

COMPANY REGISTRATION NUMBER: 07852681

**Duchy Homes Limited**  
**Financial Statements**  
**For the year ended**  
**30 June 2020**



**fcf** | the entrepreneurs'  
choice

# **Duchy Homes Limited**

## **Financial Statements**

**Period from 1 January 2019 to 30 June 2020**

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# **Duchy Homes Limited**

## **Officers and Professional Advisers**

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**The board of directors**

J G Barnes  
M A Aylward

**Company secretary**

M A Aylward

**Registered office**

Middleton House  
Westland Road  
Leeds  
West Yorkshire  
LS11 5UH

**Auditor**

Ford Campbell Freedman Limited  
Chartered accountants & statutory auditor  
2nd Floor  
33 Park Place  
Leeds  
LS1 2RY

# Duchy Homes Limited

## Strategic Report

### Period from 1 January 2019 to 30 June 2020

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The principal activity of the Group during the 18 month period ended 30 June 2020 was that of the construction and sale of new residential homes.

The trading results for the period and the Groups financial position at the period end are shown in the attached financial statements. During the period, it was decided that having a year-end in December when traditionally the construction activity closes down early for the Christmas break, coupled with the adverse weather conditions at this time of the year, it was not beneficial for the group to ensure it was able to deliver a strong performance in the run up to the year. Therefore, the accounting period was extended to 30 June.

Therefore, these accounts are for an 18 month period with the comparative figures for a 12 month period.

#### Business Review & Results

The results for the extended 18 month period to the 30 June, have delivered on the plan of growth previously reported but not on the original projections at profit levels as commented upon below.

Key performance indicators (KPI's) for the business in the current 18 month period and preceding year are as follows:

|                       | 2020       | 2018       |
|-----------------------|------------|------------|
|                       | £          | £          |
| Number of houses sold | 108        | 50         |
| Average selling price | 422,000    | 417,000    |
| Turnover              | 45,563,321 | 20,840,630 |
| Gross profit          | 3,664,748  | 2,951,517  |

The Private Average selling price increased from £466k in 2018 to £539k in 2020.

Although the number of units, turnover and gross profit have increased in excess of a pro rata position from 2018, this would have been greater as we were heavily impacted by the pandemic, due to the board's decision to effectively close sites, sales offices and delayed legal completions for a 3 month period from April to July 2020 and beyond. This was believed to be the best course of action to protect all stakeholders of the business, together with our customers.

The significant costs of the pandemic which Duchy Homes Limited has absorbed together with trading out of some poorly performing legacy sites has had a impact on the gross profit margin which has reduced to 11%. All additional direct costs have been taken into account when reporting the individual site performance, as such this level of gross profit is not expected to reoccur.

The group has also taken the decision to impair a plot of land which has been sold on without development post year end impacting gross profit, but this has released a large amount of cash with the board believing they can use this cash better at other sites.

A loss before tax was anticipated but not to the level reported in these financial statements. The items noted above at gross profit level together with the unprecedented global pandemic and fixed overhead again which was maintained initially have significantly impacted the reportable profit for the group. As mentioned above, this meant very little income was received during the 3 month period but the fixed overhead was maintained.

# Duchy Homes Limited

## Strategic Report *(continued)*

### Period from 1 January 2019 to 30 June 2020

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The board used this time to reorganise the business to make it more efficient, effective and more profitable.

The decision was taken to restructure and scale back the planned growth of the business due to the uncertainty brought about by the pandemic. Land purchases were delayed, which due to the long lead times from production to legal completions meant that the business would remain static for the next couple of years. Overheads were too large for the volume of anticipated turnover, so the decision was taken to close one division and merge two others, this substantially reduced the overhead.

The Group received a 5 star home builder rating from the Home Builders Federation Customer Satisfaction Survey, a reflection of the high build quality and exceptional service given to each of our customers.

### Principal Risks & Uncertainties

The Group continues to face a range of risks and uncertainties in the course of its business.

Such risks include:

(1) Changes to the external environment; economic conditions, government housing policy, uncertainty over post Brexit agreements, mortgage supply and interest rates. Mortgage rates continue to be competitively priced with good availability. The Group will continue to closely monitor any changes to the macro-economic environment and adapt its strategy and forecasts accordingly.

(2) The availability of sufficient materials and skilled labour on a viable basis. Demand for materials has expanded due to increased construction activity, the impact of Covid 19 and initial issues in respect of Brexit. This has resulted in price increases coming through on some products, fortunately we are seeing selling price increases to more than offset this. We have and continue to build long-term relationships with our subcontractors and suppliers and continually review and monitor subcontractor and supplier performance.

(3) The availability of good quality land. The Group continues to be successful in its ability to secure good quality, highly desirable sites. We have a targeted approach to land acquisitions with pre purchase due diligence and viabilities on all proposed land purchases. Authorisation of all land purchases is in accordance with the approval matrix.

(4) Access to adequate funding. Funding has been secured to support the long-term strategic plan. This is predominantly via a loan agreement with Stadium Parkgate (Holdings) Limited. In addition to this we also have a letter of comfort from SPH 2011 Limited in favour of Duchy Homes Limited in the unlikely event that the Duchy Homes Limited fails to pay any debt owed. Cash is strictly managed through regular forecasts. It is essential that the Group continues to identify and manage these risks effectively in order to deliver the strategic objectives.

