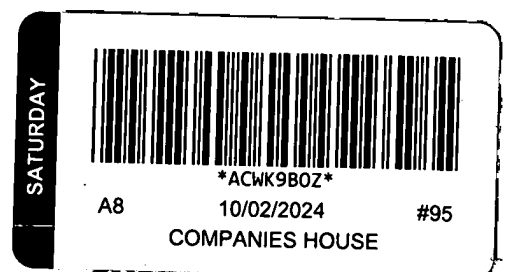


OREGON TIMBER FRAME (ENGLAND) LIMITED**ANNUAL REPORT AND FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 2023**

OREGON TIMBER FRAME (ENGLAND) LIMITED

COMPANY INFORMATION

Directors	D W Borland S J Boyes K B Dunkley D McLeod P Wade
Company secretary	K K Bains
Registered number	05876690
Registered office	Barratt House Cartwright Way Forest Business Park, Bardon Hill Coalville Leicestershire LE67 1UF
Independent auditor	Azets Audit Services Statutory Auditor & Chartered Accountants Exchange Place 3 Semple Street Edinburgh EH3 8BL

OREGON TIMBER FRAME (ENGLAND) LIMITED

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OREGON TIMBER FRAME (ENGLAND) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2023

The Directors present their report and the audited Financial Statements for the year ended 30 June 2023.

The Directors' report has been prepared in accordance with the special provisions applicable to small companies applying the small company exemption. The Company is exempt under s414B of the Companies Act 2006 from the requirement to prepare a strategic report.

Principal activity

The Company operates as part of the Barratt Developments PLC group of companies (the 'Group') and manufactures and erects timber frames for the Group's sites across the UK.

Business review and future outlook

During the year the Company generated a revenue of £687,000 (2022: £285,000) from the recharge of costs incurred for the manufacture of timber frame kits on behalf of other Group companies, and made an operating loss of £864,000 (2022: £77,000). The newly built facility in Derby became fully operational at the start of FY24, with operations transferring over from the Burton factory.

Directors

The Directors who served during the year, and subsequently to the date of signing, were:

D W Borland
S J Boyes
K B Dunkley
D McLeod
P Wade

Directors' indemnities

Following shareholder approval in January 2006, Barratt Developments PLC has provided an indemnity to the Directors and Company Secretary of all Group companies, including Oregon Timber Frame (England) Limited, against all liability arising in respect of any act or omission in their duties. This is a qualifying indemnity provision for the purposes of Section 234 of the Companies Act 2006.

OREGON TIMBER FRAME (ENGLAND) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

Going concern

In determining the appropriate basis of preparation of the financial statements, the Directors are required to consider whether the Company can continue in operational existence for the foreseeable future.

At 30 June 2023 the Company had net liabilities of £2.0m. The main liability is an amount of £43.0m due to its immediate parent company, BDW Trading Limited, and the financial position of the Company is therefore dependent upon the performance of the Group (Barratt Developments PLC and its subsidiary undertakings, the 'Group'). The Company has received confirmation that the Group intends to continue to provide support so that the Company can pay its liabilities as they fall due.

At 30 June 2023, the Group held cash of £1,269.1m and total loans and borrowings of £203.4m, consisting of £3.4m of overdrafts repayable on demand and £200.0m Sterling USPP notes maturing in August 2027. These balances, set against pre-paid facility fees, comprise the Group's net cash of £1,069.4m.

Should further funding be required, the Group has a committed £700.0m Revolving Credit Facility (RCF), subject to compliance with certain financial covenants, that matures in November 2028, with a further one-year extension period through to November 2029, if agreed between the Group and its lenders.

As such, in consideration of the Group's net current assets of £5,265.9m, the Directors are satisfied that the Group has sufficient liquidity to meet its current liabilities and working capital requirements.

Accordingly the Directors consider there to be no material uncertainties that may cast significant doubt on the Group's ability to continue to operate as a going concern. They have formed a judgement that there is a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of signing of these Financial Statements. For this reason, they continue to adopt the going concern basis in the preparation of these Financial Statements.

