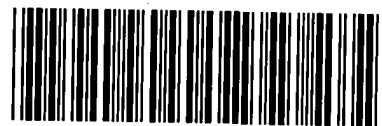


Broadthorpe Limited

Annual report and financial statements
for the year ended 31 May 2017

Registered number: 716577

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Broadthorpe Limited

Annual report and financial statements for the year ended 31 May 2017

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Broadthorpe Limited

Directors and advisors

Directors

E Davis MCIOB
T Higgins OBE FCIS Hon D.Tech
G Higgins BA Hons Solicitor
M Halley
J Eddershaw
L Cooke
G Davis
W Davis
H Hellman
P Higgins
G Newcombe
R Pratt
A Reeves

Company Secretary

G Pearson FCA

Registered office

Forest Field
Forest Road
Loughborough
Leicestershire
LE11 3NS

Bankers

Barclays Bank PLC

Solicitors

Moss Solicitors
Bird, Wilford & Sale

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Donington Court
Pegasus Business Park
Castle Donington
East Midlands
DE74 2UZ

Broadthorpe Limited

Strategic report for the year ended 31 May 2017

The directors present their strategic report for the year ended 31 May 2017.

Principal activities

The principal activity of the companies within the group is that of house building. The company is a non-trading holding company.

Business review

Growth was ahead of expectations for the year with turnover increasing to £106m (2016: £66m), driven by sales of private new homes for the year ended 31 May 2017 of 286 plots (2016: 189 plots). In addition to the growth in sales of private new homes, the group sold 84 affordable homes for £8m and made land sales of £10m.

The average selling price of new homes increased by 3.6% to £274,600 in the year and forward orders at the year-end were also increased at 84 (2016: 59).

Profit and margin was impacted positively by the growth in sales with profit before tax almost doubling from £7.38m to £13.99m. Margin increased to 13.2% (2016: 11.2%).

The group also continues to invest in further land in order to expand its house building operations in the medium term and longer term.

Results and dividends

The group's profit for the financial year is £11,226,000 (2016: £5,913,000). The results for the year are set out on page 8.

Principal risks and uncertainties

The management of the business and the execution of the group's strategy are subject to a number of risks, managed by the board through monitoring of the market and utilisation of the group's long term land stocks.

The key business risks affecting the group are considered to relate to competition from both national and independent house builders and contractors, the availability of land at an economic price and government regulations.

In the housing market the availability of funds to potential customers may affect turnover.

Key Performance Indicators ("KPIs")

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using any KPIs additional to those in this report is not necessary for an understanding of the development, performance or position of the business.

By order of the board



G Pearson FCA
Company secretary
10 October 2017

Broadthorpe Limited

Directors' report for the year ended 31 May 2017

The directors present their annual report and the audited consolidated financial statements of the company for the year ended 31 May 2017.

Directors

The following were directors of the company during the year and up to the date of signing the financial statements unless otherwise stated:

| | |
|-----------------|----------------|
| E Davis | Mrs R Pratt |
| T Higgins | Ms P Higgins |
| Mrs J Eddershaw | Mrs G Newcombe |
| G Higgins | Mrs L Cooke |
| W Davis | Mrs H Hellman |
| G Davis | Mrs A Reeves |
| M Halley | |

Dividends

The aggregate dividends recorded during the financial year amounted to £2,159,022 (2016: £1,962,747). Details of dividends paid are shown in note 8 to the accounts.

Future developments

The year to 31 May 2018 has commenced ahead of expectations with first quarter sales (Legal completions) of 78 plots (2017: 45 plots). Average selling price continues to increase and has risen by 8% since 31 May 2017 to £297,600 at the end of the first quarter.

Despite the positive start to the year, the Directors expect sales for the forthcoming year to 31 May 2018 to be similar to the previous year with growth re-commencing in the year ending 31st May 2019, as planned new developments provide plots for sale. Since the year-end the group has already commenced 2 new developments and has plans to commence a further 5 during the remainder of the year to May 2018, all of which will generate sales in the following year to May 2019.

In order to fund the future growth, in November 2016 the group secured a £20m 3 year loan facility from Barclays Bank plc and expect to utilise this in the next twelve months to purchase land and fund infrastructure on the planned new developments.

The group's land interests and pipeline of consented plots gives the directors' confidence of achieving long term growth and profitability.

Financial risk management

The group's operations expose it to a variety of financial risks that include the effects of price risk, credit risk, liquidity risk and interest rate risk. The group has been maintaining cash balances for liquidity and has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the group. Given the size of the group, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the group's finance department.

Broadthorpe Limited

Directors' report for the year ended 31 May 2017 (continued)

Financial risk management (continued)

Price risk

The group is exposed to commodity price risk as a result of its operations. However, given the size of the group's operations, the costs of managing exposure to commodity price risk exceed any potential benefits. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature. The group has indirect exposure to equity securities price risk through the equity investments held by the pension scheme which are managed as part of the longer term nature of the pension liabilities.

Credit risk

The group has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed annually by the board.