(5) The directors continuously review and assess the uncertainty and risks surrounding the Covid-19 pandemic. Since the initial outbreak in early 2020 the Group introduced new procedures to ensure compliance with Government and National Health England guidelines on Covid 19. Following the announcement of the first national lockdown the Group was able to commence opening up from July 2020. Whilst the future impact of the pandemic remains uncertain, the Group is in a strong to trade successfully and efficiently through any potential future lockdowns, helped with the governments support to enable housebuilders to carry on due to the high demand for our product.

# Duchy Homes Limited

## Strategic Report *(continued)*

Period from 1 January 2019 to 30 June 2020

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### Future Developments

Despite the challenges arising from COVID-19, conditions in the new build housing market remain positive, with strong demand for homes and good access to mortgage finance.

During the restructure process noted above, the board has prepared a revised 5 year business plan which was finalised in July 2020. The year one plan was set for the year to 30 June 21 at 145 units and we are currently forecasting 165 units for the year. To date we have completed on 138 units and exchanged on a further 22 which are to legally complete before the end of June 2021.

Therefore, the board are delighted to report that the 2021 year is anticipated to complete ahead of forecast on houses sold, generating an increased turnover, an increase back to historic gross profit margins together with a significantly reduced overhead following the restructure. This should move the group back to a profitable position pre tax and interest for the 2021 year and beyond.

The group has a very strong forward order book with 50% of units, (83 in number) forward sold for the Year ended 30 June 2022.

This report was approved by the board of directors on 25 June 2021 and signed on behalf of the board by:



M A Aylward  
Director

Registered office:  
Middleton House  
Westland Road  
Leeds  
West Yorkshire  
LS11 5UH

# Duchy Homes Limited

## Directors' Report

### Period from 1 January 2019 to 30 June 2020

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The directors present their report and the financial statements of the group for the period ended 30 June 2020.

#### Directors

The directors who served the company during the period were as follows:

|                |   |
|----------------|---|
| J G Barnes     |   |
| J Cropper      |   |
| W Marchant     | (Appointed 6 September 2019)                  |
| S E Hird       | (Resigned 6 May 2020)                         |
| N A Waddington | (Resigned 19 February 2019)                   |
| D C Bowman     | (Served from 20 May 2019 to 6 September 2019) |

Post year end the following changes have been made to the board of directors:

W Marchant resigned as a director on 27 July 2020  
J Cropper resigned as a director on 27 July 2020  
M A Aylward was appointed as a director on 27 July 2020

#### Dividends

The directors do not recommend the payment of a dividend.

#### Disclosure of information in the strategic report

In accordance with section 414C(11) of the Companies Act 2006 the company has shown the strategic position and principal activity of the group in the separate strategic report.

#### Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 group and the company and the profit or loss of the group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

# Duchy Homes Limited

## Directors' Report *(continued)*

### Period from 1 January 2019 to 30 June 2020

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

#### Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

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

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 25 June 2021 and signed on behalf of the board by:



M A Aylward  
Director

Registered office:  
Middleton House  
Westland Road  
Leeds  
West Yorkshire  
LS11 5UH



# **Duchy Homes Limited**

## **Independent Auditor's Report to the Members of Duchy Homes Limited**

**Period from 1 January 2019 to 30 June 2020**

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### **Opinion**

We have audited the financial statements of Duchy Homes Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 30 June 2020 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2020 and of the group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

# Duchy Homes Limited

## Independent Auditor's Report to the Members of Duchy Homes Limited *(continued)*

Period from 1 January 2019 to 30 June 2020

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### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

# Duchy Homes Limited

## Independent Auditor's Report to the Members of Duchy Homes Limited *(continued)*

Period from 1 January 2019 to 30 June 2020

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### Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the 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 the directors 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 for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

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

  
Dale Coleman FCA (Senior Statutory Auditor)

For and on behalf of  
Ford Campbell Freedman Limited  
Chartered accountants & statutory auditor  
2nd Floor  
33 Park Place  
Leeds  
LS1 2RY

25 June 2021

# Duchy Homes Limited

## Consolidated Statement of Comprehensive Income

Period from 1 January 2019 to 30 June 2020

|   |        | Period from<br>1 Jan 19 to<br>30 Jun 20<br>£ | Year to<br>31 Dec 18<br>£ |
|---|--------|--|---------------------------|
| <b>Turnover</b>   | Note 4 | 45,563,321                                   | 20,840,630                |
| Cost of sales   |        | 41,898,574                                   | 17,889,113                |
| <b>Gross profit</b>   |        | 3,664,747                                    | 2,951,517                 |
| Administrative expenses   |        | 10,763,688                                   | 5,469,699                 |
| <b>Operating (loss)/profit</b>                                      | 5      | (7,098,941)                                  | (2,518,182)               |
| Other interest receivable and similar income                        | 9      | 225,156                                      | —                         |
| Interest payable and similar expenses                               | 10     | 4,343,471                                    | 1,427,274                 |
| <b>Loss before taxation</b>   |        | (11,217,256)                                 | (3,945,456)               |
| Tax on loss   | 11     | 53,957                                       | 7,103                     |
| <b>Loss for the financial period and total comprehensive income</b> |        | (11,271,213)                                 | (3,952,559)               |
| Loss for the financial period attributable to:                      |        |  |                           |
| The owners of the parent company                                    |        | (11,368,503)                                 | (4,034,917)               |
| Non-controlling interests   |        | 97,290                                       | 82,358                    |
|   |        | (11,271,213)                                 | (3,952,559)               |

All the activities of the group are from continuing operations.

