Beechcroft Topco Limited

Annual report and consolidated financial statements

Registered number 12973749

Period ended 30 April 2023

Contents

Company information

Company registration number	12973749
Registered Office	6th Floor 125 London Wall London EC2Y 5AS
Directors	A S Halonen G S Gill C R Thompson A South
Auditors	KPMG LLP 58 Clarendon Road Watford WD17 1DE

Strategic Report

The directors present their strategic report for the year ended 30 April 2023.

Principal activities

The group is principally engaged in property development and the construction of retirement housing.

Business review

The group's principal business is as a private house builder specialising in the "over 55's" market. The group operates at the upper end of the market in terms of price and quality, providing homes in mixed conversion and new build schemes in the South of England. These are aimed at the younger end of the retirement market where purchasers are typically looking to trade down from large family houses.

For the year ending 30 April 2023 the group generated turnover of £23,162,000 *(2022: £40,223,000)* from the sale of 42 units *(2022: 55 units)*. After financing costs of £11,144,000 *(2022: £7,374,000)* the group returned a post-tax loss of £12,224,000 *(2022: £3,058,000 loss)*. The current year's trading results highlight the impact of the reduced investment and land buying activity during the change in ownership of the group during the 2020/21 financial year. A number of new sites were under development, however by in large, only three sites had stock units available for sale during 2022/23.

In addition to this, other challenges faced by the business, including global inflationary pressures and rising interest rates, increasing build costs and a contracting economy, all impacted on day-to-day operations and Buyers' confidence.

Despite these challenges, the group has a positive outlook and an ambitious growth plan. Three new land acquisitions were made during the course of this financial year, with several more in the pipeline. Forecasts project that the business will grow significantly over the course of the next three years. There continues to be an imbalance between the demand and supply of retirement housing in the UK, despite the ageing population. The number of UK households aged 65 and over is projected to increase by approximately 3.5 million by 2033, with over 67% currently owning their properties outright. Furthermore London and the South East of England, the group's primary geographical focus, accounts for more than 32% of people in this age category. These long term demographic drivers remain favourable for the group, as Beechcroft's premium properties are targeted at the more affluent over 55's buyer who are normally mortgage free.

Key performance indicators are as follows:

	Unit of Measure	**2023**	**2022**	**Movement**
Housing units sold	No.	42	55	(13)
Promotional land contracts completed	No.	-	1	(1)
Gross margin	%	25.15	28.19	(3.04)
Return on capital employed	%	(3.40)	11.10	(14.49)
Land bank	Years	4.4	3.8	0.6

Strategic Report *(continued)*

Business Risk

The identification and management of risk is a key element of the execution of the group's strategy. The group seeks to mitigate and minimise these risks by careful management and continuous review.

Sales risk

Through thorough and careful qualification of potential buyers and active management of sales chains, cancellation rates are low when compared to industry averages. The group has no exposure to bad debt as the keys to properties are not provided to purchasers until the group's solicitors confirm that they are in possession of cleared funds for the entire amount necessary to complete the purchase. Turnover on house sales is recognised when both exchange of contracts and build completion has taken place on a plot. The value of trade debtors represents completion monies receivable on house sales exchanged, but not legally complete, at the period end.

Construction risk

The group always places its contracts on an all-risk basis and works with a proven and well established supply chain and subcontract base in order to manage its construction projects to cost and time. The group operates a system of monthly cost reviews of all its projects and takes early action to ensure that budgets are maintained.

Liquidity risk

Short term (12 weeks) and medium term (52 weeks) cash flow forecasts and funding requirements are subject to regular board review and stress testing. SONIA forward interest rates are utilised to forecast the cash requirements to cover the cost of debt.
These forecasts inform the funding needs of the company under adverse conditions and allow action to be taken to ensure sufficient liquidity to enable the company to meet its financial obligations as they fall due.

Employees

The group has a remuneration policy designed to attract and retain personnel of the highest calibre. The group places considerable value on the involvement of its employees and keeps them informed on matters affecting them as employees and on the various factors affecting the performance of the group. The group is committed to the principle of equal opportunity in employment and accordingly, management will ensure that recruitment, selection, training, development and promotion procedures result in no job applicant or employee receiving less favourable treatment on the grounds of race, colour, nationality, ethnic or national origin, disability, trade union membership or non-membership, sex, sexual orientation or marital status, or being a part time worker or fixed-term worker. The group's objective is to ensure that individuals are selected, promoted and otherwise treated solely on the basis of their relevant aptitudes, skills and abilities.

Applications for employment by disabled persons are always considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the group continues and that appropriate training is arranged.

Strategic Report *(continued)*

Section 172(1) Statement

The directors have acted in a way that they considered, in good faith, to be most likely to promote the success of the Group for the benefit of its members as a whole and, in doing so, had regard, amongst other matters, to those matters set out in section 172(1)(a) to (f) of the Companies Act 2006, being:

- the likely consequences of any decision in the long term;
- the need to foster the Group's business relationships with suppliers, customers and others;
- the impact of the Group's operations on the community and the environment;
- the desirability of the Group maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Group

Our stakeholders

The Group has identified its key stakeholders as being its: employees, customers, suppliers, shareholders and debt capital providers, JV partners, communities and local planning authorities. Building and nurturing these relationships based on professionalism, fair dealing and integrity is critical to our success.