Interest rate cash flow risk

The group has interest bearing assets. Interest bearing assets include only cash balances, all of which are placed with banks with a strong credit rating. The group has a policy of maintaining debt, when utilised, at fixed rate to ensure certainty of future interest cash flows. The directors will revisit the appropriateness of this policy should the group's operations change in size or nature.

Employee involvement

Regular meetings are held with employees' representatives to discuss group companies' financial positions, market conditions, employment requirements and the day to day operating situation.

Information on matters of concern to employees is given through information bulletins, reports and newsletters. The group is an equal opportunity employer and the aim of its policy is to ensure that no job applicant or employee receives less favourable treatment on the grounds of sex, marital status, physical disability, race, colour, nationality, or ethnic or national origins, or is disadvantaged by conditions or requirements which cannot be shown to be justifiable. Selection criteria and procedures will be frequently reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees will be given equal opportunity and, where appropriate, special training, to progress within the organisation. The group is committed to a programme of action to make this policy fully effective.

Employment of disabled persons

Applications for employment by disabled persons are always fully considered taking into account the aptitudes and abilities of the applicant concerned. Where employees become disabled, the group endeavours to continue to employ such people provided there are duties which they can perform bearing in mind the handicap or disability. It is the policy of the group that training, career development and promotion of disabled employees should, as far as possible, be identical to that of other employees.

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Broadthorpe Limited

Directors' report for the year ended 31 May 2017 (continued)

Directors' responsibilities statement (continued)

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 company and of the profit or loss of the group and company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the group and company's auditors are unaware; and
- they have taken all the 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 group and company's auditors are aware of that information.

Qualifying third party indemnity provision

The company has provided an indemnity for its directors and the secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

Independent auditors

A resolution to confirm and reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

By order of the board



G Pearson FCA
Company secretary
10 October 2017

Broadthorpe Limited

Independent auditors' report to the members of Broadthorpe Limited

Report on the financial statements

Our opinion

In our opinion, Broadthorpe Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 May 2017 and of the group's profit and cash flows 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.
-

What we have audited

The financial statements, included within the Annual report and financial statements (the "Annual Report"), comprise:

- the consolidated and company balance sheets as at 31 May 2017;
- the consolidated profit and loss account for the year then ended;
- the consolidated cash flow statement for the year then ended;
- the consolidated and company statements of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the 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.

In addition, in light of the knowledge and understanding of the group, the company and their environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Broadthorpe Limited

Independent auditors' report to the members of Broadthorpe Limited (continued)

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the group's and the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic Report and Directors' report, we consider whether those reports include the disclosures required by applicable legal requirements.



Paul Norbury (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands
10 October 2017

Broadthorpe Limited

Consolidated profit and loss account for the year ended 31 May 2017

| | | 2017 | 2016 |
|--|------|----------------|---------|
| | Note | £'000 | £'000 |
| Group turnover | 4 | 106,007 | 65,987 |
| Group operating profit | 4 | 13,944 | 7,211 |
| Net interest receivable and similar income | 6 | 51 | 167 |
| Profit before taxation | | 13,995 | 7,378 |
| Tax on profit | 7 | (2,769) | (1,465) |
| Profit for the financial year | | 11,226 | 5,913 |

All results are derived from continuing operations.

There is no material difference between the profit before taxation and the profit for the financial year stated above and their historical cost equivalents.

Consolidated statement of comprehensive income for the year ended 31 May 2017

| | | 2017 | 2016 |
|---|------|---------------|-------|
| | Note | £'000 | £'000 |
| Profit for the financial year | | 11,226 | 5,913 |
| Other comprehensive income | | | |
| Deferred tax on depreciation on revalued property | 15 | 4 | 4 |
| Deferred tax release on sale of freehold land | 15 | - | 262 |
| Total comprehensive income for the year | | 11,230 | 6,179 |

Broadthorpe Limited

Consolidated and company balance sheets as at 31 May 2017

| | | Group | | Company | |
|---|------|----------|----------|---------|-------|
| | | 2017 | 2016 | 2017 | 2016 |
| | Note | £'000 | £'000 | £'000 | £'000 |
| Fixed assets | | | | | |
| Intangible assets | 9 | - | - | - | - |
| Tangible assets | 10 | 2,844 | 4,078 | - | - |
| Investments | 11 | - | - | 3,413 | 3,413 |
| | | 2,844 | 4,078 | 3,413 | 3,413 |
| Current assets | | | | | |
| Stocks | 12 | 90,582 | 101,264 | - | - |
| Debtors | 13 | 10,279 | 5,680 | - | 1 |
| Cash at bank and in hand | | 34,677 | 16,191 | 22 | 11 |
| | | 135,538 | 123,135 | 22 | 12 |
| Creditors: amounts falling due within one year | 14 | (19,721) | (17,736) | (1) | (5) |
| Net current assets | | 115,817 | 105,399 | 21 | 7 |
| Total assets less current liabilities | | 118,661 | 109,477 | 3,434 | 3,420 |
| Provisions for liabilities | 15 | (2,005) | (1,892) | - | - |
| Net assets | | 116,656 | 107,585 | 3,434 | 3,420 |
| Capital and reserves | | | | | |
| Called up share capital | 18 | 36 | 36 | 36 | 36 |
| Share premium account | | 3,262 | 3,262 | 3,262 | 3,262 |
| Other reserves | | 8,865 | 8,865 | - | - |
| Profit and loss account | | 104,493 | 95,422 | 136 | 122 |
| Total equity | | 116,656 | 107,585 | 3,434 | 3,420 |

