

Financial Statements for the Period 1 January 2022 to 31 March 2023

for

Victoria Square Woking Limited

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for the Period 1 January 2022 to 31 March 2023

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**DIRECTORS:**

P A H Robinson  
J T A Robinson  
C G Taylor

**SECRETARY:**

P L Hearn

**REGISTERED OFFICE:**

5 Olympus Court  
Olympus Avenue  
Tachbrook Park  
Leamington Spa  
W Warwickshire  
CV34 6RZ

**REGISTERED NUMBER:**

08005542 (England and Wales)

**AUDITORS:**

WHR Accountants Ltd  
Chartered Certified Accountants  
Statutory Auditors  
56 English Street  
Armagh  
Co. Armagh  
BT61 7LG

**SOLICITORS:**

Anderson Strathern LLP  
1 Rutland Court  
Edinburgh  
EH3 8EY

Balance Sheet

31 March 2023

	Notes	31.3.23 £	£	31.12.21 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		373,107		399,173
Investments	5		2		2
Investment property	6		<u>142,469,282</u>		<u>116,458,971</u>
			142,842,391		116,858,146
<b>CURRENT ASSETS</b>					
Debtors	7	27,595,007		15,508,011	
Cash at bank		<u>2,341,311</u>		<u>7,523,191</u>	
		29,936,318		23,031,202	
<b>CREDITORS</b>					
Amounts falling due within one year	8	<u>22,127,546</u>		<u>24,455,141</u>	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			7,808,772		(1,423,939)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			150,651,163		115,434,207
<b>CREDITORS</b>					
Amounts falling due after more than one year	9		<u>690,952,918</u>		<u>617,422,878</u>
<b>NET LIABILITIES</b>			<u>(540,301,755)</u>		<u>(501,988,671)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			30,000		30,000
Retained earnings			<u>(540,331,755)</u>		<u>(502,018,671)</u>
			<u>(540,301,755)</u>		<u>(501,988,671)</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 27 March 2024 and were signed on its behalf by:

P A H Robinson - Director

Notes to the Financial Statements  
for the Period 1 January 2022 to 31 March 2023

1. **STATUTORY INFORMATION**

Victoria Square Woking Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in sterling (£), which is also the functional currency of the company.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold - 2% on cost  
Plant & machinery - 25% on cost  
Fixtures & fittings - 25% on cost

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

**Investment property**

Investment property is shown at the most recent professional valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit and loss account.

Investment properties were valued at 13 March 2024 on the basis of completion value. This is reflected in the 2023 financial statements. The value in the balance sheet reflects costs incurred after the year end.

In September 2021 the company entered into short term leases of 25 years with Victoria Square Residential Limited and VSW Hotel Limited in relation to its residential towers and hotel respectively.

**Taxation**

Taxation for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

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

**Financial instruments**

Basic financial instruments are recognised at amortised cost.

The directors consider that loans to and from group participating undertakings are basic financial instruments and are not included at fair value. The company has no non-basic financial instruments.

Notes to the Financial Statements - continued  
for the Period 1 January 2022 to 31 March 2023

2. **ACCOUNTING POLICIES - continued**

**Revenue recognition**

Revenue is recognised when the sales contract or grant of the lease becomes unconditional.

Rents in respect of assets held as investment properties are recognised over the term of the leases not exceeding 25 years on a straight line basis.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the period was 1 (2021 - 1) .

4. **TANGIBLE FIXED ASSETS**

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 January 2022				
and 31 March 2023	365,974	53,948	5,011	424,933
<b>DEPRECIATION</b>				
At 1 January 2022	7,319	13,487	4,954	25,760
Charge for period	9,150	16,859	57	26,066
At 31 March 2023	16,469	30,346	5,011	51,826
<b>NET BOOK VALUE</b>				
At 31 March 2023	349,505	23,602	-	373,107
At 31 December 2021	358,655	40,461	57	399,173

5. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 January 2022	
and 31 March 2023	2
<b>NET BOOK VALUE</b>	
At 31 March 2023	2
At 31 December 2021	2

Notes to the Financial Statements - continued  
for the Period 1 January 2022 to 31 March 2023

5. **FIXED ASSET INVESTMENTS - continued**

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**Victoria Square Residential Limited**

Registered office: 5 Olympus Court, Olympus Avenue, Tachbrook Park, Leamington Spa, Warwickshire, CV34 6RZ.

Nature of business: Residential lettings

Class of Shares: Ordinary

**VSW Hotel Limited**

Registered office: 5 Olympus Court, Olympus Avenue, Tachbrook Park, Leamington Spa, Warwickshire, CV34 6RZ.