The notes on pages 16 to 27 form part of these financial statements.

# Duchy Homes Limited

## Consolidated Statement of Financial Position

30 June 2020

|  | Note | 30 Jun 20<br>£      | 31 Dec 18<br>£     |
|--|------|---------------------|--------------------|
| <b>Fixed assets</b>  |      |                     |                    |
| Intangible assets  | 12   | 39,269              | –                  |
| Tangible assets  | 13   | <u>329,038</u>      | <u>406,764</u>     |
|  |      | <b>368,307</b>      | <b>406,764</b>     |
| <b>Current assets</b>  |      |                     |                    |
| Stocks   | 15   | 52,916,214          | 32,963,882         |
| Debtors  | 16   | 2,407,173           | 2,854,620          |
| Cash at bank and in hand                                       |      | <u>1,854,143</u>    | <u>2,200,272</u>   |
|  |      | <b>57,177,530</b>   | <b>38,018,774</b>  |
| <b>Creditors: amounts falling due within one year</b>          | 17   | <u>20,424,308</u>   | <u>5,072,743</u>   |
| <b>Net current assets</b>                                      |      | <b>36,753,222</b>   | <b>32,946,031</b>  |
| <b>Total assets less current liabilities</b>                   |      | <b>37,121,529</b>   | <b>33,352,795</b>  |
| <b>Creditors: amounts falling due after more than one year</b> | 18   | <u>51,989,947</u>   | <u>36,950,000</u>  |
| <b>Net liabilities</b>   |      | <b>(14,868,418)</b> | <b>(3,597,205)</b> |
| <b>Capital and reserves</b>                                    |      |                     |                    |
| Called up share capital  | 21   | 846                 | 846                |
| Capital redemption reserve                                     | 22   | 154                 | 154                |
| Profit and loss account  | 22   | <u>(14,976,638)</u> | <u>(3,608,135)</u> |
| <b>Equity attributable to the owners of the parent company</b> |      | <b>(14,975,638)</b> | <b>(3,607,135)</b> |
| <b>Non-controlling interests</b>                               |      | <u>107,220</u>      | <u>9,930</u>       |
|  |      | <b>(14,868,418)</b> | <b>(3,597,205)</b> |

These financial statements were approved by the board of directors and authorised for issue on 25 June 2021, and are signed on behalf of the board by:



M A Aylward  
Director

Company registration number: 07852681

The notes on pages 16 to 27 form part of these financial statements.

# Duchy Homes Limited

## Company Statement of Financial Position

30 June 2020

|  | Note | 30 Jun 20<br>£      | 31 Dec 18<br>£     |
|--|------|---------------------|--------------------|
| <b>Fixed assets</b>  |      |                     |                    |
| Intangible assets  | 12   | 39,269              | –                  |
| Tangible assets  | 13   | 329,038             | 406,764            |
| Investments  | 14   | 966                 | 628                |
|  |      | <u>369,273</u>      | <u>407,392</u>     |
| <b>Current assets</b>  |      |                     |                    |
| Stocks   | 15   | 36,147,432          | 32,963,882         |
| Debtors  | 16   | 5,283,724           | 2,873,412          |
| Cash at bank and in hand                                       |      | 1,485,614           | 2,148,385          |
|  |      | <u>42,916,770</u>   | <u>37,985,679</u>  |
| <b>Creditors: amounts falling due within one year</b>          | 17   | <u>5,916,312</u>    | <u>5,063,143</u>   |
| <b>Net current assets</b>                                      |      | <u>37,000,458</u>   | <u>32,922,536</u>  |
| <b>Total assets less current liabilities</b>                   |      | <u>37,369,731</u>   | <u>33,329,928</u>  |
| <b>Creditors: amounts falling due after more than one year</b> | 18   | <u>51,989,947</u>   | <u>36,950,000</u>  |
| <b>Net liabilities</b>   |      | <u>(14,620,216)</u> | <u>(3,620,072)</u> |
| <b>Capital and reserves</b>                                    |      |                     |                    |
| Called up share capital  | 21   | 846                 | 846                |
| Capital redemption reserve                                     | 22   | 154                 | 154                |
| Profit and loss account  | 22   | (14,621,216)        | (3,621,072)        |
| <b>Shareholders deficit</b>                                    |      | <u>(14,620,216)</u> | <u>(3,620,072)</u> |

The loss for the financial period of the parent company was £11,000,144 (2018: £3,484,729).

These financial statements were approved by the board of directors and authorised for issue on 25 June 2021, and are signed on behalf of the board by:



M A Aylward  
Director

Company registration number: 07852681

The notes on pages 16 to 27 form part of these financial statements.