As permitted by section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit after tax for the financial year amounted to £2,172,690 (2016: £1,969,000) before dividend payments of £2,159,022 (2016: £1,963,000).

These financial statements on pages 8 to 29 were approved by the board on 10 October 2017.
Signed on behalf of the board of directors by:



T Higgins
Director

Broadthorpe Limited
Registered number: 716577

Broadthorpe Limited

Consolidated Statement of Changes in equity for the year ended 31 May 2017

| | | Called up share capital | Share premium account | Profit and loss account | Total equity |
|---|------|-------------------------------|-----------------------------|-------------------------------|-----------------|
| | Note | £000 | £000 | £000 | £000 |
| As at 1 June 2015 | | 36 | 12,127 | 91,206 | 103,369 |
| Profit for the financial year | | - | - | 5,913 | 5,913 |
| Other comprehensive income for the year | | - | - | 266 | 266 |
| Dividends | 8 | - | - | (1,963) | (1,963) |
| As at 31 May 2016 | | 36 | 12,127 | 95,422 | 107,585 |
| Profit for the financial year | | - | - | 11,226 | 11,226 |
| Other comprehensive income for the year | | - | - | 4 | 4 |
| Dividends | 8 | - | - | (2,159) | (2,159) |
| As at 31 May 2017 | | 36 | 12,127 | 104,493 | 116,656 |

Company Statement of Changes in equity for the year ended 31 May 2017

| | | Called up share capital | Share premium account | Profit and loss account | Total equity |
|-------------------------------|------|-------------------------------|-----------------------------|-------------------------------|-----------------|
| | Note | £000 | £000 | £000 | £000 |
| As at 1 June 2015 | | 36 | 3,262 | 116 | 3,414 |
| Profit for the financial year | | - | - | 1,969 | 1,969 |
| Dividends | 8 | - | - | (1,963) | (1,963) |
| As at 31 May 2016 | | 36 | 3,262 | 122 | 3,420 |
| Profit for the financial year | | - | - | 2,173 | 2,173 |
| Dividends | 8 | - | - | (2,159) | (2,159) |
| As at 31 May 2017 | | 36 | 3,262 | 136 | 3,434 |

Broadthorpe Limited

Consolidated cash flow statement for the year ended 31 May 2017

| | | 2017 | 2016 |
|--|------|----------------|----------------|
| | Note | £'000 | £'000 |
| Net Cash inflow/(outflow) from operating activities | 19 | 22,761 | (3,452) |
| UK corporation tax paid | | (2,327) | (1,002) |
| Net cash generated from/ (used in) operating activities | | 20,434 | (4,454) |
| Cash flow from investing activities | | | |
| Purchase of tangible fixed assets | | (242) | (781) |
| Proceeds from sale of tangible fixed assets | | 1,516 | 437 |
| Interest received | 6 | 150 | 167 |
| Loans to joint venture | | (1,239) | - |
| Net cash generated from/(used in) investing activities | | 185 | (177) |
| Cash flow from financing activities | | | |
| Interest paid | 6 | (99) | - |
| Dividends paid | 8 | (2,159) | (1,963) |
| Cash advanced from related parties | | 125 | 63 |
| Net cash used in financing activities | | (2,133) | (1,900) |
| Net increase/(decrease) in cash and cash equivalents | | 18,486 | (6,531) |
| Cash and cash equivalents at the beginning of the year | | 16,191 | 22,722 |
| Cash and cash equivalents at the end of the year | | 34,677 | 16,191 |

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017

1 Statement of compliance

These financial statements are prepared on the going concern basis, under the historical cost convention (as modified by revaluation of certain fixed assets) and in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS102") and the Companies Act 2006.

2 Accounting policies

These financial statements are prepared on the going concern basis and under the historical cost convention. The principal accounting policies, which have been applied consistently, are set out below.

Group financial statements and basis of consolidation

The group financial statements comprise a consolidation of the results and net assets of the company and its subsidiaries for the year ended 31 May 2017. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. Intra-group trading and balances including any profit or loss are eliminated on consolidation. Acquisitions are accounted for under the acquisition method. Group reorganizations are accounted for under the merger accounting method.

The company has taken advantage of the exemption in section 408 of the Companies Act from disclosing its individual profit and loss account.

Turnover

Turnover represents sales of property and building services supplied to third parties and to affiliated companies. Turnover is recognised on legal completion for property or land sales.

