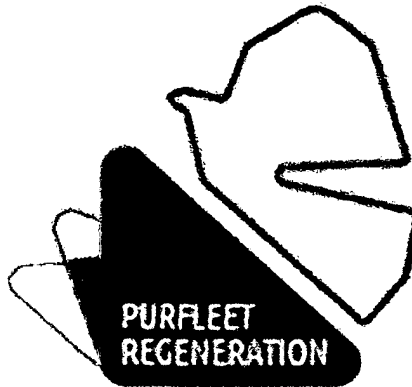


**Company No: 08879332**



# Purfleet Centre Regeneration Limited

Annual Report and Financial Statements

**Year ended 31 March 2020**



Purfleet Centre Regeneration Limited  
Year ended 31 March 2020

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Purfleet Centre Regeneration Limited  
Year ended 31 March 2020

## Legal and Administrative Details

Directors	Kenneth Dytor Vice Admiral Sir Timothy James Hamilton Laurence John Synnuck Jamie Smith (resigned 31 March 2020) Geoff Pearce Richard Aldington James King (appointed 1 April 2020)
Secretary	Susan McBride
Registered Office	Pilgrim House High Street Billericay Essex CM12 9XY
External Auditor	Grant Thornton UK LLP 101 Cambridge Science Park Milton Road Cambridge CB4 0FY
Solicitors	Bird & Bird LLP 12 New Fetter Lane London EC4A 1JP
Bankers	Royal Bank of Scotland plc 29 East Walk Basildon Essex SS14 1HD
Company's Registered Number	08879332

Purfleet Centre Regeneration Limited  
Year ended 31 March 2020

## Strategic Report

### Principal Activity

The Company's principal activity is the regeneration of the centre of Purfleet, Thurrock. The Company is a joint venture between Swan New Homes Limited (a subsidiary undertaking of Swan Housing Association Limited), Regeneration Investments Limited, Keltbray Limited and Vice Admiral Sir Timothy James Hamilton Laurence.

### Results

The Company has recorded a loss of £10,000 (2019: £9,000) in the year. The losses relate to administration fees incurred by the Company in the current and prior years.

### Review of the Business for the year and Future Developments

The Company's plan is to regenerate the centre of Purfleet which will involve up to 2,850 new homes, an integrated medical centre, improved transport infrastructure, a new primary school, and over 1,000,000 square feet of film and TV production studios.

At 31 March 2020, the Company has drawn £8,982,000 of the Junior Loan Facility (2019: £8,982,000) from its shareholders, and £10,500,000 (2019: £7,150,000) of the £18,100,000 Revolving Credit Facility with Swan New Homes Limited. A further £750,000 of the Revolving Credit Facility has been drawn since 31 March 2020. Figures exclude capitalised interest, which at 31 March 2020 was £4,873,000 and £2,538,000 (2019: £3,315,000 and £1,057,000) respectively. Outline planning permission was secured on 25 April 2019, and on 9 January 2020 Thurrock Council planning committee gave Reserved Matters approval for Phase 1A of the regeneration of Purfleet to commence. The Company is currently in discussions with potential funders about senior debt funding. Construction is planned to begin in late 2020.

### Key Performance Indicators

During the year the Company secured outline planning permission for the development, with reserved matters for Phase 1A of the regeneration scheme, and as such all associated costs were capitalised against the development.

KPI	2019/20	2018/19
Work in progress (including capitalised interest)	£27,171,000	£20,587,000
Junior Loan Facility – balance drawn (excluding capitalised interest)	£8,982,000	£8,982,000
Revolving Credit Facility – balance drawn (excluding capitalised interest)	£10,500,000	£7,150,000

### Going Concern

On the basis of their assessment of the Company's funding arrangements, trading prospects and other aspects of its financial position, the Board of Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements. The impact of Covid19 has been modelled and mitigations developed as part of the projects approach to risk management. The Company has been awarded £75m of housing infrastructure grant for Phase 1A, and is currently in discussions with potential funders about senior debt funding. The Company will also utilise the remainder of the Revolving Credit Facility across the next 12 months, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

### Risk Management

The Company has developed a risk register. It is reviewed and updated by the Board of Directors on a quarterly basis. The principal risks affecting the Company at the current stage of its business are general economic slowdown leading to a forecast drop in property sales, recruiting and retaining key personnel and employment of contractors and planning /development risk related to the development of site.