# Duchy Homes Limited

## Consolidated Statement of Changes in Equity

Period from 1 January 2019 to 30 June 2020

|   | Called up<br>share capital<br>£ | Capital<br>redemption<br>reserve<br>£ | Profit and<br>loss account<br>£ | Equity<br>attributable<br>to the<br>owners of<br>the parent<br>company<br>£ | Non-<br>controlling<br>interests<br>£ | Total<br>£   |
|---|---------------------------------|---------------------------------------|---------------------------------|---|---------------------------------------|--------------|
| <b>At 1 January 2018</b>  | 846                             | 154                                   | 426,782                         | 427,782   | 424,986                               | 852,768      |
| Loss for the period   | —                               | —                                     | (4,034,917)                     | (4,034,917)   | 82,358                                | (3,952,559)  |
| <b>Total comprehensive<br/>income for the period</b>            | —                               | —                                     | (4,034,917)                     | (4,034,917)   | 82,358                                | (3,952,559)  |
| Dividends paid and<br>payable                                   | —                               | —                                     | —                               | —   | (497,414)                             | (497,414)    |
| <b>Total investments by<br/>and distributions to<br/>owners</b> | —                               | —                                     | —                               | —   | (497,414)                             | (497,414)    |
| <b>At 31 December 2018</b>                                      | 846                             | 154                                   | (3,608,135)                     | (3,607,135)   | 9,930                                 | (3,597,205)  |
| Loss for the period   | —                               | —                                     | (11,368,503)                    | (11,368,503)  | 97,290                                | (11,271,213) |
| <b>Total comprehensive<br/>income for the period</b>            | —                               | —                                     | (11,368,503)                    | (11,368,503)  | 97,290                                | (11,271,213) |
| <b>At 30 June 2020</b>  | 846                             | 154                                   | (14,976,638)                    | (14,975,638)  | 107,220                               | (14,868,418) |

The notes on pages 16 to 27 form part of these financial statements.

# Duchy Homes Limited

## Company Statement of Changes in Equity

Period from 1 January 2019 to 30 June 2020

|  | Called up<br>share capital<br>£ | Capital<br>redemption<br>reserve<br>£ | Profit and<br>loss account<br>£ | <b>Total<br/>£</b>  |
|--|---------------------------------|---------------------------------------|---------------------------------|---------------------|
| <b>At 1 January 2018</b>                         | 846                             | 154                                   | (136,343)                       | (135,343)           |
| Loss for the period                              | —                               | —                                     | (3,484,729)                     | (3,484,729)         |
| <b>Total comprehensive income for the period</b> | —                               | —                                     | (3,484,729)                     | (3,484,729)         |
| <b>At 31 December 2018</b>                       | 846                             | 154                                   | (3,621,072)                     | (3,620,072)         |
| Loss for the period                              | —                               | —                                     | (11,000,144)                    | (11,000,144)        |
| <b>Total comprehensive income for the period</b> | —                               | —                                     | (11,000,144)                    | (11,000,144)        |
| <b>At 30 June 2020</b>                           | <u>846</u>                      | <u>154</u>                            | <u>(14,621,216)</u>             | <u>(14,620,216)</u> |

The notes on pages 16 to 27 form part of these financial statements.



# Duchy Homes Limited

## Consolidated Statement of Cash Flows

Period from 1 January 2019 to 30 June 2020

|   | 30 Jun 20<br>£   | 31 Dec 18<br>£   |
|---|------------------|------------------|
| <b>Cash flows from operating activities</b>             |                  |                  |
| Loss for the financial period                           | (11,271,213)     | (3,952,559)      |
| <i>Adjustments for:</i>                                 |                  |                  |
| Depreciation of tangible assets                         | 223,589          | 90,180           |
| Other interest receivable and similar income            | (225,156)        | —                |
| Interest payable and similar expenses                   | 4,343,471        | 1,427,274        |
| (Gains)/loss on disposal of tangible assets             | (5,168)          | 361              |
| Tax on loss   | 53,957           | 7,103            |
| Accrued expenses  | 120,097          | 478,525          |
| <i>Changes in:</i>                                      |                  |                  |
| Stocks  | (19,952,332)     | (20,209,305)     |
| Trade and other debtors                                 | 447,447          | (2,556,221)      |
| Trade and other creditors                               | 5,198,186        | (898,976)        |
| Cash generated from operations                          | (21,067,122)     | (25,613,618)     |
| Interest paid   | (4,343,471)      | (1,427,274)      |
| Interest received                                       | 225,156          | —                |
| Tax paid  | (53,957)         | (212,222)        |
| Net cash used in operating activities                   | (25,239,394)     | (27,253,114)     |
| <b>Cash flows from investing activities</b>             |                  |                  |
| Purchase of tangible assets                             | (146,696)        | (428,829)        |
| Proceeds from sale of tangible assets                   | 6,001            | 4,409            |
| Purchase of intangible assets                           | (39,269)         | —                |
| Net cash used in investing activities                   | (179,964)        | (424,420)        |
| <b>Cash flows from financing activities</b>             |                  |                  |
| Proceeds from borrowings                                | 9,929,896        | —                |
| Proceeds from loans from group undertakings             | 103,386          | —                |
| Proceeds from loans from participating interests        | 15,039,947       | 27,200,000       |
| Dividends paid  | —                | (497,414)        |
| Net cash from financing activities                      | 25,073,229       | 26,702,586       |
| <b>Net decrease in cash and cash equivalents</b>        | (346,129)        | (974,948)        |
| <b>Cash and cash equivalents at beginning of period</b> | <u>2,200,272</u> | <u>3,175,220</u> |
| <b>Cash and cash equivalents at end of period</b>       | <u>1,854,143</u> | <u>2,200,272</u> |

The notes on pages 16 to 27 form part of these financial statements.