Nature of business: Hotel

Class of Shares: Ordinary

6. **INVESTMENT PROPERTY**

	Total £
<b>FAIR VALUE</b>	
At 1 January 2022	606,948,461
Additions	56,514,301
At 31 March 2023	663,462,762
<b>DEPRECIATION</b>	
At 1 January 2022	490,489,490
Impairments	30,503,990
At 31 March 2023	520,993,480
<b>NET BOOK VALUE</b>	
At 31 March 2023	142,469,282
At 31 December 2021	116,458,971

Investment properties were valued at 13 March 2024 on the basis of completion value. The value in the balance sheet is based upon the following; the valuation of £175,800,000 less the estimated costs of completion post year end of £33,330,718. The estimated costs of completion are based upon the directors' calculations, but could be subject to inflationary pressures in the current economic climate.

7. **DEBTORS**

	31.3.23 £	31.12.21 £
Amounts falling due within one year:		
Trade debtors	714,537	24,566
Amounts owed by group undertakings	3,496,493	1,163,718
Amounts owed by participating interests	87,847	160,431
Other debtors	2,425,154	2,703,904
	<u>6,724,031</u>	<u>4,052,619</u>

Notes to the Financial Statements - continued  
for the Period 1 January 2022 to 31 March 2023

7. **DEBTORS - continued**

	31.3.23	31.12.21
	£	£
Amounts falling due after more than one year:		
Other debtors	20,870,976	11,455,392
Aggregate amounts	27,595,007	15,508,011

8. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.23	31.12.21
	£	£
Trade creditors	2,919,294	9,164,767
Amounts owed to group undertakings	2,992,240	717,252
Amounts owed to participating interests	15,843,179	14,241,886
Other creditors	5	-
Accrued expenses & deferred income	372,828	331,236
	22,127,546	24,455,141

9. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.3.23	31.12.21
	£	£
Amounts owed to participating interests	690,952,918	617,422,878

10. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.3.23	31.12.21
	£	£
Woking Borough Council Loan	700,872,587	626,540,026

The company has a revolving facility agreement with Woking Borough Council to provide development loan finance with a limit of £745 million.

The loan facility is secured on freehold properties that are included in investment properties at market value of £142,469,282.

Interest on the various loans is calculated on Public Works Loan Board rates.



Notes to the Financial Statements - continued  
for the Period 1 January 2022 to 31 March 2023

11. **DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

We draw attention to Note 15 in the financial statements, which indicates that the company incurred a net loss of £38,313,084 during the period ended 31 March 2023 and, as of that date, the company's current liabilities exceeded its total assets by £540,301,755. As stated in Note 15, these events or conditions, along with other matters as set forth in Note 15, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**UK Corporate Governance Code**

Our evaluation of the directors assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Discussions with directors.
- Communication with Woking Borough Council.
- Review of all financial information available to us as the auditors.

In relation to the company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors' considered it appropriate to adopt the going concern basis of accounting and the directors' identification in the financial statements of the material uncertainty related to the company's ability to continue as a going concern over a period of at least twelve months from the date of approval of the financial statements.

James Robinson (Senior Statutory Auditor)  
for and on behalf of WHR Accountants Ltd

12. **CAPITAL COMMITMENTS**

	31.3.23 £	31.12.21 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>2,160,000</u>

13. **RELATED PARTY DISCLOSURES**

During the year the company paid a group company, Moyallen Developments Limited, development manager fees totalling £335,493 (2021 -£1,080,000).

An amount of £350,169 is due to Moyallen Developments Limited at period ended 31 March 2023.

14. **ULTIMATE CONTROLLING PARTY**

Moyallen Holdings Limited (incorporated in Northern Ireland) is regarded by the directors as being the company's ultimate parent company.

Moyallen Holdings Limited prepares group accounts and their registered office is Unit 4 Granville Industrial Estate, Dungannon, County Tyrone, BT70 1NJ.

15. **GOING CONCERN**

The company has reported a loss of £38,313,084 for the period ended 31 March 2023 and at that date, the company's liabilities exceeded its total assets by £540,301,755.

The company meets its day to day working capital requirements through the support of its lender Woking Borough Council. Woking Borough Council will continue to make funds available as liabilities fall due until 31st March 2025. They are currently undertaking a detailed Financial Review of its commitments at the date of approval of the financial statements.

The directors have sought to mitigate these perceived risks above by:

- \* Concluding the project is programmed to complete by the end of 2024.
- \* Continue to engage and co-operate with Woking Borough Council.
- \* Seek further support assurances from Woking Borough Council into the future.

There is a material uncertainty related to events or conditions, which may cast significant doubt on the company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. However, having considered the circumstances outlined above, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, the directors continue to adopt the going concern basis in the preparation of the financial statements.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.