Financial risk management

Both the Company and Barratt Developments PLC, on behalf of itself and its subsidiaries, manage financial risks that affect the Company.

The Company's operations and financing arrangements expose it to financial risks, of which the most material is liquidity risk. At 30 June 2023 the Company had net liabilities of £2.0m. The main liability is an amount of £43.0m due to BDW Trading Limited and the financial position of the Company is therefore dependent upon the performance of the Group. The Company has received confirmation that the Group intends to continue to provide support so that the Company can pay its liabilities as they fall due.

Disclosure of information to the auditor

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 auditor is 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 auditor is aware of that information.

Post balance sheet events

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

OREGON TIMBER FRAME (ENGLAND) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023**

Auditor

The auditor, Azets Audit Services, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



D W Borland
Director

Date: 6/2/24

OREGON TIMBER FRAME (ENGLAND) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

The Directors are responsible for preparing the Directors' report and the audited Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare audited Financial Statements for each financial year. Under that law the Directors have elected to prepare the audited 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 audited 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 audited Financial Statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- 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 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.

OREGON TIMBER FRAME (ENGLAND) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OREGON TIMBER FRAME (ENGLAND) LIMITED

Opinion

We have audited the financial statements of Oregon Timber Frame (England) Limited (the 'Company') for the year ended 30 June 2023 which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the notes to the financial statements, including 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 30 June 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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.

OREGON TIMBER FRAME (ENGLAND) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OREGON TIMBER FRAME (ENGLAND) LIMITED

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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has 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 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; or
- the Directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' report and from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, 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.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

OREGON TIMBER FRAME (ENGLAND) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OREGON TIMBER FRAME (ENGLAND) LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the Company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Performing audit work over the risk of management bias and 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 indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

OREGON TIMBER FRAME (ENGLAND) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OREGON TIMBER FRAME (ENGLAND) LIMITED

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, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

James McBride (Senior statutory auditor)

for and on behalf of
Azets Audit Services

Statutory Auditor
Chartered Accountants

Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

Date: *8 February 2024*

OREGON TIMBER FRAME (ENGLAND) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 £000	2022 £000
Turnover	4	687	285
Cost of sales		(182)	-
Gross profit		505	285
Administrative expenses		(1,369)	(362)
Operating loss	5	(864)	(77)
Interest receivable and similar income		-	4
Interest payable and similar expenses	7	(92)	-
Other finance (charges)/ income	8	(2)	5
Loss before tax		(958)	(68)
Tax on loss	9	(913)	(19)
Loss for the financial year		(1,871)	(87)

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

The notes on pages 12 to 25 form part of these financial statements.

OREGON TIMBER FRAME (ENGLAND) LIMITED
REGISTERED NUMBER: 05876690

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 £000	2023 £000	2022 £000	2022 £000
Fixed assets					
Tangible assets	10		38,535		24,851
			<u>38,535</u>		<u>24,851</u>
Current assets					
Debtors: amounts falling due within one year	11	8,957		2,583	
Cash at bank and in hand	12	3,249		8,861	
Creditors: amounts falling due within one year	13	(43,662)		(35,005)	
Net current liabilities			<u>(31,456)</u>		<u>(23,561)</u>
Total assets less current liabilities			<u>7,079</u>		<u>1,290</u>
Provisions for liabilities					
Deferred tax	14	(9,037)		(1,377)	
			<u>(9,037)</u>		<u>(1,377)</u>
Net liabilities			<u>(1,958)</u>		<u>(87)</u>
Capital and reserves					
Profit and loss account			(1,958)		(87)
			<u>(1,958)</u>		<u>(87)</u>

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



D W Borland
Director

Date: 6/2/24

The notes on pages 12 to 25 form part of these financial statements.