# Duchy Homes Limited

## Notes to the Financial Statements

Period from 1 January 2019 to 30 June 2020

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### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Middleton House, Westland Road, Leeds, West Yorkshire, LS11 5UH.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in Sterling, which is the functional currency of the entity.

#### Going concern

As commented upon in the Strategic Report the directors anticipated a loss for the period but have been significantly impacted by the Covid-19 pandemic.

Despite the significant loss in the period and the negative balance sheet the group has long term loans provided by an associated company. This company has confirmed its committed to the long term plan of the group and further provided a guarantee to the group creditors.

Therefore the directors believe that the company should prepare the accounts on a going concern basis.

#### Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

#### Consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

# Duchy Homes Limited

## Notes to the Financial Statements *(continued)*

Period from 1 January 2019 to 30 June 2020

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### 3. Accounting policies *(continued)*

#### Non-controlling interests

Minority interests in the net assets of consolidated subsidiaries are identified separately from the group's equity. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

The proportions of profit or loss and changes in equity allocated to the owners of the parent and to the minority interests are determined on the basis of existing ownership interests and do not reflect the possible exercise or conversion of options, or convertible instruments.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

#### Valuation of work in progress

Work in progress relates to costs incurred to date of acquiring and developing real estate assets. The carrying value of work in progress is assessed based on calculations of the relevant cost of sales linked to each development where the cost of sales is based on detailed forecasts of expected remaining revenues and costs to complete the project. Judgements around expected income are based on sales experience and market conditions as at the measurement date. Judgements around costs to complete are based on the status of completion as well as a detailed understanding of the specific requirements for each development.

#### Revenue recognition

Turnover represents amounts receivable on private dwellings sold in the period, exclusive of Value Added Tax. Turnover derived from the sale of private dwellings is recognised in the profit and loss account on legal completion.

# Duchy Homes Limited

## Notes to the Financial Statements *(continued)*

Period from 1 January 2019 to 30 June 2020

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### 3. Accounting policies *(continued)*

#### Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

#### Tangible assets

Tangible assets are initially recorded at cost and subsequently stated at cost less any accumulated depreciation and impairment losses.

#### Depreciation

Depreciation is calculated so as to write-off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

|                        |   |                   |
|------------------------|---|-------------------|
| Plant and machinery    | - | 25% straight line |
| Furniture and fittings | - | 25% straight line |
| Commercial vehicles    | - | 25% straight line |
| Office Equipment       | - | 25% straight line |

#### Investments

Fixed asset investments are initially recorded at cost and subsequently stated at cost less any accumulated impairment losses.

# Duchy Homes Limited

## Notes to the Financial Statements *(continued)*

Period from 1 January 2019 to 30 June 2020

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### 3. Accounting policies *(continued)*

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs.

#### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

### 4. Turnover

Turnover arises from:

|                           | Period from<br>1 Jan 19 to<br>30 Jun 20<br>£ | Year to<br>31 Dec 18<br>£ |
|---------------------------|--|---------------------------|
| Sale of private dwellings | <u>45,563,321</u>                            | <u>20,840,630</u>         |

The whole of the turnover is attributable to the principal activity of the group wholly undertaken in the United Kingdom.

### 5. Operating profit

Operating profit or loss is stated after charging/crediting:

|   | Period from<br>1 Jan 19 to<br>30 Jun 20<br>£ | Year to<br>31 Dec 18<br>£ |
|---|--|---------------------------|
| Depreciation of tangible assets             | 223,589                                      | 90,180                    |
| (Gains)/loss on disposal of tangible assets | (5,168)                                      | 361                       |
| Operating lease rentals                     | <u>376,537</u>                               | <u>260,334</u>            |

# Duchy Homes Limited

## Notes to the Financial Statements *(continued)*

Period from 1 January 2019 to 30 June 2020

### 6. Auditor's remuneration

|  | Period from<br>1 Jan 19 to<br>30 Jun 20<br>£ | Year to<br>31 Dec 18<br>£ |
|--|--|---------------------------|
| Fees payable for the audit of the financial statements | <u>54,070</u>                                | <u>36,750</u>             |

### 7. Staff costs

The average number of persons employed by the group during the period, including the directors, amounted to:

|                      | 30 Jun 20<br>No. | 31 Dec 18<br>No. |
|----------------------|------------------|------------------|
| Production staff     | 29               | 18               |
| Administrative staff | 60               | 36               |
| Management staff     | 4                | 6                |
|                      | <u>93</u>        | <u>60</u>        |

The aggregate payroll costs incurred during the period, relating to the above, were:

|                       | Period from<br>1 Jan 19 to<br>30 Jun 20<br>£ | Year to<br>31 Dec 18<br>£ |
|-----------------------|--|---------------------------|
| Wages and salaries    | 8,743,595                                    | 4,489,664                 |
| Social security costs | 788,446                                      | 455,823                   |
| Other pension costs   | 246,331                                      | 108,870                   |
|                       | <u>9,778,372</u>                             | <u>5,054,357</u>          |

The average number of persons employed by the company, including the directors, for the current and prior year was the same as for the group.