Exemptions for qualifying entities under FRS102

The company has taken advantage of the exemption to prepare a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the company's cash flows.

Stocks

Stocks, have been valued at the lower of cost and net realisable value. Provisions are made by management to ensure stock values are accurately stated at their net realisable value on resale or for development.

Maintenance guarantees

Provision has been made for the estimated future cost of the company's liability for maintenance in respect of houses sold and any remedial work on contracts.

Repairs to plant

Plant repairs are written off in the year in which the expenditure was incurred.

Options to purchase land

These are only recognised as assets where valuable realisation can be reasonably foreseen.

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

2 Accounting policies (continued)

Intangible fixed assets - goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its estimated useful economic life of 5 years. Provision is made for any impairment. No amortisation is provided in the year of acquisition.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical purchase cost, net of accumulated depreciation and any provision for impairment. Cost includes the original purchase price of the asset and the costs attributable to bring the asset to its working condition for its intended use. Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. Impairment reviews are performed by the directors when there has been an indication of potential impairment. The asset lives used are as follows:

| | |
|--------------------|-------------|
| Freehold buildings | 10-50 years |
| Plant & machinery | 3-5 years |
| Motor Vehicles | 4 years |

Freehold land is not depreciated.

Investments

Investments are held at cost less amounts charged for any impairment in value.

Financial Instruments

The group has chosen to adopt Sections 11 and 12 of FRS102 in respect of financial instruments.

(i) Financial assets

Basic financial assets including trade and other receivables, cash and bank balances are initially reported at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the assets' original effective interest rate. The impairment loss is recognised in the profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying value amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss.

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

2 Accounting policies (continued)

Financial Instruments (continued)

(i) *Financial assets (continued)*

Financial assets are derecognised when a) the contractual right to the cash flows from the assets expire or are settled, or b) subsequently all the risks and rewards of the ownership of the asset are transferred to another party or c) despite having retained some significant risks and rewards of ownership, control of the assets has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) *Financial liabilities*

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost using the effective interest method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the payment is due within one year or less. If not, they are presented as non-current liabilities, trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Taxation

UK corporation tax is provided at amounts, expected to be paid (or recovered) using the tax rates and laws that have been enacted in respect of the financial year.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Pension costs

The group operates a defined benefit pension scheme and three money purchase pension schemes.

The defined benefit pension scheme fund is valued every three years by a professionally qualified independent actuary, the rates of contribution payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates. A resulting pension scheme deficit is fully recognised and a surplus recognised to the extent it is realisable by the group on the balance sheet net of deferred taxation and any resulting actuarial gains and losses are recognised immediately in the statement of recognised gains and losses.

Contributions to the money purchase pension schemes are charged to profit and loss account as they become payable in accordance with rules of the schemes.

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

2 Accounting policies (continued)

Distributions to equity holders

Dividends and other distributions to the Group's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

Related party transactions

The group discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the group's financial statements.

3 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the entity's accounting policies

Exemptions of transition to FRS102

The company has elected to use the previous UK GAAP valuation of certain items of land and buildings as the deemed cost on transition to FRS102. The items are being depreciated from the date of transition in accordance with the company's accounting policies.

(b) Critical accounting estimates and assumptions

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. These are assessed annually. They are amended when necessary to reflect current estimates, future investments and the physical condition of the assets. See note 10 for the carrying amount of tangible assets and note 2 for the useful lives of each class of assets.

Land

The company acquires land for property development in the normal course of business. All land has been reviewed by the directors to assess whether future development of that land supports its carrying value in the balance sheet. Where this is not the case, appropriate impairments are made.

Maintenance provisions

The company has a liability to carry out maintenance work on properties sold for a period of two years after the sale. The company estimates the provision required for such repairs to each property at its year end based on its recent experience of repairs carried out and the nature of such repairs.

Defined benefit pension scheme

The company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend upon a number of factors, including; life expectancy, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See note 17 for the disclosures relating to the defined benefit scheme.

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

4 Group operating profit

Analysis of operating profit:

| | 2017 | 2016 |
|------------------------------------|-----------------|-----------------|
| | £'000 | £'000 |
| Turnover | 106,007 | 65,987 |
| Less: | | |
| Change in work in progress | (11,083) | 18,310 |
| Raw materials and consumables | (28,987) | (22,706) |
| Other external charges | (29,978) | (30,084) |
| Staff costs: | | |
| Wages and salaries | (16,771) | (18,760) |
| Social security costs | (1,902) | (1,957) |
| Other pension costs | (1,298) | (1,411) |
| Depreciation (note 10) | (959) | (1,125) |
| Other operating charges | (1,157) | (1,124) |
| | (92,135) | (58,857) |
| | 13,872 | 7,130 |
| Rent receivable (net of outgoings) | 72 | 81 |
| Operating profit | 13,944 | 7,211 |

Operating profit is arrived at after (crediting)/ charging:

| | 2017 | 2016 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Auditors' remuneration | | |
| - for the audit of the parent company and consolidated financial statements | 1 | 3 |
| - for the audit of the company's subsidiaries pursuant to legislation | 49 | 56 |
| - for taxation compliance services | 26 | 13 |
| - in respect of the group pension scheme audit | 8 | 5 |
| Hire of plant and machinery | 425 | 774 |
| Profit on sale of tangible fixed assets | (999) | (297) |

Turnover and results all arise in the United Kingdom from the principal activities of the group. The directors believe that it would be seriously prejudicial to the interests of the group to separately disclose a split of turnover.