The impact of the United Kingdom's June 2016 decision to leave the European Union including the end of the transition period in December 2020 and the impact of Covid19 continues to be monitored by the Directors, but is not currently expected to materially impact the Company's future prospects and opportunities.

Approved by the Board of Directors and signed on their behalf by:



James King  
Director  
11 November 2020

Purfleet Centre Regeneration Limited  
Year ended 31 March 2020

## Directors' Report

The Directors submit their annual report and audited financial statements of Purfleet Centre Regeneration Limited (the "Company"), registered number 08879332 for the year ended 31 March 2020.

### Directors

A list of the Company's Directors at the year end and during the year can be found on the Legal and Administrative Details page of this Annual Report and Financial Statements.

### Future Developments

Future developments are detailed in the Strategic Report.

### Directors' Responsibilities Statement

The Directors are responsible for preparing the Strategic Report and 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 year. 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, 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 and of the profit or loss of the Company for that year.

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

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

### Directors' Indemnity Insurance

The Company maintains Directors' and officers' liability insurance for its Board members and officers, which is renewed annually.

### Disclosure of information

The Directors confirm that


- so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### Auditor

A resolution to reappoint Grant Thornton UK LLP as auditor of the Company is to be proposed in accordance with Section 485 Companies Act 2006.

In preparing this report, the Directors have taken advantage of the small companies exemption in Part 15 of the Companies Act 2006.

Approved by the Board of Directors and signed on their behalf by:

  
James King  
Director  
11 November 2020

## **Independent Auditor's Report to the Members of Purfleet Centre Regeneration Limited**

### **Opinion**

We have audited the financial statements of Purfleet Centre Regeneration Limited (the 'Company') for the year ended 31 March 2020, which comprise of the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **The impact of macro-economic uncertainties on our audit**

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the Directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a Company associated with these particular events.

### **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 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.

## **Independent Auditor's Report to the Members of Purfleet Centre Regeneration Limited (cont)**

In our evaluation of the Directors' conclusions, we considered the risks associated with the Company's business model, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit, and analysed how those risks might affect the Company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

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 absence of reference to a material uncertainty in this Auditor's Report is not a guarantee that the Company will continue in operation.

### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. 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 year 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.

### **Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the Directors' Report.

## Independent Auditor's Report to the Members of Purfleet Centre Regeneration Limited (cont)

### Responsibilities of Directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, set out on page 3, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the 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.



**Joanne Love FCA**  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Cambridge  
20 November 2020



Purfleet Centre Regeneration Limited  
Year ended 31 March 2020

## Statement of Comprehensive Income

	Notes	2020 £'000	2019 £'000
Administrative expenses		(10)	(9)
<b>Operating loss</b>	7	<b>(10)</b>	<b>(9)</b>
Interest payable and similar charges	8	-	-
<b>Loss on ordinary activities before tax</b>		<b>(10)</b>	<b>(9)</b>
Tax on loss on ordinary activities	9	-	-
<b>Loss for the financial year being total comprehensive expense for the year</b>		<b>(10)</b>	<b>(9)</b>

All of the Company's operations are classified as continuing. There were no gains or losses in either year other than those included in the Statement of Comprehensive Income above.

The notes on pages 10 to 15 form part of these financial statements.

