

Vanderbilt Topco Ltd

Report and Financial Statements

Year Ended

31 December 2021

Company Number 09033449



Vanderbilt Topco Ltd

Report and financial statements for the year ended 31 December 2021

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Director

E Spencer-Churchill

Company secretary and registered office

D K Stern

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31-33 Essington
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EX20 2DS

Company number

09033449

Vanderbilt Topco Ltd

Strategic report for the year ended 31 December 2021

The Director presents his strategic report together with the financial statements for the year ended 31 December 2021.

Principal Activity

The undertakings in which the Company retains an interest are Vanderbilt Development Holdings Ltd (a holding company) and Vanderbilt Strategic Limited, whose principal activity is the development of land for future residential and mixed used developments. During the year, Vanderbilt Strategic Limited invested in a joint venture entity, Blenheim Strategic Partners LLP, to promote and develop land for residential and mixed-use developments, from which it will receive 50% of any profits. In addition, Vanderbilt Topco Ltd and Vanderbilt Strategic Limited entered into a development agreement with J A Pye (Oxford) Limited, a residential developer, to share land acquisition and development costs, with 50% of future profits to be shared with the other consortium parties.

Group Financial Performance and KPI's

	Unit	2021	2020
Turnover	£'000	1,946	100
Gross margin	%	66%	152%
Group operating profit / (loss)	£'000	1,291	(57)
Cash and cash equivalents	£'000	2	2
Borrowings	£'000	(84,701)	(75,524)

Financial Stability and Growth

The Group has agreed funding with Sun Capital International (Europe) Limited and E Spencer-Churchill (a Director) to grow the strategic land developer business. To date, the Group has entered into promotional agreements on twelve sites around the United Kingdom with the potential land to develop 2,326 plots over the next four years.

Principal Risks and Uncertainties

The land development market feeds the residential housing market, which is cyclical, so the prospect of a significant reduction in house prices, and hence land values, is always a business risk for a strategic land developer. Additionally, there is a risk that local planning authorities may delay or refuse the granting of planning consents, which would also provide uncertainty for the business. Moreover, the other significant challenge is business and political uncertainty, including the economic impacts from the global Covid-19 pandemic and the inflationary pressures on business costs arising from the Russian invasion of Ukraine. This has caused, and may yet continue to cause, uncertainty within organisations and local authority and town planning teams, and the subsequent changes in working practices to allow for home working and social distancing, has resulted in the potential for further delays to planning decisions and processes. The Group reviews business prospects regularly and aims to adjust land development selection as the risk of cyclical downturn increases. Developing land is based on outturns over long periods of time, so it may often be less affected by short term economic peaks and troughs. While it is hard to accurately forecast the future, the fact remains that there is a chronic housing shortage in the UK. The Director is confident that there will be significant demand for land over the forthcoming years.

A key challenge for the Group is promoting the right land to the right buyers to meet future demand opportunities. The Group has an experienced team of strategic land developers and the risk of buying the wrong land is mitigated by the procedures in place for evaluating and approving site developments.

Operational risks such as development cost overruns are mitigated by the preparation of project budgets, monthly reviews of costs incurred and costs to complete.

Approval

This strategic report was approved on behalf of the Board on 17 June 2022.



E Spencer-Churchill
Director

Vanderbilt Topco Ltd

Director's report for the year ended 31 December 2021

Directors

The Director of the Company during the year and subsequent to the year end was:

E Spencer-Churchill

Principal activity and review of business

The principal activity of the Company is that of ultimate holding company. The undertakings in which the Company retains an interest are Vanderbilt Development Holdings Ltd and Vanderbilt Strategic Limited. On 9 June 2021, Vanderbilt Strategic Limited invested in a joint venture entity, Blenheim Strategic Partners LLP, to develop and promote land for residential and mixed-use developments, from which it will receive 50% of any profits or losses. During the year, Vanderbilt Topco Ltd and Vanderbilt Strategic Limited entered into a development agreement with J A Pye (Oxford) Limited, a residential developer, to share land acquisition and development costs, with 50% of future profits to be shared with the other consortium parties.