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

5 Directors and employees

Directors

| | 2017 | 2016 |
|------------------------------------|-------|-------|
| | £'000 | £'000 |
| Directors' aggregate emoluments | 1,334 | 2,109 |
| Highest paid director's emoluments | 811 | 856 |

| | 2017 | 2016 |
|--|--------|--------|
| | Number | Number |
| Number of directors who are members of defined benefit or contribution pension schemes | - | 1 |

The amount of the accrued pension of the highest paid director at 31 May 2017 is £nil (2016: £nil).

Employees

The monthly average number of persons (including executive directors) employed by the group during the year was:

| | 2017 | 2016 |
|--------------------|--------|--------|
| | Number | Number |
| Administration | 65 | 69 |
| Production & Sales | 302 | 356 |
| | 367 | 425 |

Key Management compensation

Key management compensation includes the directors and members of senior management. The compensation paid or payable to key management for employee services is shown below:

| | 2017 | 2016 |
|--|-------|-------|
| | £'000 | £'000 |
| Salaries and other short term benefits | 2,174 | 2,845 |
| Post – employment benefits | 106 | 217 |
| | 2,280 | 3,062 |

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

6 Net Interest receivable and similar income

| | 2017 | 2016 |
|--|-------|-------|
| | £'000 | £'000 |
| Bank interest payable and similar charges | (99) | - |
| Bank interest received | 150 | 167 |
| Net interest receivable and similar income | 51 | 167 |

7 Tax on profit

(a) Tax expense included in the consolidated profit and loss account

| | 2017 | 2016 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Current taxation | | |
| UK corporation tax on profit for the year | 3,031 | 1,565 |
| Adjustments in respect of prior years | 10 | (21) |
| Total current taxation | 3,041 | 1,544 |
| Deferred taxation | | |
| Timing differences, origination and reversal | (253) | (79) |
| Adjustments in respect of prior years | (19) | - |
| Total deferred taxation (note 15) | (272) | (79) |
| Tax on profit | 2,769 | 1,465 |

b) Tax expense included in other comprehensive income

| | | |
|--|---|-----|
| Deferred taxation | | |
| Deferred tax on depreciation on revalued property | 4 | 4 |
| Deferred tax release on sale of freehold land | - | 262 |
| Total Tax expense included in other comprehensive income | 4 | 266 |

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

7 Tax on profit (continued)

c) Reconciliation of tax charge

The standard rate of tax for the year was based on the UK effective rate of corporation tax of 19.83% (2016: 20%). The tax assessed for the current year is lower (2016: lower) than the standard rate for the reasons set out in the following reconciliation:

| | 2017 £'000 | 2016 £'000 |
|---|---------------|---------------|
| Profit on ordinary activities before taxation | 13,995 | 7,378 |
| Tax on profit on ordinary activities at the standard rate of 19.83% (2016: 20%) | 2,775 | 1,475 |
| Effects of: | | |
| Disallowable expenses | 6 | 5 |
| Re-measurement of deferred tax - change of rate | (15) | - |
| Other timing differences | 12 | 6 |
| Prior Year adjustment | (9) | (21) |
| Tax charge for the year | 2,769 | 1,465 |

d) Tax rate changes

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

8 Dividends

| | 2017 £'000 | 2016 £'000 |
|---|---------------|---------------|
| Final paid £71.50 per ordinary share (2016: £65 per ordinary share) | 1,028 | 935 |
| Final paid 1.03 pence per A ordinary share (2016: 0.9 pence per A ordinary share) | - | - |
| Interim paid £78.65 per ordinary share (2016: £71.50 per ordinary share) | 1,131 | 1,028 |
| Interim paid 1.13 pence per A ordinary share (2016: 0.9 pence per A ordinary share) | - | - |
| | 2,159 | 1,963 |

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

9 Intangible assets

The group

| | 2017 | 2016 |
|-----------------------------------|-------|-------|
| | £'000 | £'000 |
| Goodwill | | |
| Net book value | | |
| At 1 June 2016 and at 31 May 2017 | - | - |

Goodwill comprises cost of £2,324,000 and accumulated amortisation of £2,324,000.

The company

The company does not have any intangible assets (2016: nil).