The aggregate payroll costs for the company relating to the above was the same as the cost incurred by the group for both the current and prior year.

### 8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

|   | Period from<br>1 Jan 19 to<br>30 Jun 20<br>£ | Year to<br>31 Dec 18<br>£ |
|---|--|---------------------------|
| Remuneration  | 1,008,633                                    | 807,237                   |
| Company contributions to defined contribution pension plans | 25,374                                       | 20,189                    |
|   | <u>1,034,007</u>                             | <u>827,426</u>            |

# Duchy Homes Limited

## Notes to the Financial Statements *(continued)*

Period from 1 January 2019 to 30 June 2020

### 8. Directors' remuneration *(continued)*

Remuneration of the highest paid director in respect of qualifying services:

|   | Period from<br>1 Jan 19 to<br>30 Jun 20<br>£ | Year to<br>31 Dec 18<br>£ |
|---|--|---------------------------|
| Aggregate remuneration                                      | 284,863                                      | 213,178                   |
| Company contributions to defined contribution pension plans | 12,449                                       | 3,829                     |
|   | <u>297,312</u>                               | <u>217,007</u>            |

### 9. Other interest receivable and similar income

|                                       | Period from<br>1 Jan 19 to<br>30 Jun 20<br>£ | Year to<br>31 Dec 18<br>£ |
|---------------------------------------|--|---------------------------|
| Interest on cash and cash equivalents | <u>225,156</u>                               | <u>-</u>                  |

### 10. Interest payable and similar expenses

|  | Period from<br>1 Jan 19 to<br>30 Jun 20<br>£ | Year to<br>31 Dec 18<br>£ |
|--|--|---------------------------|
| Other interest payable and similar charges | <u>4,343,471</u>                             | <u>1,427,274</u>          |

### 11. Tax on loss

#### Major components of tax income

|  | Period from<br>1 Jan 19 to<br>30 Jun 20<br>£ | Year to<br>31 Dec 18<br>£ |
|--|--|---------------------------|
| <b>Current tax:</b>                            |  |                           |
| UK current tax income                          | 53,795                                       | 35,274                    |
| Adjustments in respect of prior periods        | 162  | (14,132)                  |
| Total current tax                              | <u>53,957</u>                                | <u>21,142</u>             |
| <b>Deferred tax:</b>                           |  |                           |
| Origination and reversal of timing differences | -  | (14,039)                  |
| <b>Tax on loss</b>                             | <u>53,957</u>                                | <u>7,103</u>              |

# Duchy Homes Limited

## Notes to the Financial Statements *(continued)*

### Period from 1 January 2019 to 30 June 2020

#### 11. Tax on loss *(continued)*

##### Reconciliation of tax expense

The tax assessed on the loss on ordinary activities for the period is higher than (2018: higher than) the standard rate of corporation tax in the UK of 19% (2018: 19%).

|  | Period from<br>1 Jan 19 to<br>30 Jun 20<br>£ | Year to<br>31 Dec 18<br>£ |
|--|--|---------------------------|
| Loss on ordinary activities before taxation          | (11,217,256)                                 | (3,945,456)               |
| Loss on ordinary activities by rate of tax           | (2,131,279)                                  | (749,637)                 |
| Adjustment to tax charge in respect of prior periods | 162  | (14,132)                  |
| Effect of expenses not deductible for tax purposes   | 229,104                                      | 3,558                     |
| Effect of capital allowances and depreciation        | (278)  | (25,739)                  |
| Unused tax losses                                    | 1,956,248                                    | 807,092                   |
| Deferred tax   | –  | (14,039)                  |
| Tax on loss  | 53,957                                       | 7,103                     |

#### 12. Intangible assets

##### Group and company

|                                    | Patents,<br>trademarks<br>and licences<br>£ |
|------------------------------------|---|
| <b>Cost</b>                        |   |
| At 1 January 2019                  | –   |
| Additions                          | 39,269                                      |
| <b>At 30 June 2020</b>             | <b>39,269</b>                               |
| <b>Amortisation</b>                |   |
| At 1 January 2019 and 30 June 2020 | –   |
| <b>Carrying amount</b>             |   |
| At 30 June 2020                    | 39,269                                      |
| At 31 December 2018                | –   |