OREGON TIMBER FRAME (ENGLAND) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 July 2021	-	-	-
Comprehensive income for the year			
Loss for the year	-	(87)	(87)
At 1 July 2022	-	(87)	(87)
Comprehensive income for the year			
Loss for the year	-	(1,871)	(1,871)
At 30 June 2023	-	(1,958)	(1,958)

The notes on pages 12 to 25 form part of these financial statements.

OREGON TIMBER FRAME (ENGLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1. General information

The Company is a private company, limited by shares, incorporated in the UK and registered in England and Wales. The principal activity of the Company is disclosed in the Directors' Report. Details of the registered office and the Company's registration number can be found on the contents page of these Financial Statements.

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 judgement in applying the Company's accounting policies (see note 3).

The functional currency of the Company is pounds sterling because that is the currency of the primary economic environment in which the company operates.

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 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Barratt Developments PLC as at 30 June 2023 and these financial statements may be obtained from www.barrattdevelopments.co.uk.

OREGON TIMBER FRAME (ENGLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2. Accounting policies (continued)

2.3 Going concern

In determining the appropriate basis of preparation of the financial statements, the Directors are required to consider whether the Company can continue in operational existence for the foreseeable future.

At 30 June 2023 the Company had net liabilities of £2.0m. The main liability is an amount of £43.0m due to its immediate parent company, BDW Trading Limited, and the financial position of the Company is therefore dependent upon the performance of the Group (Barratt Developments PLC and its subsidiary undertakings, the 'Group'). The Company has received confirmation that the Group intends to continue to provide support so that the Company can pay its liabilities as they fall due.

At 30 June 2023, the Group held cash of £1,269.1m and total loans and borrowings of £203.4m, consisting of £3.4m of overdrafts repayable on demand and £200.0m Sterling USPP notes maturing in August 2027. These balances, set against pre-paid facility fees, comprise the Group's net cash of £1,069.4m.

Should further funding be required, the Group has a committed £700.0m Revolving Credit Facility (RCF), subject to compliance with certain financial covenants, that matures in November 2028, with a further one-year extension period through to November 2028, if agreed between the Group and its lenders.

As such, in consideration of the Group's net current assets of £5,265.9m, the Directors are satisfied that the Group has sufficient liquidity to meet its current liabilities and working capital requirements.

Accordingly the Directors consider there to be no material uncertainties that may cast significant doubt on the Group's ability to continue to operate as a going concern. They have formed a judgement that there is a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of signing of these Financial Statements. For this reason, they continue to adopt the going concern basis in the preparation of these Financial Statements.

OREGON TIMBER FRAME (ENGLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2. Accounting policies (continued)

2.4 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.

Rendering of services

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

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

2.5 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.

OREGON TIMBER FRAME (ENGLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2. Accounting policies (continued)

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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 reporting 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 reporting 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 reporting date.

2.7 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.

Freehold land is not depreciated and property under construction is carried at cost and no depreciation is charged until the building is complete and fully operational. Interest on the £43,036,000 loan can be directly attributed to the assets under construction and has therefore been capitalised. Interest is charged at 4%.

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

Depreciation is provided on the following basis:

Plant and machinery	- over 5 - 15 years
Leasehold improvements	- over the term of the lease

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.

OREGON TIMBER FRAME (ENGLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 Creditors

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

2.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.12 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 the 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.

OREGON TIMBER FRAME (ENGLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2. Accounting policies (continued)

2.12 Financial instruments (continued)

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 reporting date.

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

2.13 Hedge accounting

The Company holds balances in foreign currencies as an effective hedge to manage its exposure to cash flow risk on its firm commitments denominated in foreign currencies.

Gains and losses on the hedging instruments and the hedged items are recognised in profit or loss for the year. When a hedged item is an unrecognised firm commitment, the cumulative hedging gain or loss on the hedged item is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

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

In accordance with the requirements of FRS 102, the Company has detailed below the critical accounting judgements made and the key sources of estimation uncertainty within these financial statements.

In the process of applying the Company's accounting policies, which are described in the accounting policies note, the Directors have made no individual judgements or estimations that have a significant impact upon the Financial Statements.