Our engagement

Our extensive engagement efforts help to ensure that the Group's Board can understand, consider and balance broad stakeholder interests when making decisions to deliver long-term sustainable success.

Board processes

While the Group's Board will engage directly with stakeholders on certain issues, stakeholder engagement will often take place at an operational level with the Board receiving regular updates on stakeholder views from the Group's Executive Directors and senior management.

Employees

Engagement with employees is of primary importance and the Directors ensure that they include them in key business updates, listen to their feedback and concerns, and provide them with regular updates on the progress of the business.

Customers

As part of the Sales & Marketing function, regular Customer feedback and research is conducted to ensure that every detail of our retirement developments is specifically designed to meet the needs of our Customers. As a result, Beechcroft developments are built to a high standard with specifications around this insightful feedback and research. We have a dedicated Customer Care team in place to support our Customers post sale.

Suppliers and Subcontractors

The Group seeks to build and maintain strong relationships with a network of trusted suppliers and subcontractors who can produce high quality outputs in line with the Group's requirements and specifications. This ensures high standards and efficiencies are consistently met.

Strategic Report *(continued)*

Considerate Constructors

The Group is registered with the Considerate Constructors Scheme which supports and guides positive change in the construction industry. Those registered with the Scheme make a commitment to conform to a Code of Considerate Practice which focuses on three key areas:
- respecting the community
- caring for the environment
- valuing the workforce

Periodic inspections carried out over the life cycle of our developments report that we have very good community engagement and respect for our workforce and the environment.

By order of the board

Chris Thompson
Chris Thompson Apr 11, 2024 15:52 GMT+1

C R Thompson
Director

6th Floor
125 London Wall, London
EC2Y 5AS

Directors Report

The directors present their annual report and the audited consolidated financial statements for the year ended 30 April 2023.

Directors

The directors who held office during the period, and since period end, were as follows:

A S Halonen
A I P Lomberg (resigned 01/08/23)
C R Thompson
A South
G S Gill (appointed 01/08/23)
D E Smith (appointed 01/08/23, resigned 01/09/23)

Political and charitable contributions

The group made no charitable contributions during the period. The group made no political contributions during the period.

Streamlined Energy and Carbon Report (SECR)

UK energy use and associated greenhouse gas emissions

The group is pleased to report its current UK based annual energy usage and associated annual greenhouse gas emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those assets within the UK only as defined by the operational control approach. This includes usage at our development sites across the South of England as well as at our head office in Wallingford.

The annual reporting period is 1 May to 30 April each year and the energy and carbon emissions are aligned to this period.

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2019 UK Government GHG Conversion Factors for Company electricity and gas consumption were based on invoice records and gross calorific values were used.

The emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur as a consequence of group activities (scope 3).

Breakdown of energy consumption used to calculate emissions (kWh):

Energy type Mandatory energy:	**2023** **kWh**	2022 kWh
Gas	**9,037**	289.063
Purchased electricity	**291,972**	93.052
Transport fuel	**56,599**	47,079
	357,608	429,194

Directors' Report *(continued)*

Breakdown of emissions associated with the reported energy use (tCO^2e):

Emission source:		**2023**	2022
Mandatory emissions:		**tCO2e**	tCO2e
Scope 1:	Gas	**1.6**	52.0
Scope 2:	Purchased electricity - location based	**56.5**	18.0
Scope 3:	Transport - business travel in employee-owned vehicles	**14.0**	11.6
		72.1	81.6

Intensity ratios (mandatory emissions only)

	2023	2022
Tonnes of CO2e per million pounds of turnover	**3.1**	2.0

Intensity ratio

The intensity ratio is total gross emissions in metric tonnes CO^2e (mandatory emissions) per total million pound (£m) turnover. The turnover relates to UK operations only to align with the energy and emission reporting boundary. This financial metric is considered the most relevant to the company's energy consuming activities and provides a good comparison of performance over time and across different organisations and sectors.

Energy efficient action during the current financial year

The management of resources is an important issue for the company, with energy awareness promoted across the sites to ensure resource conservation.
The company has implemented an Environmental, Social and Governance Policy and is aiming towards carbon net zero by 2035.

Year on year emissions are affected by the developments currently in progress. A number of developments utilising gas during 2022 reached practical completion and were fully sold, therefore no longer contributing to Scope 1 emissions. A move away from gas central heating towards the utilisation of air source heat pumps and energy efficient whole house ventilation systems in our current developments has resulted in an increase in Scope 2 emissions.
Although there has been an increase in the intensity ratio, this is largely due to the reduction in turnover as a result of the economic climate and is not a reflection of increased emissions.

Going concern

The directors have prepared cash flow forecasts covering a period of 12 months from the date of approval of these financial statements. These forecasts indicate that, taking account of a plausible worst case scenario, the Company and Group will have sufficient funds to meet their liabilities as they fall due in the going concern look forward period.

The plausible worst case scenario factors in the Directors' view of the impact of a contracting market based on experience of previous recessions. The scenario takes into account inflationary pressures on the cost of construction and day to day operations, expectations around interest rates and the impact on mortgage availability and Customer confidence, and the mitigating actions available to the business, such as managing cash flow through delaying land purchases, careful management around the timing of construction, and eliminating non-essential expenditure.