10 Tangible assets

The group

| | Freehold land and buildings £'000 | Plant and machinery £'000 | Motor vehicles £'000 | Total £'000 |
|---------------------------------|--|------------------------------------|----------------------------|----------------|
| Cost | | | | |
| At 1 June 2016 | 2,719 | 5,392 | 2,239 | 10,350 |
| Additions | - | 191 | 51 | 242 |
| Disposals | (421) | (907) | (606) | (1,934) |
| At 31 May 2017 | 2,298 | 4,676 | 1,684 | 8,658 |
| Accumulated depreciation | | | | |
| At 1 June 2016 | 638 | 4,310 | 1,324 | 6,272 |
| Charge for the year | 56 | 584 | 319 | 959 |
| Disposals | (66) | (875) | (476) | (1,417) |
| At 31 May 2017 | 628 | 4,019 | 1,167 | 5,814 |
| Net book value | | | | |
| At 31 May 2017 | 1,670 | 657 | 517 | 2,844 |
| At 31 May 2016 | 2,081 | 1,082 | 915 | 4,078 |

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

10 Tangible assets (continued)

The cost of land included in freehold land and buildings is £133,000 (2016: £357,000).

The group applied the transitional arrangements of section 35 of FRS102 and used the previous valuation as the deemed cost for freehold properties. The properties are being depreciated from the valuation date. All such assets were revalued on 18 May 2004 on the basis of open market value by E.surv Chartered Surveyors. As the assets are depreciated or sold an appropriate transfer is made from the revaluation reserve to retained earnings.

The company

The company does not have any tangible assets (2016: nil).

11 Investments

| | Group Interest in joint ventures | | Company Shares in subsidiary companies | |
|-----------------------|--|-------|--|--------------|
| | 2017 | 2016 | 2017 | 2016 |
| | £'000 | £'000 | £'000 | £'000 |
| At 1 June 2016 | - | - | 3,413 | 3,413 |
| At 31 May 2017 | - | - | 3,413 | 3,413 |

During the year the Group invested in a Joint venture company by acquiring 50% of the share capital of Heatherton Developments Ltd at a cost of £50. The registered office of Heatherton Developments Ltd is 9 Riverside Court, Pride Park, Derby, DE24 8JN.

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The subsidiary companies and proportions of ordinary shares held are:

| | Percentage of ordinary share capital held | Principal activity |
|--|---|----------------------|
| Holdings of the parent company | | |
| William Davis Limited | 100 | Building/contracting |
| Davis (Forest Field) Limited | 100 | Management company |
| Holdings of William Davis Limited | | |
| Davis Westbridge Limited | 100 | Dormant |

All subsidiary companies and joint ventures are incorporated in Great Britain and registered in England and Wales.

The registered office of all subsidiary companies is; Forest Field, Forest Road, Loughborough, Leicestershire, LE11 3NS.

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

12 Stocks

The group

| | 2017 £'000 | 2016 £'000 |
|-------------------------------------|---------------|----------------|
| Raw materials and consumables | 594 | 841 |
| Land held for development | 48,682 | 48,434 |
| Work in progress: | | |
| Net cost less foreseeable losses | 40,771 | 51,854 |
| Finished goods and goods for resale | 535 | 135 |
| | 90,582 | 101,264 |

There is no significant difference between the replacement cost of stock and its carrying value.

Land stocks are stated after provision for impairment of £1,082,000 (2016: £1,771,000).

The company

The company does not hold any stock at 31 May 2017 or at 31 May 2016.

13 Debtors

The group

| | 2017 £'000 | 2016 £'000 |
|---|---------------|---------------|
| Trade debtors | 5,035 | 1,867 |
| Amounts owed by related parties (note 22) | 2 | 3 |
| Loan to Joint Venture company | 1,239 | - |
| Equity share debtors | 2,079 | 2,491 |
| Other debtors | 1 | 62 |
| VAT | 1,515 | 909 |
| Prepayments and accrued income | 408 | 348 |
| | 10,279 | 5,680 |

Trade debtors include £1,900,000 relating to land sale which falls due after more than one year. The equity share debtors of £2,079,000 all fall due after more than one year.

The company

| | 2017 £'000 | 2016 £'000 |
|----------------------|---------------|---------------|
| Taxation recoverable | - | 1 |

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

14 Creditors: amounts falling due within one year

The group

| | 2017 | 2016 |
|--|--------|--------|
| | £'000 | £'000 |
| Payments received on account | 232 | 378 |
| Trade creditors | 8,167 | 7,654 |
| Amount owed to related parties (note 22) | 196 | 72 |
| Other taxation and social security | 988 | 1,111 |
| Corporation tax | 1,572 | 858 |
| Accruals and deferred income | 8,566 | 7,663 |
| | 19,721 | 17,736 |

The company

| | 2017 | 2016 |
|------------------------------|-------|-------|
| | £'000 | £'000 |
| Accruals and deferred income | 1 | 5 |

15 Provisions for liabilities

The group

Maintenance Guarantee

| | £'000 |
|-----------------------|--------------|
| At 1 June 2016 | 1,372 |
| Utilised in the year | (457) |
| Charge for the year | 846 |
| At 31 May 2017 | 1,761 |

The provision for maintenance guarantees relates to the estimated cost of remedial work which will become due within the next two years on private housing and contracts.