During the year under review, the principal activity of the Group, including the joint venture entity, was the development and promotion of land for future residential and mixed used sites. This is a growing business that will provide revenue and profits for the Group in the foreseeable future. The consolidated loss for the year is set out on page 5.

Dividends

The Director does not recommend the payment of an ordinary dividend.

Political donations

During the year, the Company and its subsidiaries made no donations (2020: £nil).

Going concern

The financial statements have been prepared on the basis that the Company and the Group continue to be a going concern. The Group's activities were financed by two types of financial borrowings:

- a five year deep discounted bond (DDB) issued to Solar Capital Limited; and
- two unsecured loans for the land development business

Solar Capital Limited has agreed to defer the DDB's maturity date to 19 December 2023 so that the outstanding amount of the bond, including accrued interest at 31 December 2021 of £53.0m, will not be called upon for repayment within the next twelve months from the date of signing these financial statements. The land development activities of Vanderbilt Strategic Limited have been funded from unsecured loans provided by E Spencer-Churchill and Sun Capital International (Europe) Limited in order to support the Group's growth until its first sales projects are contracted in 2022. At 31 December 2021, the lenders have provided assurances that the outstanding balances will not be called upon for repayment (unless the Group is able to do so) within twelve months from the date of signing these accounts. Subsequent to the year end, the Group has made loan repayments of £240k to Sun Capital International (Europe) Limited.

In determining the appropriate basis of preparation of the financial statements, the Director is required to consider whether the Group can continue in operational existence for the foreseeable future. As part of this analysis, the Director continually monitors the Group's forecasted position and the likelihood and timing of future revenue streams from the sale of developable land. He has considered the ongoing relationship with the Group's external lenders and their intentions to provide sufficient available finance for the foreseeable future and to defer the maturity date of the outstanding bond, and so the Director has continued to adopt the going concern basis in preparing these financial statements.

Vanderbilt Topco Ltd

Director's report for the year ended 31 December 2021 (continued)

Financial instruments

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Board receives regular monthly cash flow projections as well as information regarding cash balances. These projections indicate that the Group expect to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

Likely future developments in the business of the Group

Information on likely future developments in the business of the Group has been included in the strategic report on page 1.

Existence of branches of the Group outside of the United Kingdom

The Group has no branches outside of the United Kingdom.

Auditors

The members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.

Approval

This Director's report was approved by order of the Board on 17 June 2022.



D K Stern
Company secretary

Vanderbilt Topco Ltd

Statement of Director's responsibilities

Directors' responsibilities

The Directors are responsible for preparing the Director's 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 Director has elected to prepare the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Director is 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Vanderbilt Topco Ltd

Consolidated statement of total comprehensive income for the year ended 31 December 2021

	Notes	2021 £'000	2020 £'000
Turnover	3	1,946	100
Cost of sales	4	(658)	52
Gross profit		1,288	152
Administrative expenses		2	(209)
Group operating profit / (loss)	4	1,290	(57)
Interest payable and similar charges	6	(9,649)	(10,059)
Interest receivable and similar income	7	-	-
Operating loss after interest payable and receivable		(8,359)	(10,116)
Share of loss of joint venture entity	10	(1,522)	-
Loss on ordinary activities before taxation		(9,881)	(10,116)
Taxation on loss on ordinary activities	8	-	1
Loss for the financial year		(9,881)	(10,115)

Consolidated statement of other comprehensive income for the year ended 31 December 2021

	Notes	2021 £'000	2020 £'000
Loss for the financial year		(9,881)	(10,115)
Other comprehensive income:			
Prior years' administrative expenses restated as work in progress	4	-	298
Total comprehensive income statement loss		(9,881)	(9,817)

The notes on pages 11 to 22 form part of these financial statements.