Directors' Report *(continued)*

The directors have considered the ongoing availability of borrowing facilities in reaching their conclusions above. They are confident that short term bank loans are serviceable as they are only repaid from house sale proceeds on relevant sites, and these loan arrangements are expected to cover an appropriate time period for such sales to take place. The timing of deferred consideration payable on the recent acquisition is also conditional on the receipt of certain house sale proceeds, and the Group's other loan note borrowings are long-term arrangements.

Consequently, the directors are confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and have prepared the financial statements on a going concern basis.

Directors indemnities

Directors' and Officers' insurance cover has been established for all Directors of the Company to provide appropriate cover for their reasonable actions on behalf of the Company.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the group's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information.

Auditors

Following the period end, KPMG LLP were appointed as the company's statutory auditor.
Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

Chris Thompson
Chris Thompson Apr 11, 2024 16:52 GMT+1

C R Thompson
Director

6th Floor
125 London Wall, London
EC2Y 5AS

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

The directors are responsible for preparing the Annual Report and the group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the group and parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of the group's profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Beechcroft Topco Limited

Opinion

We have audited the financial statements of Beechcroft Topco Limited ("the Company") for the year ended 30 April 2023 which comprise the Consolidated Profit and Loss Account and Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 April 2023 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatements due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

Independent auditor's report to the members of Beechcroft Topco Limited *(Continued)*

- *Enquiring of directors and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.*
- Reading Board Minutes
- Using analytical procedures to identify any unusual or unexpected relationships

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent margin recognition, in particular:

- the risk that management may be in a position to make inappropriate accounting entries; and
- the risk of bias in accounting estimates such as calculating the margin recognized on house sales.

On this audit we do not believe there is a fraud risk related to revenue recognition, as the timing of revenue recognition on house sales is clear and straightforward which reduces the susceptibility to fraud.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included journal entries posted to unusual accounts impacting cost of sales, work-in-progress, loans and cash and cash equivalents.
- Testing management's assessments of site margins, including the accuracy of forecast costs to complete and expected future selling prices.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: Health and Safety, Anti-bribery, Employment and Social Security Legislations, Data Protection, Environmental Protection Legislation, Money

Independent auditor's report to the members of Beechcroft Topco Limited *(Continued)*

Laundering, Contract Legislation, Building Regulations, NHBC and Premier Regulations and Misrepresentation Act. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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
- the parent Company's 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.

We have nothing to report in these respects.

Independent auditor's report to the members of Beechcroft Topco Limited *(Continued)*

Directors' responsibilities

As explained more fully in their statement set out on page 8, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent 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 they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an 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

Justin Vermooten (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
58 Clarendon Road,
Watford
WD17 1DE

Date: 12 April 2024

Consolidated Profit and Loss Account and Other Comprehensive Income

for the year ended 30 April 2023

	Note	2023 £000	2022 £000
Turnover	2	**23,162**	40,223
Cost of sales		**(17,336)**	(28,884)
Gross profit		**5,826**	11,339
Administrative expenses		**(7,227)**	(7,002)
Operating (loss) / profit	3	**(1,401)**	4,337
Interest payable and similar charges	6	**(11,144)**	(7,374)
Loss on ordinary activities before taxation		**(12,545)**	(3,037)
Tax on loss on ordinary activities	7	**321**	(21)
Loss for the financial period	16, 17	**(12,224)**	(3,058)
Other comprehensive income		-	-
Total comprehensive loss for the year		**(12,224)**	(3,058)

The results shown above are derived entirely from acquired operations.

The accompanying notes on pages 21-40 form part of these financial statements.

Consolidated Balance Sheet
at 30 April 2023

	Note		2023		2022
		£000	£000	£000	£000
Fixed assets					
Tangible assets	8		-		119
Investments	9		1,892		1,396
Available for sale assets			254		254
			2,146		1,769
Current assets					
Stock and work in progress	11	97,721		74,297	
Debtors	12	14,283		17,000	
Cash at bank and in hand		1,920		4,814	
Total current assets			113,924		96,111
Total assets			116,070		97,880
Current liabilities					
Creditors: amounts falling due within one year	13		74,804		58,794
Non-current liabilities					
Creditors: amounts falling due after more than one year	14		54,747		40,343
Total liabilities			129,551		99,137
Capital and reserves					
Called up share capital	15		10		10
Share premium			998		998
Profit and loss account	16		(14,489)		(2,265)
Shareholders' deficit	17		(13,481)		(1,257)
Total liabilities and Shareholders' funds			116,070		97,880

These financial statements were approved by the board of directors on 11 April 2024 and were signed on its behalf by:

Chris Thompson

C R Thompson
Director

Company number: 12973749

The accompanying notes on pages 21-40 form part of these financial statements.

Company Balance Sheet
at 30 April 2023

	Note		2023		2022
		£000	£000	£000	£000
Non-current assets					
Investments	*10*		**28,468**		1,008
			28,468		1,008
Current assets					
Debtors	*12*	**17**		50	
Cash at bank and in hand		**2**		2	
Total current assets			**19**		52
Total assets			**28,487**		1,060
Current liabilities					
Creditors: amounts falling due within one year	*13*		**796**		-
Non-current liabilities					
Creditors: amounts falling due in greater than one year	*14*		**27,643**		164
Total liabilities			**28,439**		164
Capital and reserves					
Called up share capital	*15*		**10**		10
Share premium			**998**		998
Profit and loss account	*16*		**(960)**		(112)
Shareholders' funds	*17*		**48**		896
Total liabilities and shareholders' funds			**28,487**		1,060

These financial statements were approved by the board of directors on 11 April 2024 and were signed on its behalf by:

Chris Thompson
Chris Thompson Apr 11, 2024 16:52 GMT+1

C R Thompson
Director

Company number: 12973749

The accompanying notes on pages 21-40 form part of these financial statements.

