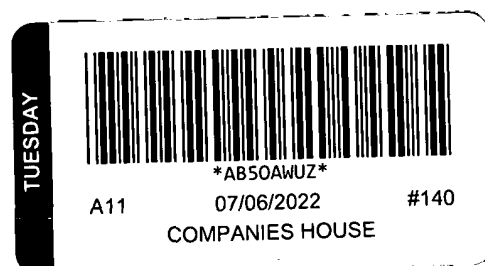


Company Registration No. 06023552 (England and Wales)

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The Directors present their report and the financial statements for Countryside Annington (Mill Hill) Limited (the 'Company') for the year ended 31 March 2021. The Company is a joint venture owned by Countryside Properties (Joint Ventures) Limited and Annington Developments Limited.

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements, unless otherwise stated, were:

J C Hopkins	(Resigned 7 May 2021)
N P Vaughan	(Resigned 5 January 2022)
A P Chadd	(Resigned 6 April 2021)
C Brooking	
J P Gimblett	(Resigned 5 January 2022)
P McCormack	(Appointed 5 January 2022)
J W Hamand	(Appointed 5 January 2022)

Business activities and results

The principal activity of the Company was that of residential property development, maintenance of the properties sold and the provision of new neighbourhood facilities at Mill Hill, London.

Revenue for the year was £Nil (2020: £590k), with operating loss of £107k (2020: profit of £628k). The total shareholders' deficit as at 31 March 2021, which equals the Company's net liabilities, was £1,909k (2020: £1,823k).

The Directors do not recommend the payment of the dividend on the ordinary shares (2020: £Nil).

Qualifying third party indemnity provisions

The Company has made qualifying third party indemnity provisions for the benefit of its Directors during the year in accordance with the Companies Act 2006 which remain in force at the date of approval of the financial statements.

Financial Risk Management

The key financial risks affecting the Company are as follows:

Liquidity risk

The Company finances its operations through a mixture of equity (share capital, reserves and retained earnings) and debt (loans from shareholders and other creditors). The Company manages its liquidity risk by monitoring its funding headroom against requirements based on short term and long term cash flow forecasts.

Credit risk

The Company's remaining credit risk predominantly arises from trade receivables and the holding of cash and cash equivalents.

Principal risks and uncertainties

Due to the Company being build complete for more than 12 months, with no remaining plots to be sold and no future revenue streams, the Directors are of the view that the principal risks and uncertainties for the Company relate to potential warranty and close-out costs that may arise in the future.

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Statement of directors' responsibilities

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 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).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss 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 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 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Going Concern and Future Outlook

The Company will continue to provide post-sales support to its customers to fulfil the two-year maintenance period. Once the Company's obligations for warranties lapse, the Directors expect the Company to become dormant.

The Directors have obtained assurances from the shareholders of the Company that financial support will continue to be provided to ensure that the Company can continue to meet its obligations as they fall due for a minimum period of 12 months from the date of these financial statements and they have accordingly been prepared on a going concern basis.

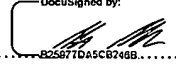
Small Companies Exemption

For the financial year ended 31 March 2021 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

By order of the board

DocuSigned by:

B25677D0A5C6249B.....

P McCormack

Secretary

06-Jun-22.....

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Revenue	3	-	589,747
Cost of sales		-	100,015
Gross profit		-	689,762
Administrative expenses		(106,812)	(61,656)
Operating (loss)/profit	4	(106,812)	628,106
Interest receivable and similar income	5	746	1,328
Interest payable and similar expenses	6	(232)	-
(Loss)/profit before taxation		(106,298)	629,434
Tax on (loss)/profit	7	20,195	(119,611)
(Loss)/profit for the financial year and total comprehensive (expense)/ income		(86,103)	509,823