# Duchy Homes Limited

## Notes to the Financial Statements *(continued)*

Period from 1 January 2019 to 30 June 2020

### 13. Tangible assets

| Group and company      | Plant and machinery<br>£ | Fixtures and fittings<br>£ | Motor vehicles<br>£ | Equipment<br>£ | Total<br>£      |
|------------------------|--------------------------|----------------------------|---------------------|----------------|-----------------|
| <b>Cost</b>            |                          |                            |                     |                |                 |
| At 1 January 2019      | 49,947                   | 301,582                    | 19,975              | 151,360        | <b>522,864</b>  |
| Additions              | 130                      | 25,179                     | 22,755              | 98,632         | <b>146,696</b>  |
| Disposals              | —                        | —                          | (19,975)            | —              | <b>(19,975)</b> |
| <b>At 30 June 2020</b> | <b>50,077</b>            | <b>326,761</b>             | <b>22,755</b>       | <b>249,992</b> | <b>649,585</b>  |
| <b>Depreciation</b>    |                          |                            |                     |                |                 |
| At 1 January 2019      | 17,319                   | 46,104                     | 17,478              | 35,199         | <b>116,100</b>  |
| Charge for the period  | 17,528                   | 115,807                    | 7,753               | 82,501         | <b>223,589</b>  |
| Disposals              | —                        | —                          | (19,142)            | —              | <b>(19,142)</b> |
| <b>At 30 June 2020</b> | <b>34,847</b>            | <b>161,911</b>             | <b>6,089</b>        | <b>117,700</b> | <b>320,547</b>  |
| <b>Carrying amount</b> |                          |                            |                     |                |                 |
| <b>At 30 June 2020</b> | <b>15,230</b>            | <b>164,850</b>             | <b>16,666</b>       | <b>132,292</b> | <b>329,038</b>  |
| At 31 December 2018    | 32,628                   | 255,478                    | 2,497               | 116,161        | 406,764         |

### 14. Investments

The group has no investments.

| Company                            | Shares in group undertakings<br>£ |
|------------------------------------|-----------------------------------|
| <b>Cost</b>                        |                                   |
| At 1 January 2019                  | 628                               |
| Additions                          | 438                               |
| Disposals                          | (100)                             |
| <b>At 30 June 2020</b>             | <b>966</b>                        |
| <b>Impairment</b>                  |                                   |
| At 1 January 2019 and 30 June 2020 | —                                 |
| <b>Carrying amount</b>             |                                   |
| <b>At 30 June 2020</b>             | <b>966</b>                        |
| At 31 December 2018                | 628                               |

# Duchy Homes Limited

## Notes to the Financial Statements (continued)

Period from 1 January 2019 to 30 June 2020

### 14. Investments (continued)

#### Subsidiaries

Details of the investments in which the parent company has an interest of 20% or more are as follows:

|                                  | Class of share | Percentage of shares held |
|----------------------------------|----------------|---------------------------|
| <b>Subsidiary undertakings</b>   |                |                           |
| Duchy Homes (Humshaugh) Limited  | Ordinary       | 100                       |
| Duchy Homes (Old Malton) Limited | Ordinary       | 100                       |
| Duchy Homes (Penistone) Limited  | Ordinary B     | 57                        |
| Duchy Homes (Scawthorpe) Limited | Ordinary B     | 57                        |
| Duchy Homes (Walkington) Limited | Ordinary       | 100                       |
| Duchy Homes (North Cave) Limited | Ordinary B     | 57                        |
| Duchy Homes (Winterley) Limited  | Ordinary B     | 55                        |
| Duchy Homes (Bowgreave) Limited  | Ordinary B     | 57                        |

### 15. Stocks

|                  | Group             |                   | Company           |                   |
|------------------|-------------------|-------------------|-------------------|-------------------|
|                  | 30 Jun 20         | 31 Dec 18         | 30 Jun 20         | 31 Dec 18         |
|                  | £                 | £                 | £                 | £                 |
| Work in progress | <u>52,916,214</u> | <u>32,963,882</u> | <u>36,147,432</u> | <u>32,963,882</u> |

### 16. Debtors

|                                    | Group            |                  | Company          |                  |
|------------------------------------|------------------|------------------|------------------|------------------|
|                                    | 30 Jun 20        | 31 Dec 18        | 30 Jun 20        | 31 Dec 18        |
|                                    | £                | £                | £                | £                |
| Trade debtors                      | 122,681          | 2,132            | 123,794          | 2,132            |
| Amounts owed by group undertakings | —                | —                | 2,821,643        | —                |
| Prepayments and accrued income     | 279,135          | 53,015           | 279,135          | 53,015           |
| Corporation tax repayable          | 111,297          | 186,131          | 165,092          | 204,923          |
| Other debtors                      | <u>1,894,060</u> | <u>2,613,342</u> | <u>1,894,060</u> | <u>2,613,342</u> |
|                                    | <u>2,407,173</u> | <u>2,854,620</u> | <u>5,283,724</u> | <u>2,873,412</u> |

### 17. Creditors: amounts falling due within one year

|                                    | Group             |                  | Company          |                  |
|------------------------------------|-------------------|------------------|------------------|------------------|
|                                    | 30 Jun 20         | 31 Dec 18        | 30 Jun 20        | 31 Dec 18        |
|                                    | £                 | £                | £                | £                |
| Bank loans and overdrafts          | 9,929,896         | —                | —                | —                |
| Trade creditors                    | 3,737,992         | 2,856,619        | 3,737,992        | 2,856,619        |
| Amounts owed to group undertakings | 103,386           | —                | 110,600          | 2,150            |
| Accruals and deferred income       | 1,384,032         | 1,263,935        | 1,289,325        | 1,252,185        |
| Social security and other taxes    | 128,081           | 335,152          | 128,081          | 335,152          |
| Other creditors                    | <u>5,140,921</u>  | <u>617,037</u>   | <u>650,314</u>   | <u>617,037</u>   |
|                                    | <u>20,424,308</u> | <u>5,072,743</u> | <u>5,916,312</u> | <u>5,063,143</u> |