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

15 Provisions for liabilities (continued)

Deferred taxation

The movements in deferred taxation as calculated on the liability method at 19% (2016: 20%) and are set out below:

| | 2017 | 2016 |
|---|-------|-------|
| | £'000 | £'000 |
| At 1 June 2016 | 520 | 865 |
| Profit and loss credit for the year (note 7a) | (272) | (79) |
| Transfer to reserves | (4) | (266) |
| At 31 May 2017 | 244 | 520 |

The amounts of deferred taxation provided in the financial statements are as follows:

| | 2017 | 2016 |
|--|-------|-------|
| | £'000 | £'000 |
| Depreciation in excess of capital allowances | (75) | (26) |
| Other timing differences | 319 | 546 |
| | 244 | 520 |

Freehold land and buildings were fair valued on acquisition of Davis (Forest Field) Limited in a prior year. A taxation liability would arise on the sale of the freehold land and buildings if sold at its revalued amount. Deferred tax has been provided in full on the undepreciated amount in accordance with FRS102.

There are no unprovided amounts in relation to deferred taxation.

The company does not have any provisions.

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

16 Financial Instruments

The group

The group has the following financial instruments:

| | Note | 2017 £'000 | 2016 £'000 |
|--|------|---------------|---------------|
| Financial assets at fair value through profit or loss | | | |
| - Equity share debtors | 13 | 2,079 | 2,491 |
| | | 2,079 | 2,491 |
| Financial assets that are debt instruments measured at amortised cost | | | |
| - Trade receivables | 13 | 5,035 | 1,867 |
| - Other receivables | 13 | 1,518 | 974 |
| | | 6,553 | 2,841 |
| Financial liabilities measured at amortised cost | | | |
| - Trade creditors | 14 | (8,167) | (7,654) |
| - Accruals | 14 | (8,566) | (7,663) |
| - Amount owed to related parties | 14 | (196) | (72) |
| - Payments on account | 14 | (232) | (378) |
| | | 17,161 | (15,767) |

The company

The company has the following financial instruments:

| | Note | 2017 £'000 | 2016 £'000 |
|--|------|---------------|---------------|
| Financial assets that are debt instruments measured at amortised cost | | | |
| - Other receivables | 13 | - | 1 |
| | | - | 1 |
| Financial liabilities measured at amortised cost | | | |
| - Accruals | 14 | (1) | (5) |
| | | (1) | (5) |

17 Post-employment benefits

The group

Money purchase pension schemes

The group makes payments to three money purchase pension schemes, the assets of which are held separately in independently administered funds. The employer contributions in the year were £748,401 (2016: £856,951).

Pension and life assurance scheme

The group sponsors the Davis (Forest Field) Limited Pension and Life Assurance Scheme, which is a defined benefit arrangement. The last full actuarial valuation of this scheme was carried out by a qualified independent actuary as at 1 September 2014. This disclosure note is based on membership information current as at 31 May 2017.

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

17 Post- employment benefits (continued)

A full actuarial valuation was carried out on 1 September 2014 which reported a funding level of 113%. The actuarial method used is a projected unit method. The principal actuarial assumptions are pre-retirement valuation rate of interest of 5.1% per annum; post retirement valuation rate of interest of 3.45% per annum, increases in pensionable salaries is no longer applicable due to scheme closure and an increase of 2.45% per annum for inflation.

The employer contributions to the scheme over the financial year ended 31 May 2017 have been £nil (2016: £nil). The scheme was closed to new members on 31 May 2002 and closed in respect of future benefit accrual at 31 August 2010.

The assets of the scheme have been taken at market value and the liabilities have been calculated using the following principal actuarial assumptions:

| | 2017 | 2016 |
|------------------------------|------|------|
| | % | % |
| Inflation rate | 3.4 | 3.0 |
| Discount rate | 2.4 | 3.1 |
| Pension in payment increases | 3.3 | 2.9 |

The mortality assumptions used were as follows:

| | 2017 | 2016 |
|--|-------|-------|
| | years | years |
| Life expectancy - currently aged 65 | | |
| - men | 22.1 | 22.2 |
| - women | 23.9 | 24.2 |
| Life expectancy future pensioner - currently aged 45 | | |
| - men | 23.5 | 23.9 |
| - women | 25.5 | 26.1 |

The fair value of the plan assets in the scheme was:

| | 2017 | 2016 |
|-------------------------------------|--------|--------|
| | £'000 | £'000 |
| Equities | 3,176 | 3,501 |
| Bonds | 1,123 | 1,590 |
| Gilts | 7,870 | 5,572 |
| Property | 3,132 | 3,144 |
| Other | 836 | 266 |
| Cash | 1,721 | 1,025 |
| Hedge fund (Standard Life GARS) | 10,137 | 10,845 |
| Annuities | 1,065 | 956 |
| Total market value of scheme assets | 29,060 | 26,899 |

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

17 Post- employment benefits (continued)

The plan assets do not include any of the group's financial investments nor are any properties occupied by any group entity.