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
Current assets					
Trade and other receivables	9	67,435		81,014	
Cash and cash equivalents		620,865		877,272	
		<u>688,300</u>		<u>958,286</u>	
Current liabilities: amounts falling due within one year	10				
Trade and other payables		(2,597,347)		(2,781,230)	
		<u>(2,597,347)</u>		<u>(2,781,230)</u>	
Net current liabilities			<u>(1,909,047)</u>		<u>(1,822,944)</u>
Equity					
Called up share capital	13		1,000		1,000
Capital contribution	14		1,639,004		1,639,004
Capital redemption reserve	15		6,700,000		6,700,000
Retained deficit			(10,249,051)		(10,162,948)
Total shareholders' deficit			<u>(1,909,047)</u>		<u>(1,822,944)</u>

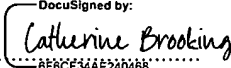
For the financial year ended 31 March 2021 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 3 to 18 were approved by the Board of Directors on 06-Jun-22 and were signed on its behalf by:

DocuSigned by:

 C Brooking
 Director

Company Registration No. 06023552

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Share capital £	Capital contribution £	Capital redemption reserve £	Retained deficit £	Total £
Balance at 1 April 2019	1,000	1,639,004	6,700,000	(10,672,771)	(2,332,767)
Year ended 31 March 2020:					
Profit for the year	-	-	-	509,823	509,823
Balance at 31 March 2020	1,000	1,639,004	6,700,000	(10,162,948)	(1,822,944)
Year ended 31 March 2021:					
Loss for the year	-	-	-	(86,103)	(86,103)
Balance at 31 March 2021	1,000	1,639,004	6,700,000	(10,249,051)	(1,909,047)

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	18		(137,310)		115,938
Interest paid			(232)		-
Income taxes paid			(119,611)		(167,277)
Net cash outflow from operating activities			(257,153)		(51,339)
Investing activities					
Interest received		746		1,328	
Net cash generated from investing activities			746		1,328
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(256,407)		(50,011)
Cash and cash equivalents at beginning of year			877,272		927,283
Cash and cash equivalents at end of year			620,865		877,272

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Countryside Annington (Mill Hill) Limited ('the Company') is a housebuilding business. The principal activity of the Company is that of residential property development and the provision of new neighbourhood facilities at Mill Hill, London.

The Company is a joint venture owned by Countryside Properties (Joint Ventures) Limited and Annington Developments Limited. The Company is a private company, limited by shares, incorporated in England and Wales and domiciled in the United Kingdom. The address of its registered office is Countryside House, The Drive, Brentwood, Essex, CM13 3AT.

1.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') as issued by the Financial Reporting Council and the requirements of the Companies Act 2006. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

The financial statements have been prepared on a going concern basis in Sterling, which is the functional currency of the Company, and under the historical cost convention, except for available for sale financial assets.

The preparation of the Company's financial statements under FRS 102 requires the Directors to make estimates and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and related disclosures. Refer to Note 2.

1.2 Going concern

The Company will continue to provide post-sales support to its customers to fulfil the two-year maintenance period. Once the Company's obligations for warranties lapse, the Directors expect the Company to become dormant.

The Directors have obtained assurances from the shareholders of the Company that financial support will continue to be provided to ensure that the Company can continue to meet its obligations as they fall due for a minimum period of 12 months from the date of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.3 Revenue

Revenue comprises the fair value of the consideration received or receivable, net of applicable Value Added Tax, stamp duty land tax, rebates and discounts. Revenue and profit are recognised as set out below.

Private housing

Revenue is recognised in the statement of comprehensive income on legal completion at the fair value of the consideration received.

Cash incentives are considered to be a discount from the purchase price offered to the acquirer and are therefore accounted for as a reduction to revenue.

Cash is received by the Company on legal completion and there is no variable or financing component to the consideration received. Where customers use the Government's Help to Buy scheme, the Company typically receives the cash from Home England within two weeks of legal completion.

Affordable housing, design and build and private rented sector ("PRS") contracts

Contract revenue for affordable housing, design and build and PRS contracts is recognised over time based on surveyor-certified valuations of work performed at the balance sheet date.

As the build progresses, customer-controlled assets are created, with the design tailored to the specification of the customer. The Company has an enforceable right to be paid for the work completed to date and invoices are issued and paid over the life of the development.

Variations in contract work and claims are included to the extent that it is highly probable that there will not be a significant reversal when the value of such payments are finalised.