## Statement of Changes in Equity

	Called up share capital	Profit and loss account	Total
	£'000	£ '000	£ '000
<b>Balance as at 1 April 2018</b>	-	(12)	(12)
Loss for the financial year being total comprehensive expense for the year	-	(9)	(9)
<b>Balance as at 31 March 2019</b>	-	(21)	(21)
Loss for the financial year being total comprehensive expense for the year	-	(10)	(10)
<b>Balance as at 31 March 2020</b>	-	(31)	(31)

The notes on pages 10 to 15 form part of these financial statements.

Purfleet Centre Regeneration Limited  
Year ended 31 March 2020

## Statement of Financial Position

	Notes	2020 £'000	2019 £'000
<b>Current assets</b>			
Work in progress	10	27,171	20,587
Debtors: amounts receivable in less than one year	11	77	27
Cash at bank and in hand		21	10
		<u>27,269</u>	<u>20,624</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>(407)</u>	<u>(141)</u>
<b>Net current assets</b>		26,862	20,483
<b>Creditors: amounts falling due after more than one year</b>	13	<u>(26,893)</u>	<u>(20,504)</u>
<b>Net liabilities</b>		<u>(31)</u>	<u>(21)</u>
<b>Capital and reserves</b>			
Called up share capital	14	-	-
Profit and loss account	15	<u>(31)</u>	<u>(21)</u>
<b>Deficit in shareholders' funds</b>		<u>(31)</u>	<u>(21)</u>

The notes on pages 10 to 15 form part of these financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 11 November 2020 and were signed on its behalf by:



**James King**  
Director

Company Registration Number: 08879332

Purfleet Centre Regeneration Limited  
Year ended 31 March 2020

## Statement of Cash Flows

	Note	2020 £'000	2019 £'000
Net cash outflow from operating activities	A	(3,339)	(3,886)
Net cash inflow from financing activities	B	3,350	3,150
		<hr/>	<hr/>
<b>Net change in cash</b>		11	(736)
Cash at beginning of the year		10	746
		<hr/>	<hr/>
<b>Cash at end of the year</b>		21	10
		<hr/>	<hr/>

### A. Reconciliation of loss to net cash outflow from operating activities

	2020 £'000	2019 £'000
Loss for the financial year	(10)	(9)
<i>Add back:</i>		
(Increase) in work in progress	(6,584)	(5,474)
(Increase) / decrease in debtors	(50)	31
Increase / (decrease) in creditors	266	(711)
Capitalised interest on loan facilities	3,039	2,277
	<hr/>	<hr/>
<b>Net cash outflow from operating activities</b>	<b>(3,339)</b>	<b>(3,886)</b>
	<hr/>	<hr/>

### B. Net cash inflow from financing activities

	2020 £'000	2019 £'000
Drawdown of Revolving Credit Facility	3,350	3,150
	<hr/>	<hr/>
<b>Net cash inflow from financing activities</b>	<b>3,350</b>	<b>3,150</b>
	<hr/>	<hr/>

The notes on pages 10 to 15 form part of these financial statements

Purfleet Centre Regeneration Limited  
Year ended 31 March 2020

## Notes to the Financial Statements

### 1. Company Information

The financial statements for Purfleet Centre Regeneration Limited for the year ended 31 March 2020 were authorised for issue by the Board of Directors on 11 November 2020. Purfleet Centre Regeneration Limited is incorporated and domiciled in England and Wales. The Company's registered office at 31 March 2020 is Pilgrim House, High Street, Billericay, Essex, CM12 9XY.

### 2. Basis of Preparation

The financial statements, incorporating the financial statements of the company, have been prepared under the historical cost convention, unless specified within these accounting policies, in compliance with applicable UK accounting standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and the Companies Act 2006. The company has adopted the Amendments to FRS 102 "Triennial review 2017" in these financial statements, however no restatement of the comparatives was required.