Reconciliation of Scheme's assets and defined benefit obligation

| | Assets £'000 | Defined benefit obligation £'000 | Net position £'000 |
|--|-----------------|--|-----------------------|
| At 1 June 2016 | 26,899 | (25,385) | 1,514 |
| Benefits paid | (1,207) | 1,207 | - |
| Interest income/(cost) | 768 | (768) | - |
| Actuarial loss | - | (2,796) | (2,796) |
| Return on assets excluding interest income | 2,600 | - | 2,600 |
| As at 31 May 2017 | 29,060 | (27,742) | 1,318 |

The surplus is not recognised as, following, cessation of benefit accrual, it is neither realisable by repayment nor by a reduction in future service contributions.

Analysis of the amount charged to Profit and loss

There is no current service cost. The pensions of active members are now subject to index linking and not to any further salary increases.

Analysis of the amount recognised in other comprehensive income

| | 2017 £'000 | 2016 £'000 |
|--|---------------|---------------|
| Actuarial (losses)/gains on defined benefit obligation | (2,796) | 479 |
| Actual gain/(loss) on assets less interest | 2,600 | (2,741) |
| Limit on recognition of assets less interest | 196 | 2,262 |
| Amount recognised in Other comprehensive income | - | - |

The return on the plan assets was:

| | 2017 £'000 | 2016 £'000 |
|--|---------------|---------------|
| Interest income | 768 | 846 |
| Return on assets excluding interest income | 2,600 | (2,741) |
| Net return | 3,368 | (1,895) |

The company

The company had no post – employment benefits at 31 May 2017 (2016: nil).

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

18 Called up share capital

Group and Company

| | 2017 | 2016 |
|--|---------------|--------|
| | £ | £ |
| Allotted and fully paid | | |
| 14,376 (2016: 14,376) ordinary shares of £1 each | 14,376 | 14,376 |
| 21,564 (2016: 21,564) A ordinary shares of £1 each | 21,564 | 21,564 |
| The A ordinary shares rank Pari Passu with the ordinary shares except on any distribution, return of capital or on a sale of the entire issued share capital of the Company. | | |

19 Notes to the consolidated cash flow statement

| | 2017 | 2016 | |
|--|----------------------|-----------|----------------------|
| | £'000 | £'000 | |
| Group Profit for the financial year | 11,226 | 5,913 | |
| Adjustments for: | | | |
| Tax on profit on ordinary activities | 2,769 | 1,465 | |
| Net interest received | (51) | (167) | |
| Group Operating profit (note 4) | 13,944 | 7,211 | |
| Depreciation charges | 959 | 1,125 | |
| Profit on disposal of tangible fixed assets | (999) | (297) | |
| Decrease/(increase) in stock | 10,682 | (18,181) | |
| (Increase)/decrease in debtors | (3,360) | 2,851 | |
| Increase in creditors | 1,535 | 3,839 | |
| Net cash inflow /(outflow) from operating activities | 22,761 | (3,452) | |
| Analysis of changes in net funds | | | |
| | As at 1 June 2016 | Cash flow | As at 31 May 2017 |
| | £'000 | £'000 | £'000 |
| Cash at bank and in hand | 16,191 | 18,486 | 34,677 |

Broadthorpe Limited

Notes to the financial statements for the year ended 31 May 2017 (continued)

20 Capital commitments

The group and company

At 31 May 2017 and 31 May 2016, there were no capital or other commitments.

The group and company had no other off-balance sheet arrangements.

21 Contingent liabilities and guarantees

A subsidiary company has entered into Performance Bonds in the normal course of its business totalling £17,691,175 at 31 May 2017. It has also entered into certain option agreements and conditional contracts to purchase land which, if exercised, will result in the acquisition of assets which the Directors consider will have a value at least equal to cost.

The company is party to a banking arrangement with a number of group and related companies. The maximum contingent liability under this guarantee was £nil (2016: £nil).

22 Related party transactions

See note 5 for disclosure of the directors' remuneration and key management compensation.

During the year and prior year, the following transactions occurred between the group and companies related to it by virtue of common ownership and directors. All such transactions have been undertaken in the normal course of business and constitute arm's-length transactions:

| | 2017 Sold to £'000 | 2017 Purchased from £'000 | 2017 Debtor £'000 | 2017 Creditor £'000 |
|---|--------------------------|------------------------------------|-------------------------|---------------------------|
| William Davis & Co (Loughborough) Limited | 27 | 80 | 2 | - |
| William Davis Settlement Trust | - | - | - | 196 |

| | 2016 Sold to £'000 | 2016 Purchased from £'000 | 2016 Debtor £'000 | 2016 Creditor £'000 |
|---|--------------------------|------------------------------------|-------------------------|---------------------------|
| William Davis & Co (Loughborough) Limited | 23 | 72 | 3 | - |
| William Davis Settlement Trust | - | - | - | 72 |

23 Ultimate controlling party

The ultimate controlling party is William Davis Settlement Trust.