Where progress towards the satisfaction of contractual obligations cannot be reasonably determined, revenue is recognised over time as the work is performed, to the extent that costs have been incurred and are expected to be recoverable, and contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately in the statement of comprehensive income within cost of sales.

1.4 Cost of sales

The Company determines the value of inventories charged to cost of sales based on the total forecast margin of developing the relevant phase of the site. Once the total expected margin of the phase is established it is allocated based on revenue to calculate a build cost per unit. These costs are recognised within cost of sales when the related revenue (private, affordable or PRS) is recognised in accordance with the Company's revenue recognition policy. To the extent that additional costs or savings are identified and the expected margin changes as the phase progresses, the change is recognised over the remaining units.

In certain instances, property may be accepted in part consideration for a sale of a residential property. The fair value is established by independent surveyors, reduced for the cost to sell. Net proceeds generated from the subsequent sale of part-exchange properties are recorded as a reduction to cost of sales. The original sale is recorded in the normal way, with the fair value of the exchanged property replacing cash receipts.

1.5 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and other short-term deposits held by the Company with maturities of three months or less.

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.6 Financial assets

The Company's financial assets comprise cash and cash equivalents and trade receivables as disclosed in Note 11. They are included in current assets, except for those with maturities greater than 12 months from the end of the reporting period, which are classified as non-current assets.

Being non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, they are held at amortised cost less any provision for impairment.

Available for sale financial assets

Available-for-sale financial assets are non-derivative assets that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Prior to sale in June 2018, equity share scheme loans were classified as available-for-sale financial assets and were initially recorded at fair value net of transaction costs. Fair value was assessed annually with gains and losses being recognised directly in other comprehensive income until the loan was repaid. The loans were discounted at an interest rate equivalent to market rate. On repayment the accumulated fair value, which had been recognised in the Statement of Changes in Equity, was recognised in the Statement of Comprehensive Income. If a loan was determined to be impaired, any impairment loss was recognised immediately in the Statement of Comprehensive Income.

Increases in the fair value of available-for-sale assets are initially deferred and recorded within reserves. Reductions in the fair value of available-for-sale assets are recorded as a reduction in reserves, to the extent available, with any additional reduction recorded in the Statement of Comprehensive Income. The net deferral of increases in fair value are disclosed in the available for sale financial assets reserve.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial asset expire, or the Company transfers substantially all risk and rewards.

Impairment of financial assets

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event or events has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.7 Financial liabilities and equity

The Company's financial liabilities consist of trade payables loans to shareholders as disclosed in Note 11. They are classified as current liabilities if payment is due within one year or less. If not, they are classified as non-current liabilities.

Trade payables on normal terms are not interest bearing and are stated initially at their fair value, then subsequently at amortised cost.

Where land is purchased on deferred payment terms, the land and associated liability are discounted to their fair value. The discount to fair value is amortised over the period of the credit term and charged to finance costs using the effective interest rate method. Changes in estimates of the final payment due are capitalised into inventory and, in due course, to cost of sales in the statement of comprehensive income.

Deposits received from customers relating to sales of new properties are classified within current trade payables.

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in share premium as a deduction from the proceeds.

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.8 Taxation

Income tax comprises current and deferred tax.

Current tax

The current tax payable is based on taxable profit for the period which differs from the accounting profits as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and those items never taxable or deductible. The Company's liability for current tax is measured using tax rates that have been enacted or substantially enacted by the reporting period.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax rates used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the taxable profit nor the accounting profit.

Deferred tax is calculated at the substantively enacted tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity, or items charged or credited directly to other comprehensive income, in which case the deferred tax is also recognised in other comprehensive income.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the Company intends to settle the balances on a net basis.

1.9 Finance income and expense

Interest income is recognised using the effective interest rate method. When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

Finance costs associated with the time value of money on discounted receivables and payables is recognised within finance costs and the discount unwinds over the life of the relevant item.

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

The preparation of the Company's financial statements under FRS 102 requires the Directors to make estimates and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and related disclosures.

Critical accounting judgements

In the process of applying the Company's accounting policies, which are described in note 1, the Directors have made no individual judgements that have a significant impact on the financial statements.