OREGON TIMBER FRAME (ENGLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

4. Turnover

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

	2023 £000	2022 £000
Revenue from recharges to Group undertakings	687	285
	<u>687</u>	<u>285</u>

All turnover derives from the recharge of costs incurred for the manufacture of timber frame kits on behalf of other Group companies. All turnover arose within the United Kingdom.

5. Operating loss

Fees payable to the Company's auditor for the audit of the Company's annual Financial Statements amounted to £7,500 in the current year (2022 - £5,000). No other fees were payable to the Company's auditor in 2023 or 2022.

The operating loss is stated after charging:

	2023 £000	2022 £000
Other operating lease rentals	19	-
	<u>19</u>	<u>-</u>

6. Directors and Employees

Staff costs were as follows:

	2023 £000	2022 £000
Wages and salaries	390	-
Social security costs	43	-
Defined benefit pension contributions	35	-
	<u>468</u>	<u>-</u>

OREGON TIMBER FRAME (ENGLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

The average monthly number of employees, including the Directors, during the year was as follows:

	2023 No.	2022 No.
Directors	5	5
Employees	5	-
	<u>10</u>	<u>5</u>

The Company had no employees, in 2022, other than the Directors, who did not receive any remuneration from the Company.

7. Interest payable and similar expenses

	2023 £000	2022 £000
Interest paid to Group undertaking in respect of pooled bank balances	92	-
	<u>92</u>	<u>-</u>

Interest is payable in respect of pooled bank balances at a market rate, currently 4% (2022: 4%).

8. Other finance (charges)/income

Other finance charges comprise £1,670 (2022: £5,000 income) in respect of hedged foreign exchange (losses)/gains (see note 19).

OREGON TIMBER FRAME (ENGLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

9. Taxation

	2023	2022
	£000	£000
Corporation tax		
Current tax on profits for the year (including residential property developer tax ('RPDT') in the current year)	(3,532)	(1,358)
Adjustments in respect of previous periods	(3,215)	-
	(6,747)	(1,358)
	(6,747)	(1,358)
Total current tax inclusive of RPDT in the current year	(6,747)	(1,358)
Deferred tax		
Origination and reversal of timing differences	2,588	1,377
Changes to tax rates	475	-
Adjustments in respect of previous periods	4,597	-
	7,660	1,377
Total deferred tax	7,660	1,377
Taxation on loss on ordinary activities	913	19

OREGON TIMBER FRAME (ENGLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022 - *higher than*) the standard rate of corporation tax, inclusive of RPDT, in the UK of 24.5% (2022 - 19.0% *excluding RPDT*). The differences are explained below:

	2023 £000	2022 £000
Loss on ordinary activities before tax	(958)	(68)
Loss on ordinary activities multiplied by standard rate of corporation tax, inclusive of RPDT, in the UK of 24.5% (2022 - 19.0% <i>excluding RPDT</i>)	(235)	(13)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	1
Adjustments to tax charge in respect of prior periods	1,382	-
Fixed asset differences	(325)	(63)
Impact of change in tax rate	475	-
Other differences leading to an increase in the tax charge	(384)	94
Total tax charge for the year	913	19

Factors that may affect future tax charges

The UK corporation tax rate increased from 19% to 25% with effect from 1 April 2023. The effective rate of tax for the financial year was 24.5% including RPDT. For the financial year ended 30 June 2024 and subsequent accounting periods, the effective rate of tax will be 29.0% including RPDT.

There is no unrecognised deferred tax asset or liability in either year.

OREGON TIMBER FRAME (ENGLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

10. Tangible fixed assets

	Freehold property under construction £000	Plant and machinery £000	Other fixed assets* £000	Total £000
Cost or valuation				
At 1 July 2022	21,503	3,054	441	24,998
Additions	7,088	6,918	-	14,006
At 30 June 2023	28,591	9,972	441	39,004
Depreciation				
At 1 July 2022	-	-	147	147
Charge for the year	-	28	294	322
At 30 June 2023	-	28	441	469
Net book value				
At 30 June 2023	28,591	9,944	-	38,535
At 30 June 2022	21,503	3,054	294	24,851

* Other fixed assets comprise lease improvements.