Consolidated Statement of Changes in Equity

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
Balance at 1 May 2021	**10**	**998**	**793**	**1,801**
Total comprehensive loss for the year				
Loss for the year	-	-	(3,058)	(3,058)
Total comprehensive loss for the period	-	-	(3,058)	(3,058)
Balance at 30 April 2022	**10**	**998**	**(2,265)**	**(1,257)**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
Balance at 1 May 2022	**10**	**998**	**(2,265)**	**(1,257)**
Total comprehensive profit for the period				
Loss for the year	-	-	(12,224)	(12,224)
Total comprehensive profit for the period	-	-	(12,224)	(12,224)
Balance at 30 April 2023	**10**	**998**	**(14,489)**	**(13,481)**

The accompanying notes on pages 21-40 form part of these financial statements.

Company Statement of Changes in Equity

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
Balance at 1 May 2021	**10**	**998**	**(46)**	**962**
Total comprehensive loss for the year				
Loss for the year	-	-	(66)	(66)
Total comprehensive loss for the period	-	-	(66)	(66)
Balance at 30 April 2022	**10**	**998**	**(112)**	**896**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
Balance at 1 May 2022	**10**	**998**	**(112)**	**896**
Total comprehensive profit for the period				
Loss for the year	-	-	(848)	(848)
Total comprehensive profit for the period	-	-	(848)	(848)
Balance at 30 April 2023	**10**	**998**	**(960)**	**48**

The accompanying notes on pages 21-40 form part of these financial statements.

Consolidated cash flow statement
for the year ended 30 April 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Loss for the year	*16*	**(12,224)**	(3,058)
Adjustments for:			
Depreciation, amortisation and impairment	*3*	**199**	291
Interest payable and similar expenses	*6*	**11,144**	7,374
Taxation	*7*	**(321)**	21
		(1,202)	4,628
Decrease in trade and other debtors		**3,038**	1,279
Increase in stock and work in progress		**(23,424)**	(20,723)
Decrease in trade and other creditors		**(199)**	(4,046)
		(21,787)	(18,862)
Interest paid		**(5,602)**	(3,154)
Net cash outflow from operating activities		**(27,389)**	(22,016)
Cash flows from investing activities			
Payments of deferred consideration towards purchase of subsidiary undertaking		**(4,362)**	(10,671)
Acquisition of tangible fixed assets	9	**(576)**	(1,000)
Net cash outflow from investing activities		**(4,938)**	(11,671)
Cash flows from financing activities			
Proceeds from the issue of preference shares		**2,500**	-
Loan notes issued		**7,065**	12,950
Net draw down of borrowings		**19,868**	14,368
Net cash inflow from financing activities		**29,433**	27,318
Net decrease in cash and cash equivalents		**(2,894)**	(6,369)
Cash and cash equivalents at 1 May 2022		**4,814**	11,183
Cash and cash equivalents at 30 April 2023		**1,920**	4,814

The accompanying notes on pages 21-40 form part of these financial statements.

Notes
(forming part of the financial statements)

1 Accounting policies

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Basis of preparation

Beechcroft Topco Limited (the "company") is a company limited by shares and incorporated and domiciled in the UK under registration number 12973749. The registered office address is 6th Floor, 125 London Wall, London, EC2Y 5AS.

These group and parent company financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (*"FRS 102"*). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The parent company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 for qualifying companies in respect of certain disclosures for the parent company financial statements have been applied:

- The reconciliation of the number of shares outstanding from the beginning to the end of the period has not been included a second time;
- No separate parent company cash flow statement with related notes is included;
- Key management personnel compensation has not been included a second time; and
- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The financial statements are prepared on the historical cost basis.

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 30 April 2023. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases Control is established when the company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the group takes into consideration potential voting rights that are currently exercisable.

Under Section 408 of the Companies Act 2006 the company is exempt from the requirement to present its own profit and loss account.

In the parent financial statements, investments in subsidiaries, are carried at cost less impairment with changes recognised in other comprehensive income in accordance with FRS 102.17.15E-F, *Property, Plant and Equipment*, with net revaluation gains recognised in OCI and net revaluation losses in profit or loss.

Notes *(continued)*

1 Accounting policies *(continued)*

Going concern

The financial statements have been prepared on a going concern basis. The directors have considered the factors that impact the Company's and Group's future development, performance, cashflows and financial position in forming their opinion on the going concern basis of preparation. They believe that the Company and Group have adequate resources to continue to operate and meet their obligations as they fall due for the foreseeable future.

The directors have prepared cash flow forecasts covering a period of 12 months from the date of approval of these accounts. These forecasts indicate that, taking account of a plausible worst case scenario, the Company and Group will have sufficient funds to meet their liabilities as they fall due in the going concern look forward period.
The plausible worst case scenario factors in the Directors' view of the impact of a contracting market based on experience of previous recessions. The scenario takes into account inflationary pressures on the cost of construction and day to day operations, expectations around interest rates and the impact on mortgage availability and Customer confidence, and the mitigating actions available to the business, such as managing cash flow through delaying land purchases, careful management around the timing of construction, and eliminating non-essential expenditure.