Key sources of estimation uncertainty

Estimates and underlying assumptions affecting the financial statements are based on historical experience and other relevant factors and are reviewed on an ongoing basis. This approach forms the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Changes in accounting estimates may be necessary if there are changes in the circumstances on which the estimate was based or as a result of new information. Such changes are recognised in the year in which the estimate is revised.

As a result of Mill Hill being build complete with no remaining unsold plots, the Directors do not consider there to be a significant risk of material adjustment to these financial statements as a result of estimates applied during the financial year.

3 Revenue

All of the Company's revenues are derived in the United Kingdom and from its housebuilding and related development activities.

4 Operating (loss)/profit

	2021 £	2020 £
Operating (loss)/profit for the year is stated after charging/(crediting):		
Cost of inventories recognised as an expense	-	39,726
Retention releases	-	(139,741)
	<u> </u>	<u> </u>

The Company had no employees during the financial year (2020: Nil).

The Directors did not receive any remuneration in respect of services provided to the Company in the current or prior year. The value of the services provided to the Company was negligible during both the current and prior year.

5 Interest receivable and similar income

	2021 £	2020 £
Bank interest	746	1,328
Total interest receivable and similar income	<u>746</u>	<u>1,328</u>

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****6 Interest payable and similar expenses**

	2021	2020
	£	£
Finance costs for financial instruments measured at fair value through profit or loss	232	-
	<u>232</u>	<u>-</u>

7 Tax on (loss)/profit

	2021	2020
	£	£
Corporation tax		
Current year	(20,195)	119,611
	<u>(20,195)</u>	<u>119,611</u>

Tax assessed for the year is the same as (2020: higher than) the standard rate of corporation tax in the United Kingdom at 19.0% (2020: 19.0%).

The differences between the total tax (credit)/charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the (loss)/profit before tax is as follows:

	2021	2020
	£	£
(Loss)/profit before taxation	(106,298)	629,434
	<u>(106,298)</u>	<u>629,434</u>
(Loss)/profit before taxation multiplied by the standard rate of UK corporation tax of 19.0% (2020: 19.0%)	(20,195)	119,592
	<u>(20,195)</u>	<u>119,592</u>
Taxation impact of factors affecting tax charge:		
Expenses not deductible	-	19
	<u>-</u>	<u>19</u>
Tax (credit)/charge for the year	(20,195)	119,611
	<u>(20,195)</u>	<u>119,611</u>

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Available for sale financial assets

	2021 £	2020 £
At 1 April	-	179,552
Unwind of discount	-	7,407
Fair value movement	-	(94,595)
Disposal	-	(92,364)
At 31 March	-	-

9 Trade and other receivables

	2021 £	2020 £
Amounts falling due within one year:		
Trade receivables	46,891	76,254
Deferred tax asset	20,195	-
Other receivables	349	4,760
	67,435	81,014

10 Current liabilities: amounts falling due within one year

	Note	2021 £	2020 £
Trade payables		272,403	71,933
Shareholder loans	16	1,996,925	1,996,925
Corporation tax creditor		-	119,611
Group relief creditor		275,740	275,740
Accruals and deferred income		52,279	317,021
		2,597,347	2,781,230

Shareholder loans are recorded initially at their fair value and subsequently carried at amortised cost. As the outstanding shareholder loans have no fixed date of repayment, they have been presented within current liabilities.

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Financial instruments

The carrying value of the Company's financial assets and liabilities are summarised by category below:

Financial assets	2021	2020
	£	£
Cash and cash equivalents	620,865	877,272
Financial assets at amortised cost		
Trade and other receivables	46,891	81,014
	<u>667,756</u>	<u>958,286</u>
Financial liabilities		
Financial liabilities at amortised cost		
Trade and other creditors	(272,403)	(71,933)
Shareholder loans	(1,996,925)	(1,996,925)
	<u>(2,269,328)</u>	<u>(2,068,858)</u>

12 Contingent Liabilities

The Company may be subject to various claims and investigations that arise in the ordinary course of business. These matters include but are not limited to warranty claims. The outcome of these matters are subject to future resolution, including the uncertainties of litigation which cannot currently be reliably estimated.