# Duchy Homes Limited

## Notes to the Financial Statements *(continued)*

Period from 1 January 2019 to 30 June 2020

### 18. Creditors: amounts falling due after more than one year

|                 | Group             |                   | Company           |                   |
|-----------------|-------------------|-------------------|-------------------|-------------------|
|                 | 30 Jun 20         | 31 Dec 18         | 30 Jun 20         | 31 Dec 18         |
|                 | £                 | £                 | £                 | £                 |
| Other creditors | <u>51,989,947</u> | <u>36,950,000</u> | <u>51,989,947</u> | <u>36,950,000</u> |

The company has granted security of a fixed and floating charge on the assets of the company in favour of other creditors stated above.

### 20. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £246,331 (2018: £108,870).

### 21. Called up share capital

#### Issued, called up and fully paid

|                            | 30 Jun 20  |            | 31 Dec 18  |            |
|----------------------------|------------|------------|------------|------------|
|                            | No.        | £          | No.        | £          |
| Ordinary shares of £1 each | <u>846</u> | <u>846</u> | <u>846</u> | <u>846</u> |

### 22. Reserves

#### Profit and loss account

This reserve records retained earnings and accumulated losses.

#### Capital redemption reserve

This reserve records the nominal value of shares repurchased by the company.

### 23. Analysis of changes in net debt

|                          | At 1 Jan 2019    | Cash flows          | At 30 Jun 2020      |
|--------------------------|------------------|---------------------|---------------------|
|                          | £                | £                   | £                   |
| Cash at bank and in hand | 2,200,272        | (346,129)           | <u>1,854,143</u>    |
| Debt due within one year | –                | (10,033,282)        | <u>(10,033,282)</u> |
|                          | <u>2,200,272</u> | <u>(10,379,411)</u> | <u>(8,179,139)</u>  |

# Duchy Homes Limited

## Notes to the Financial Statements (continued)

Period from 1 January 2019 to 30 June 2020

### 24. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

|  | Group          |                | Company        |                |
|--|----------------|----------------|----------------|----------------|
|  | 30 Jun 20      | 31 Dec 18      | 30 Jun 20      | 31 Dec 18      |
|  | £              | £              | £              | £              |
| Not later than 1 year                        | 230,748        | 195,255        | 230,748        | 195,255        |
| Later than 1 year and not later than 5 years | 466,508        | 486,320        | 466,508        | 486,320        |
| Later than 5 years                           | 121,975        | 175,525        | 121,975        | 175,525        |
|  | <u>819,231</u> | <u>857,100</u> | <u>819,231</u> | <u>857,100</u> |

### 25. Related party transactions

#### Group

During the period the group entered into the following transactions with related parties:

|   | Transaction value |           | Balance owed by/(owed to) |            |
|---|-------------------|-----------|---------------------------|------------|
|   | 30 Jun 20         | 31 Dec 18 | 30 Jun 20                 | 31 Dec 18  |
|   | £                 | £         | £                         | £          |
| Loan from & interest payable to shareholder                         | 4,343,467         | 1,427,275 | 51,989,947                | 36,950,000 |
| Recharges with companies under common control                       | 122,222           | —         | —                         | —          |
| Loan to and interest receivable from companies under common control | <u>225,054</u>    | <u>—</u>  | <u>1,000,000</u>          | <u>—</u>   |

#### Company

During the period the company entered into the following transactions with related parties:

|   | Transaction value |           | Balance owed by/(owed to) |            |
|---|-------------------|-----------|---------------------------|------------|
|   | 30 Jun 20         | 31 Dec 18 | 30 Jun 20                 | 31 Dec 18  |
|   | £                 | £         | £                         | £          |
| Loan from & interest payable to shareholder                         | 4,343,467         | 1,427,275 | 51,989,947                | 36,950,000 |
| Recharges with joint ventures                                       | 17,816,879        | 665,099   | 2,821,643                 | —          |
| Recharges with companies under common control                       | 122,222           | —         | —                         | —          |
| Dividends receivable from group companies                           | 20,000            | 2,012,688 | —                         | —          |
| Loan to and interest receivable from companies under common control | <u>225,054</u>    | <u>—</u>  | <u>1,000,000</u>          | <u>—</u>   |

The company has taken advantage of the exemption in FRS 102 Section 33 from disclosing details of transactions with other wholly owned group companies.

# Duchy Homes Limited

## Notes to the Financial Statements *(continued)*

Period from 1 January 2019 to 30 June 2020

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### 26. Controlling party

The immediate parent company of Duchy Homes Limited is Duchy Homes (Holdings) Limited, a company incorporated in England and Wales. Duchy Homes (Holdings) Limited is the largest group to consolidate these financial statements.

By virtue of the shareholdings in the immediate parent undertaking there is no one, single, controlling party.