The directors have considered the ongoing availability of borrowing facilities in reaching their conclusions above. They are confident that short term bank loans are serviceable as they are only repaid from house sale proceeds on relevant sites, and these loan arrangements are expected to cover an appropriate time period for such sales to take place. The timing of deferred consideration payable on the recent acquisition is also conditional on the receipt of certain house sale proceeds, and the Group's other loan note borrowings are long-term arrangements.

Consequently, the directors are confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and have prepared the financial statements on a going concern basis.

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Investments in preference and ordinary shares

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognised in profit or loss. Other investments are measured at cost less impairment in profit or loss.

Notes *(continued)*

1 Accounting policies *(continued)*

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Other financial instruments

Financial instruments not considered to be basic financial instruments (other financial instruments)

Other financial instruments not meeting the definition of basic financial instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment.

Impairment excluding stocks, and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the entity's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire group of entities into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

Notes *(continued)*

1 Accounting policies *(continued)*

Non-financial assets (continued)

An impairment loss is reversed if and only if the reasons for impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Employee benefits

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Share Capital

Financial instruments issued by the entity are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

Provisions

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the parent company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability in its individual financial statements until such time as it becomes probable that the company will be required to make a payment under the guarantee.

Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Finance lease

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the rate implicit in the lease. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Notes *(continued)*

1 Accounting policies *(continued)*

Interest receivable and Interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method and unwinding of the discount on provisions.

Other interest receivable and similar income include interest receivable on funds invested.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Stocks

Land is stated at the lower of cost and net realisable value, based on its present condition. Property in the course of development is stated at the lower of direct cost and net realisable value. Direct cost comprises the cost of land, development and construction costs to date, less transfers to the profit and loss account in respect of sales made, and excludes both development overheads and interest payable.

Transfers to the profit and loss account in respect of sales made are calculated as a proportion of total estimated sales for each development applied to the estimated total costs. Net realisable value is the selling price less all further costs to completion and anticipated selling costs.

Notes *(continued)*

1 Accounting policies *(continued)*

Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is provided to write off the cost, less estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Fixtures and fittings	-	15 % straight line
Computer equipment	-	33% straight line
Computer software	-	33% straight line
Motor vehicles	-	25% straight line

Freehold land is not depreciated, and the Directors believe that any depreciation on the building would be insignificant due to its condition and residual value.

Depreciation, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

Business combinations

Business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the entity.

At the acquisition date, the Group recognises goodwill at the acquisition date as:

- the fair value of the consideration (excluding contingent consideration) transferred; plus
- estimated amount of contingent consideration (see below); plus
- the fair value of the equity instruments issued; plus
- directly attributable transaction costs; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities

Consideration which is contingent on future events is recognised based on the estimated amount if the contingent consideration is probable and can be measured reliably. Any subsequent changes to the amount are treated as an adjustment to the cost of the acquisition.and contingent liabilities assumed.

Goodwill

Goodwill is stated at cost less any accumulated amortisation and accumulated impairment losses. Goodwill is allocated to cash-generating units or group of cash-generating units that are expected to benefit from the synergies of the business combination from which it arose.

Notes *(continued)*

1 Accounting policies *(continued)*

Business combinations *(continued)*

Amortisation

Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets.

Goodwill is amortised on a straight line basis over its useful life. Goodwill has no residual value. The finite useful life of goodwill is estimated to be 2 years.

The Company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

Goodwill and other intangible assets are tested for impairment in accordance with Section 27 Impairment of assets when there is an indication that goodwill or an intangible asset may be impaired.

Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability to the extent that they are appropriately authorised and are no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2 Turnover

Turnover, which excludes VAT, represents amounts received and receivable in respect of land and properties sold.

Turnover and profit are recognised on house sales upon exchange of contract and build completion. Profit is recognised on land sales when contracts are exchanged and all material conditions are met.

All sales were made within the UK.

	Group 2023 £000	Group 2022 £000
Property sales and related revenue	**22,951**	39,325
Land sales and related revenue	**211**	898
	23,162	40,223

Notes *(continued)*

3 Operating profit

	2023	2022
	£000	£000
Operating profit is stated after charging / (crediting):		
Depreciation		
Tangible fixed assets	**80**	53
Amortisation of goodwill	**119**	238
Auditor's remuneration:		
Audit of these statements	**50**	5
Audit of financial statements of subsidiaries pursuant to legislation	**131**	86
Corporate tax advisory and compliance	**143**	73

The audit fee for the parent company has been met by other group companies.

4 Remuneration of directors / key management personnel

	2023	2022
	£000	£000
Directors' emoluments	**1,330**	1,986
Benefits in kind	**6**	4
Pension contributions to defined contribution scheme	**148**	32
Payments to 3rd Party for director services	**57**	52
	1,541	2,074

The aggregate of emoluments and benefits in kind of the highest paid director was £603,000 *(2022: £995,000)*. Pension contributions of £74,000 *(2022: £17,000)* were made on his behalf.

During the period, none *(2022: none)* of the directors participated in defined benefit schemes. Two *(2022: two)* directors participated in money purchase schemes.