13 Share capital

	2021	2020
	£	£
Ordinary share capital		
Issued and fully paid		
500 Class "X" Ordinary shares of £1 each	500	500
500 Class "Y" Ordinary shares of £1 each	500	500
	<u>1,000</u>	<u>1,000</u>

The rights of the holders of the "X" ordinary shares and "Y" ordinary shares are identical and rank pari passu.

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Capital contribution

	2021 £	2020 £
Countryside Properties (Joint Ventures) Limited	783,422	783,422
Annington Developments Limited	855,582	855,582
At 31 March	<u>1,639,004</u>	<u>1,639,004</u>

During the year ended 31 March 2017, the shareholders elected to waive their right to collect interest on the outstanding loan balances owed by the Company for the year ended 31 March 2017. The Directors of the Company deemed this a capital contribution and this has been reflected directly through equity.

15 Capital redemption reserve

The £6.7m Capital Reserve represents the gain that arose by virtue of the negotiation of a reduction in the deferred land price that will become payable to the land vendor. This renegotiation was settled on 31 March 2009. The Directors have concluded that this gross reduction should be credited to Capital Reserve. As the project proceeds, the Directors anticipate that the difference between the profit reported through the profit and loss account and the balance distributable to shareholders following this renegotiation will be released from Capital Reserve and become available to shareholders as a distributable reserve, net of any corporation tax (Note 7) which may be payable.

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Related party transactions

The Company is a joint venture between Countryside Properties (Joint Ventures) Limited and Annington Developments Limited, both of which are incorporated in the United Kingdom.

The Company had no transactions with Annington Developments Limited during the current or prior financial year. The Company had the following transactions with Countryside Properties (Joint Ventures) and its associated companies:

	2021 £	2020 £
Marketing, legal and technical services	9,646	108,034
	<u>9,646</u>	<u>108,034</u>

As at the statement of financial position date, the following balances were owed by the Company to related parties:

Countryside Properties (Joint Ventures) Limited and its associated companies:

	2021 £	2020 £
Consortium tax relief	133,928	133,928
Shareholder loans	996,173	996,173
	<u>1,130,101</u>	<u>1,130,101</u>

Annington Developments Limited and associated companies:

	2021 £	2020 £
Consortium tax relief	141,812	141,812
Shareholder loans	1,000,752	1,000,752
	<u>1,142,564</u>	<u>1,142,564</u>

COUNTRYSIDE ANNINGTON (MILL HILL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Controlling parties

The Company is jointly controlled by Countryside Properties (Joint Ventures) Limited (a wholly-owned subsidiary of the Countryside Properties (UK) Limited) and Annington Developments Limited (a wholly owned subsidiary of Annington Limited) pursuant to a joint venture agreement dated 27 February 2007. All companies are incorporated in the United Kingdom.

The ultimate parent company of Countryside Properties (Joint Ventures) Limited and the smallest and largest Group into which Countryside Properties (Joint Ventures) Limited is consolidated is Countryside Partnerships PLC (formerly named Countryside Properties PLC). Countryside Partnerships PLC is incorporated in the United Kingdom. The registered address of both companies is Countryside House, The Drive, Great Warley, Brentwood, Essex, CM13 3AT.

The Directors of Annington Developments Limited regard its ultimate parent entity to be Terra Firma Holdings Limited, a company registered in Guernsey. The ultimate controlling party of Annington Developments Limited is Guy Hands. The smallest and largest Group into which Annington Developments Limited is consolidated is Annington Limited, a company incorporated in the United Kingdom. The registered address of both Annington Developments Limited and Annington Limited is 1 James Street, London, W1U 1DR.

18 Cash (absorbed by)/generated from operations

	2021 £	2020 £
Profit for the financial year after taxation	(86,103)	509,823
Adjustments for:		
Taxation (credited)/charged	(20,195)	119,611
Finance costs	232	-
Finance income	(746)	(1,328)
Movements in working capital:		
Decrease in inventories	-	39,726
Decrease in trade and other receivables	33,774	14,945
Decrease in trade and other payables	(64,272)	(566,839)
Cash (absorbed by)/generated from operations	(137,310)	115,938