#### Going concern

On the basis of their assessment of the Company's funding arrangements, trading prospects and other aspects of its financial position, the Board of Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements. The impact of Covid19 has been modelled and mitigations developed as part of the projects approach to risk management. The Company has been awarded £75m of housing infrastructure grant for Phase 1A, and is currently in discussions with potential funders about senior debt funding. The Company will also utilise the remainder of the Revolving Credit Facility across the next 12 months, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

### 3. Significant judgements and estimates

The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the year end and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following are considered significant judgements or key sources of estimation uncertainty:

- The assessment that work in progress is carried at the lower of cost or net realisable value. Management assesses the net realisable value of schemes using publicly available information, and having received Reserved Matters planning permission for Phase 1A in January 2020, forecasts an overall profit for the scheme after allowing for all further costs of completion and subsequent disposal of the housing properties.
- A judgement regarding financial instrument classification. The Company's loans are required to be classified as either basic or non-basic financial instruments in accordance with the conditions set out under FRS102 section 11.9. Management has assessed the terms of certain financial instruments which are classified as non-basic and consider the variations do not meet the definition of an embedded derivative. Accordingly, such instruments are measured at amortised cost. Management is also required to estimate future cashflows under the terms of this agreement. Such estimation is subject to estimation uncertainty, refer also to note 13.

### 4. Principal Accounting Policies

#### Expenditure

Net operating expenditure is recognised in respect of goods and services received when supplied in accordance with contractual terms.

#### Capitalisation of interest costs

Interest on borrowings is capitalised in respect of working progress relating to housing properties under construction up to the date of completion of each phase. The interest capitalised is either on borrowings specifically financing a scheme or on net borrowings to the extent that they are deemed to be financing a scheme. This treatment applies irrespective of the original purpose for which the loan was raised.

Purfleet Centre Regeneration Limited  
Year ended 31 March 2020

## Notes to the Financial Statements (cont)

### 4. Principal Accounting Policies (cont)

#### Taxation

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting years using the rates and laws that have been enacted or substantively enacted at the reporting date.

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences at the reporting date, except as indicated. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or future taxable profits.

Deferred tax is calculated using the rates and laws enacted or substantively enacted at the reporting date that are expected to apply to the reversal of the timing difference. Deferred tax liabilities are presented in provisions for liabilities and deferred tax assets in debtors. Such assets and liabilities are only offset where the Company has a legal right of set off.

#### VAT

The Company is registered for VAT and consequently its expenditure on taxable activities is shown exclusive of VAT.

#### Work in progress

Work in progress consists of costs and capitalised interest incurred on the regeneration project. This is held at the lower of cost or estimated selling price less costs to complete and sell. Assessing net realisable value requires use of estimation techniques. In making this assessment, management considers publicly available information and internal forecasts on future sales activity. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal.

#### Trade creditors

Trade creditors on normal terms are not interest bearing and are stated at their fair value.

#### Financial Instruments

Financial instruments are accounted for in accordance with Sections 11 and 12 of FRS 102.

Financial instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 are accounted for under an amortised cost model. The effective interest rate method, which applies the interest rate that exactly discounts the estimated future cash flows to the carrying amount of the financial instrument at initial recognition, has been used to calculate amortised cost. Any material related fees and transaction costs are also amortised using this method.

Non basic financial instruments are recognised initially and subsequently at fair value, with changes in fair value recognised in profit or loss, unless such financial instruments are not permitted to be measured at fair value through profit or loss (FRS 102 12.8(c)), in which case they are also measured at amortised cost.

### 5. Directors' remuneration

None of the Directors received any remuneration or other benefits for their qualifying services to the Company (2019: £nil). The Company did not provide a retired benefits scheme for its Directors in either the current or preceeding years.

### 6. Staff numbers and costs

The Company had no employees during either the current year or prior year.