Notes *(continued)*

5 Staff numbers and costs

The average number of persons employed by the company and its subsidiary undertakings (including directors) during the period, analysed by category, was as follows:

	Number of employees	
	2023	2022
Direct	**14**	12
Administrative	**35**	30
	49	42

The aggregate payroll costs of these persons were as follows:

	2023	2022
	£000	£000
Wages and salaries	**4,271**	4,657
Social security costs	**593**	581
Contributions to defined contribution plans	**266**	252
	5,130	5,490

6 Interest payable and similar charges - Group

	2023	2022
	£000	£000
On bank loans and overdrafts	**5,602**	3,154
On loan notes	**4,726**	4,199
On shareholder's loans	**20**	21
Preference share dividends	**796**	-
	11,144	7,374

Notes *(continued)*

7 Taxation

Analysis of charge in period

	2023	2022
	£000	£000
UK corporation tax		
Current tax on income for the period	**-**	-
Total current tax	**-**	-
Deferred tax movement in the current year	**(321)**	85
Effect of rate change	**-**	(64)
Tax (credit) / charge on loss on ordinary activities	**(321)**	21

Factors affecting the tax charge for the current period

The tax charge for the period is higher than *(2022: higher than)* the standard rate of corporation tax in the UK of 19.49% *(2022: 19%)*. The differences are explained below:

	2023	2022
	£000	£000
Tax reconciliation		
Loss on ordinary activities before tax	**(12,545)**	(3,037)
Tax on loss on ordinary activities at 19.49% (2022: 19%)	**(2,445)**	(577)
Effects of:		
Expenses not deductible for tax purposes	**2,204**	776
Impact of rate difference between current and deferred tax	**(71)**	(55)
Super deduction	**(9)**	(9)
Adjustments in respect of prior years	**-**	(114)
Total tax (credit) / charge (see above)	**(321)**	21

Notes *(continued)*

7 Taxation *(continued)*

The elements of deferred taxation are as follows:

	2023	2022
	£000	£000
Origination / reversal of timing differences	(94)	(33)
Expense timing differences	12	11
Unutilised tax losses	632	251
	550	229

Deferred tax liabilities are recognised in full. Deferred tax assets are recognised to the extent that realisation of the related tax benefits through future taxable profits is probable.

The group has a potential deferred tax asset of £2,812,000 (2022: £1,409,000) in respect of disallowed interest of £11,248,000 (2022: £5,634,000) as at the balance sheet date, of which £5,614,000 (2022: £nil) arose during the year of reporting. This disallowed interest can be carried forward indefinitely and reactivated subject to corporate interest restriction calculations. Due to the complex nature of these calculations, there is a large degree of uncertainty around potential reactivation of these disallowed amounts.

Forecasts for the next three years indicate that it is very unlikely that any of the carried forward disallowed interest will be reactivated and, as such, no deferred tax asset has been recognised in respect of this interest.

8 Intangible fixed assets

	Group
	£000
Goodwill	
Cost	
At 1 May 2022 and 30 April 2023	476
Amortisation	
At 1 May 2022	357
Charge in the period	119
At 30 April 2023	476
Net book value	
At 30 April 2023	-
At 30 April 2022	119

Notes *(continued)*

9 Tangible fixed assets

	Freehold land and buildings £000	Motor vehicles £000	Computer equipment £000	Computer software £000	Fixtures and fittings £000	Total £000
Cost						
At beginning of year	1,242	81	98	43	-	1,464
Additions	-	-	58	-	518	576
At end of year	1,242	81	156	43	518	2,040
Depreciation						
At beginning of year	-	15	42	11	-	68
Provided in the year	-	20	40	14	6	80
At end of year	-	35	82	25	6	148
Net book value						
At 30 April 2023	**1,242**	**46**	**74**	**18**	**512**	**1,892**
At 30 April 2022	1,242	66	56	32	-	1,396

The company had no fixed assets at any time during the period.

Notes *(continued)*

10 Investment in group undertakings

Company	Shares in group undertakings £000	Shares in group undertakings £000
Cost and net book value at 30 April	**28,468**	1,008

At 30 April 2023 the group owned 100% of the ordinary share capital of the following subsidiary undertakings all of which were incorporated in England and Wales:

Name of subsidiary	Class of share capital	Nature of business
Beechcroft Bidco Limited	Ordinary share	Holding Company
Beechcroft Group Limited*	Ordinary share	Holding Company
Beechcroft Limited**	Ordinary share	Holding Company
Beechcroft UK Limited***	Ordinary share	Holding Company
Beechcroft Developments Limited ****	Ordinary share	Retirement Property Developer
Beechcroft Land Limited**	Ordinary share	Strategic Land Promotion
Angloid IV Limited*****	Ordinary share	Non-trading Company
Beechcroft Employee Benefits Trust Limited***	Ordinary share	Non-trading Company
Beechcroft Freeholds Tring No 1 Limited*****	Ordinary share	Dormant Company
Beechcroft Freeholds Tring No 2 Limited*****	Ordinary share	Dormant Company
Lisa Estates (Isleworth) Limited*****	Ordinary share	Non-trading Company
Lisa Estates (East Horsley) Limited*****	Ordinary share	Non-trading Company
Lisa Estates (Storrington) Limited*****	Ordinary share	Non-trading Company
Lisa Estates (Thirlestaine) Limited*****	Ordinary share	Non-trading Company
Lisa Estates (Delancey) Limited*****	Ordinary share	Non-trading Company
Lisa Estates (East Molesey) Limited*****	Ordinary share	Dormant Company
Lisa Estates (Cobham) Limited*****	Ordinary share	Dormant Company
Lisa Estates (Watlington) Limited*****	Ordinary share	Retirement Property Developer