Included within fixed assets is £1,892,485 (2022: £489,000) of capitalised loan interest.

OREGON TIMBER FRAME (ENGLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11. Debtors

	2023 £000	2022 £000
Amounts owed by Group undertakings	5,259	285
Other debtors	98	863
Prepayments and accrued income	68	77
Tax recoverable	3,532	1,358
	<u>8,957</u>	<u>2,583</u>

Other debtors comprise recoverable VAT.

Amounts owed by Group undertakings are unsecured, interest free and are repayable on demand.

12. Cash and cash equivalents

	2023 £000	2022 £000
Cash at bank and in hand	3,249	8,861
	<u>3,249</u>	<u>8,861</u>

Included within total cash and cash equivalents is £2.6m (2022: £7.5m) of cash held in a EURO denominated account.

13. Creditors: Amounts falling due within one year

	2023 £000	2022 £000
Trade creditors	63	10
Amounts owed to Group undertakings	43,385	34,879
Firm commitment (note 19)	11	68
Accruals and deferred income	203	48
	<u>43,662</u>	<u>35,005</u>

Amounts owed to Group undertakings include amounts advanced to the Company by its immediate parent company BDW Trading Limited of £43,036,000 (2022: £34,542,000), retentions due to another Group company of £194,000 (2022: £337,000) and other intercompany creditors of £155,000 (2022: £nil). Amounts owed are unsecured, and have no fixed date of repayment. Interest is payable on funding balances due to BDW Trading Limited at a market rate, currently 4% (2022: 4%), and capitalised within fixed assets (note 10).

OREGON TIMBER FRAME (ENGLAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

14. Deferred taxation

	2023 £000
At beginning of year	(1,377)
Charged to profit or loss	(7,660)
At end of year	(9,037)

The provision for deferred taxation is made up as follows:

	2023 £000	2022 £000
Accelerated capital allowances	(9,037)	(1,377)
	(9,037)	(1,377)

15. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
2 (2022 - 2) Ordinary shares of £1.00 each	2	2

16. Contingent liabilities

The Company has entered into cross guarantees in respect of certain overdraft facilities made available to Barratt Developments PLC and its subsidiaries. At 30 June 2023, the liabilities outstanding under these facilities amounted to £3.4m.

17. Capital commitments

Authorised future capital expenditure that was contracted but not provided for in these Financial Statements amounted to £2.2m (2022: £13.5m).

OREGON TIMBER FRAME (ENGLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

18. Commitments under operating leases

At 30 June 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £000	2022 £000
Not later than 1 year	114	-
Later than 1 year and not later than 5 years	444	-
Later than 5 years	42	-
	<hr/>	<hr/>
	600	-
	<hr/>	<hr/>

19. Hedging

Cash balances in the Company include amounts held in Euros and are retranslated to sterling at each balance sheet date. The balances are hedged against Euro commitments and the hedged liability is held within creditors as a firm commitment (note 13). Any gains or losses on the hedged amounts are charged/credited to profit and loss (note 8).

20. Post balance sheet events

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

21. Immediate parent company, ultimate parent company and controlling party

The Directors regard Barratt Developments PLC, a company incorporated in the UK and registered in England and Wales, as the ultimate parent company and controlling party. Barratt Developments PLC is the parent of the largest and smallest group of undertakings to consolidate these financial statements at 30 June 2023. The consolidated financial statements of Barratt Developments PLC are available from its registered office at Barratt House, Cartwright Way, Forest Business Park, Bardon Hill, Coalville, Leicestershire, LE67 1UF, or its website at www.barrattdevelopments.co.uk.

The immediate parent company is BDW Trading Limited, a company registered in England and Wales with its registered office at Barratt House, Cartwright Way, Forest Business Park, Bardon Hill, Coalville, Leicestershire, LE67 1UF.