### 7. Operating loss

	2020 £'000	2019 £'000
Operating loss is stated after charging:		
Auditor's remuneration for the audit of the financial statements of the Company	3	3

Purfleet Centre Regeneration Limited  
Year ended 31 March 2020

## Notes to the Financial Statements (cont)

### 8. Interest payable and similar charges

	2020 £'000	2019 £'000
On Junior Loan Facility from shareholders	1,558	1,374
On Revolving Credit Facility from Swan New Homes Limited	1,481	903
	<u>3,039</u>	<u>2,277</u>
Less: interest capitalised on work in progress	(3,039)	(2,277)
	<u>-</u>	<u>-</u>

### 9. Tax on loss on ordinary activities

	2020 £'000	2019 £'000
UK Corporation Tax on loss for the year	-	-
<b>Tax reconciliation</b>	<b>2020 £'000</b>	<b>2019 £'000</b>
Loss on ordinary activities before tax	(10)	(9)
Loss on ordinary activities multiplied by standard rate of Corporation Tax in the UK of 19% (2019: 17%)	(2)	(2)
Effects of:		
Expenses not deductible for tax purposes	1	-
Tax losses carried forward	1	2
Tax charge on loss on ordinary activities	<u>-</u>	<u>-</u>

#### Deferred tax assets

The deferred tax asset of £5,273 (2019: £3,645) in respect of tax losses carried forward of approximately £28,000 (2019: £21,443) has not been recognised. Although the Directors expect the business to generate future taxable profits, they also consider that at the current early stage of the business it is inappropriate to recognise the asset at this time.

#### Factors impacting future taxes

The UK Government previously announced that the rate of UK Corporation tax would reduce to 17% with effect from 1 April 2020. In the Spring Budget 2020, however, the Government announced that the previously enacted decrease in corporation tax from 19% to 17% from 1 April 2020 would no longer happen and that rates would remain at 19% for the foreseeable future. The new law was substantively enacted by a resolution under the Provisional Collection of Taxes Act 1968 on 17 March 2020.

Purfleet Centre Regeneration Limited  
Year ended 31 March 2020

## Notes to the Financial Statements (cont)

### 10. Work in progress

	2020 £'000	2019 £'000
On costs	19,759	16,215
Capitalised interest	7,412	4,372
	<u>27,171</u>	<u>20,587</u>

### 11. Debtors

	2020 £'000	2019 £'000
VAT receivable	76	14
Other debtors	-	10
Prepayments	1	3
	<u>77</u>	<u>27</u>

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

	2020 £'000	2019 £'000
Trade creditors	366	101
Accruals	41	40
	<u>407</u>	<u>141</u>

### 13. Creditors: amounts falling due after one year

	2020 £'000	2019 £'000
Junior Loan Facility from:		
- Swan New Homes Limited	7,464	6,488
- Regeneration Investments Limited	5,046	4,587
- Keltbray Limited	1,217	1,106
- Vice Admiral Sir Timothy James Hamilton Laurence	128	116
	<u>13,855</u>	<u>12,297</u>
Revolving Credit Facility from:		
- Swan New Homes Limited	13,038	8,207
	<u>26,893</u>	<u>20,504</u>

Purfleet Centre Regeneration Limited  
Year ended 31 March 2020

## Notes to the Financial Statements (cont)

### 13. Creditors: amounts falling due after one year (cont)

As at 31 March 2020 the Junior Facility was 100% funded (2019: 100%) from the shareholders. The Junior Loan Facility is for £8,982,000 and the amounts stated above include accrued unpaid interest. It is funded from the shareholders in the same proportion as their ownership, with maturity at the earlier of the final completion on Phase 1 or 31 December 2022. The purpose of this facility was to fund the development at Purfleet through the planning phase.

In relation to the Junior Loan Facility described above, the rate of interest in respect of the Swan New Homes Limited participation is 14.0579% per annum, while the rate of interest in respect of each other lender's participation is 9.56897%.

As at 31 March 2020 the Revolving Credit Facility £10.5m drawn (2019: £7.15m). The Revolving Credit Facility is for £18,100,000 and the amounts stated above include accrued unpaid interest. It is funded from Swan New Homes, with maturity at the earlier of the final completion on Phase 1 or 31 December 2022. The purpose of this facility was to fund the development at Purfleet through the planning phase.