* The shares of this company are held by Beechcroft Bidco Limited which is a 100% subsidiary of Beechcroft Topco Limited.
** The shares of these companies are held by Beechcroft Group Limited which is a 100% subsidiary of Beechcroft Bidco Limited.
*** The shares of these companies are held by Beechcroft Limited which is a 100% subsidiary of Beechcroft Group Limited.
**** The shares of these companies are held by Beechcroft UK Limited which is a 100% subsidiary of Beechcroft Limited.
*****The shares of these companies are held by Beechcroft Developments Limited which is a 100% subsidiary of Beechcroft UK Limited.

The registered address for Beechcroft Bidco Limited and Beechcroft Group Limited is 6th Floor, 125 London Wall, London, EC2Y 5AS.

The registered address for all other subsidiaries is 1 Church Lane, Wallingford, Oxfordshire, OX10 0DX.

Notes *(continued)*

10 Investment in group undertakings *(continued)*

Exemption from audit by parental guarantee

The following subsidiaries are exempt from the requirements of the Act relating to the audit of individual accounts, under section 479A of the Companies Act 2006:

Name of subsidiary	Registered number
Beechcroft Group Limited	07677599
Beechcroft Limited	04722270
Beechcroft UK Limited	02927778
Angloid IV Limited	03773859
Beechcroft Employee Benefits Trust Limited	04722272
Beechcroft Freeholds Tring No 1 Limited	11002698
Beechcroft Freeholds Tring No 2 Limited	11002484
Lisa Estates (Isleworth) Limited	09311596
Lisa Estates (East Horsley) Limited	06336178
Lisa Estates (Storrington) Limited	08091413
Lisa Estates (Thirlestaine) Limited	08409838
Lisa Estates (Delancey) Limited	08168824
Lisa Estates (East Molesey) Limited	08091416
Lisa Estates (Cobham) Limited	08738764

11 Stocks

	Group 2023 £000	Group 2022 £000
Developments in progress:		
Costs to date less transfers to cost of sales in respect of units sold	**97,721**	74,297
	97,721	74,297

Developments in progress recognised as cost of sales in the period amounted to £17,336,000 *(2022: £28,884,000)*. No provision has been made for impairment *(2022: none)*.

Notes *(continued)*

12 Debtors

	Group 2023 £000	**Company 2023 £000**	Group 2022 £000	Company 2022 £000
Trade debtors	**7,801**	-	9,037	-
Amounts owing by group undertakings	-	-	-	50
Deferred taxation (note 7)	**550**	**17**	229	-
Other debtors	**3,494**	-	5,667	-
Corporation tax	**32**	-	32	-
Prepayments and accrued income	**2,406**	-	2,035	-
	14,283	**17**	17,000	50

13 Creditors: amounts falling due within one year

	Group 2023 £000	**Company 2023 £000**	Group 2022 £000	Company 2022 £000
Bank loans and overdrafts	**67,760**		47,892	-
Trade creditors	**3,266**	-	2,756	-
Other creditors	**1,123**	-	346	-
Accruals and deferred income	**2,655**	**796**	3,438	-
Provision for deferred acquisition consideration	-	-	4,362	-
	74,804	**796**	58,794	-

The bank loans are secured by a fixed and floating charges over the Group's specific stocks and relate to funding in the ordinary course of business.

Deferred acquisition consideration is payable following certain property realisation events. The provision has been calculated at the present value of expected future cash flows, or actual cash flows if the property realisation event has since occurred. Timings of future property realisation events have been estimated based on build status and sales rates.

The amount of £nil *(2022: £4,362,000)* represents the portion of the provision relating to property realisation events which have occurred or are expected to occur within the next 12 months.

Notes *(continued)*

14 Creditors: amounts falling due after more than one year

	Group 2023 £000	Company 2023 £000	Group 2022 £000	Company 2022 £000
A loan notes	26,398	-	39,548	-
B loan notes	706	-	631	-
12% cumulative redeemable preference shares	27,460	27,460	-	-
Shareholder loan	183	183	164	164
	54,747	27,643	40,343	164

Analysis of debt:

	Group 2023 £000	Company 2023 £000	Group 2022 £000	Company 2022 £000
Repayable within one year	67,760	-	52,254	-
Repayable in one to two years	-	-	-	-
Repayable in over five years	54,747	27,643	40,343	164
	122,507	27,643	92,597	164

A Loan Notes

The A loan notes have been subscribed to by CERF Beechcroft S.à r.l. These instruments carry an interest rate of 12% per annum compounded annually on each anniversary of the date of the issue of the notes. Such accrued interest shall be satisfied by the issue PIK notes to the noteholder credited as fully paid (on the basis of £1 of PIK notes for each £1 of interest due, rounded down to the nearest whole £1).
Notes shall be repaid at par together with all accrued interest on the earliest to occur of the following: (i) an Exit Event, (ii) Listing, or (iii) the seventh anniversary of the date of the Instrument, or on such later date as may be specified by a Noteholder Majority.

Subsequently, on 10 October 2023, the A loan notes, together with an unlimited amount of PIK notes in respect of the loan notes, have been admitted to the Official List of The International Stock Exchange in the Channel Islands.

