarantees and other financial commitments

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

#### 24. Related party transactions

The company has taken advantage of the exemption included in Financial Reporting Standard 102 section 33 and has not disclosed transactions or balances with entities which form part of the group and are included in the consolidated financial statements.

Following a repayment in the year, at 31 March 2023, included in other creditors is £26,940 (2022 - £27,590) due to connected companies under common control. This amount is unsecured, interest free and repayable on demand.

Following advances in the year of £69,236 (2022 - £100,792) and repayments of £80,140 (2022 - £90,600), at 31 March 2023, included in other creditors is £8,922 due to (2022 - other debtors of £1,317 due from) a shareholder. This amount is unsecured, interest free and repayable on demand.

---

**WHEATLEY GROUP DEVELOPMENTS LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

---

**25. Parent entity**

The immediate parent company is Wheatley PLC. The ultimate parent company is Wheatley Holdings Limited, with a registered office as that of the company.

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