In relation to the Revolving Credit Facility described above, the rate of interest is 14.0579% per annum.

Both facilities are subject to an interest uplift contingent upon surpluses being generated in excess of planned levels. Given the early stage of the development's progress it is not presently anticipated that such an uplift will be payable. Both facilities are secured by a floating charge over the assets of the Company.

### 14. Share capital

	2020 £	2019 £
<b>Authorised, called up, allotted and fully paid</b>		
1,000 Ordinary shares of £0.001 each	1	1

### 15. Profit and loss reserve

The profit and loss account includes all current year and prior period retained profits and losses, less dividends paid.

### 16. Analysis of changes in net debt

	At 1 April 2019	Cash flows	Other non- cash changes	At 31 March 2020
	£'000	£'000	£'000	£'000
<b>Cash and cash equivalents</b>				
Cash at bank and in hand	10	11	-	21
	<u>10</u>	<u>11</u>	<u>-</u>	<u>21</u>
<b>Borrowings</b>				
Debt due after one year	(20,504)	(3,350)	(3,039)	(26,893)
	<u>(20,494)</u>	<u>(3,339)</u>	<u>(3,039)</u>	<u>(26,872)</u>

Other non-cash changes relates to interest payable on the Junior Loan Facility and the Revolving Credit Facility, accrued into the loan notes.



Purfleet Centre Regeneration Limited  
Year ended 31 March 2020

## Notes to the Financial Statements (cont)

### 17. Related party transactions

Transactions with the controlling parties during the year were as follows

	<b>Professional Fees</b>		<b>Interest Payable</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Swan New Homes Limited	360	360	2,457	1,749
Regeneration Investments Limited	-	-	460	417
Keltbray Limited	15	593	111	101
Vice Admiral Sir Timothy James Hamilton Laurence	-	-	12	10
	<u>953</u>	<u>953</u>	<u>3,040</u>	<u>2,277</u>

During the year Swan New Homes provided additional loans either through additional cash advances or capitalisation of loan interest owed. Amounts advanced or loan interest capitalised as at the year end are disclosed in notes 8 and 13.

During the year, the Company engaged Urban Catalyst Limited, a company in which Kenneth Dytors has a controlling interest, for consultancy & development management services and incurred £1,279,777 in costs (2019: £1,278,929), with £nil (2019: £11,942) outstanding at the year end. Kenneth Dytors and Richard Aldington served as Directors to both Urban Catalyst Limited and the Company in the year.

All transactions were on an arm's length basis.

### 18. Ultimate parent undertaking

The Company does not have an immediate parent undertaking or ultimate parent undertaking. At 31 March 2020 the Company's shares were owned by Swan New Homes Limited (49.9%), Regeneration Investments Limited (39.6%), Keltbray Limited (9.5%) and Vice Admiral Sir Timothy James Hamilton Laurence (1.0%).

Swan New Homes Limited is a wholly owned subsidiary of Swan Housing Association Limited. Swan New Homes Limited regards Swan Housing Association Limited, a Registered Society and a Co-operative and Community Benefit Society registered in England and Wales, as its ultimate parent undertaking and controlling party. Consolidated financial statements for the ultimate parent undertaking can be obtained from its registered office at Pilgrim House, High Street, Billericay, Essex CM12 9XY.

Regeneration Investments Limited is controlled by Kenneth Dytors. Its financial statements can be obtained from its registered office at Acre House, 11/15 William Road, London, NW1 3ER. Richard Aldington was appointed as a Director of Regeneration Investments Limited on 31 July 2018.

Keltbray Limited is a subsidiary of Keltbray Group Limited. Financial statements for Keltbray Limited and its parent undertaking can be obtained from their registered office at St Andrew's House, Portsmouth Road, Esher, Surrey, KT10 9TA.