B Loan Notes

The B loan notes have been subscribed to by management. These instruments carry an interest rate of 12% per annum compounded annually on each anniversary of the date of the issue of the notes. Such accrued interest shall be paid to the noteholders at the close of business on the repayment date of the notes.
Notes shall be repaid at par together with all accrued interest on the earliest to occur of the following: (i) an Exit Event, (ii) Listing, or (iii) the seventh anniversary of the date of the Instrument, or on such later date as may be specified by the Company.

Shareholder Loan

The shareholder loan carries an interest rate of 12% per annum compounded annually and rolled up and added to the loan.
The loan may be repaid at any time on the provision of at least ten business days' prior notice by the borrower and must be fully repaid by the earliest to occur of the following: (i) an Exit Event, (ii) Listing, or (iii) the seventh anniversary of the date of the Agreement, or on such later date as may be specified by the shareholder.

Notes *(continued)*

14 Creditors: amounts falling due after more than one year *(continued)*

12% Cumulative Redeemable Preference Shares

The holders of preference shares are entitled to one vote per preference share at meetings of the company.
Preference shares carry the right to receive, in priority to the rights of the holders of the other classes of share, a fixed rate cumulative preferential cash dividend at the annual rate of 12% of the nominal value of such preference shares held by it, compounded annually on 2 November.
The accrued dividend may be paid in whole or in part at any time on approval by resolution of the Directors and shall be paid in cash in full on a Redemption Event, being the earliest of an Exit Event or Listing.

Preference shares confer the right to receive an amount equal to the aggregate nominal value for such shares.

The preference shares are redeemable on a Redemption Event, being the earliest of an Exit Event or Listing, via a Redemption Notice of not less than 5 business days' written notice to the shareholders.

15 Called up share capital

	No.	2023 £000	No.	2022 £000
Allotted, issued and called up				
A Ordinary shares of £0.01 each				
At 30 April	**771,070**	**8**	771,070	8
B Ordinary shares of £0.01 each				
At 30 April	**28,930**	**-**	28,930	-
C Ordinary shares of £0.01 each				
At 30 April	**160,000**	**2**	160,000	2
Total alloted, issued and called up		**10**		10

The holders of all classes of ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at meetings of the company.
On any return of capital, all classes of ordinary shares are entitled to a pro rata return until the holders of the A ordinary shares have received a return multiple of 2.5, after which, the C ordinary shares confer a right to receive an additional 5% of any remaining surplus.

Notes *(continued)*

16 Reserves

	Profit and loss account	
	Group	**Company**
	£000	**£000**
At 1 May 2022	(2,265)	(112)
Loss for the year	(12,224)	(848)
At 30 April 2023	**(14,489)**	**(960)**

17 Reconciliation of movement in shareholders' funds

	Group	**Company**
	£000	**£000**
Opening shareholders' (deficit) / funds	(1,257)	896
Loss for financial year	(12,224)	(848)
Closing shareholders' (deficit) / funds	**(13,481)**	**48**

18 Analysis of net debt

	Net debt at 1 May 2022	Cash flow	Non cash movement	**30 April 2023**
	£000	£000	£000	**£000**
Cash at bank and in hand	4,814	(2,894)	-	**1,920**
	4,814	(2,894)	-	**1,920**
Debt due within one year	(52,254)	(15,506)	-	**(67,760)**
Debt due after more than one year	(40,343)	(9,564)	**(4,840)**	**(54,747)**
	(87,783)	(27,964)	(4,840)	**(120,587)**

Notes *(continued)*

19 Commitments

The company and group had no capital commitments at 30 April 2023 and 30 April 2022.

The group had no annual commitments under non-cancellable operating leases outstanding at 30 April 2023 and 30 April 2022.

20 Contingent liabilities

There were no contingent liabilities at 30 April 2023 and 30 April 2022.

21 Pension scheme

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge for the period represents contributions payable by the group to the scheme and amounted to £266,000 *(2022: £252,000)*.

22 Ultimate controlling party

At the balance sheet date, the ultimate controlling party is considered to be Carlyle Europe Realty Fund, SCSp by virtue of holding the largest amount of issued share capital.

23 Related parties

In the current period, certain statutory directors held loan notes issued to the group totalling £706,315 *(2022: £630,638)*. Accrued interest thereon at the balance sheet date amounts to £41,566 *(2022: £37,113)*.

Other related parties

During the financial year, the Group paid an annual subscription to the Retirement Housing Group, a membership organisation of which Chris Thompson is Treasurer.

During the financial year, the Group paid consultancy fees to Stiegler Associates International Limited, a company owned by a family member of Chris Thompson.

During the financial year, the Group employed certain family members of directors.

Other related party transactions

	Administrative expenses incurred from:	
	2023	2022
	£000	£000
Retirement Housing Group	**3**	3
Stiegler Associates International Limited	**12**	3
Other related party salaries	**209**	211
	224	217

Notes *(continued)*

24 Accounting Estimates and Judgements

There are no significant judgements applied in these financial statements.

Key sources of estimation uncertainty

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in material adjustment to the carrying amount of assets within the next financial year is shown below:

Note 11 (Developments in Progress): The estimation of gross margins to be earned on development sites is determined based on forecasts of future selling prices and expected development costs. This carries the risk of a material adjustment to the carrying amount of stock and the amount of cost of sales recognised during the year.