Vanderbilt Topco Ltd

Consolidated statement of financial position at 31 December 2021

Company Number: 09033449	Notes	2021 £'000	20214 £'000	2020 £'000	2020 £'000
Non-current assets					
Tangible fixed assets	9		1		1
Investment in joint venture entity	10		3,082		-
			<u>3,083</u>		<u>1</u>
Current assets					
Stocks	11	1,322		2,554	
Debtors	12	290		7	
Cash at bank and in hand		2		2	
		<u>1,614</u>		<u>2,563</u>	
Creditors: amounts falling due within one year	13	<u>(84,752)</u>		<u>(76,385)</u>	
Net current liabilities			<u>(83,138)</u>		<u>(73,822)</u>
Total assets less current liabilities			<u>(80,055)</u>		<u>(73,821)</u>
Provisions for liabilities	14		-		(50)
Net liabilities			<u>(80,055)</u>		<u>(73,871)</u>
Capital and reserves					
Called up share capital	16		-		-
Share premium	16		21		21
Other reserves			7,483		3,786
Profit and loss account			<u>(87,559)</u>		<u>(77,678)</u>
Shareholders' deficit			<u>(80,055)</u>		<u>(73,871)</u>

For the year ending 31 December 2021, the Company was entitled to exemption from audit under S477 of the Companies Act 2006 relating to small companies.

The members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

The financial statements were approved by the Board of Directors and authorised for issue on 17 June 2022.



E Spencer-Churchill
Director

The notes on pages 11 to 22 form part of these financial statements.

Vanderbilt Topco Ltd

Consolidated statement of cash flows for the year ended 31 December 2021

	Notes	2021 £'000	2020 £'000
Cash flows from operating activities			
Loss for the financial year		(9,881)	(10,115)
Adjustments for:			
Depreciation of tangible fixed assets	9	-	13
Impairment of tangible fixed assets		-	15
Interest payable	6	9,649	10,043
Restatement of prior years' administrative expenses	4	-	298
Share of loss of joint venture entity	10	1,522	-
Decrease / (increase) in trade and other debtors		(283)	7
(Increase) / decrease in stocks		(1,875)	(878)
Decrease in trade and other creditors		(195)	47
Decrease in provisions		(50)	50
		<hr/>	<hr/>
Cash used by operations		(1,113)	(520)
Interest paid		-	-
		<hr/>	<hr/>
Net cash used by operating activities		(1,113)	(520)
		<hr/>	<hr/>
Cash flows from investing activities			
Purchases of tangible fixed assets	9	-	(1)
		<hr/>	<hr/>
Net cash used by investing activities		-	(1)
		<hr/>	<hr/>
Cash flows from financing activities			
Other loans taken out		2,152	519
Other loans repaid		(1,039)	-
		<hr/>	<hr/>
Net cash from financing activities		1,113	519
		<hr/>	<hr/>
Net decrease in cash and cash equivalents		-	(2)
Cash and cash equivalents at beginning of year		2	4
		<hr/>	<hr/>
Cash and cash equivalents at end of year		2	2
		<hr/>	<hr/>
Cash and cash equivalents comprise:			
Cash at bank and in hand		2	2
		<hr/>	<hr/>

The notes on pages 11 to 22 form part of these financial statements.

Vanderbilt Topco Ltd

Company statement of financial position at 31 December 2021

Company number: 09033449	Notes	2021 £'000	2020 £'000
Non-current assets			
Investment in Group undertaking	10	-	-
Current assets			
Debtors	12	-	-
Cash at bank and in hand		-	-
Creditors: amounts falling due within one year	13	(13)	(13)
Net current liabilities		(13)	(13)
Net liabilities		(13)	(13)
Capital and reserves			
Called up share capital	16	-	-
Share premium	16	21	21
Other reserve		12	12
Profit and loss account		(46)	(46)
Shareholders' deficit		(13)	(13)

The Company has taken advantage of the exemption within section 408 of the Companies Act 2006 not to present its own statement of comprehensive income. The loss for the year, dealt with in the financial statements of the Company, was £313 (2020 profit: £9,644).

For the year ending 31 December 2021, the Company was entitled to exemption from audit under S477 of the Companies Act 2006 relating to small companies.

The members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

The financial statements were approved by the Board of Directors and authorised for issue on 17 June 2022.



E Spencer-Churchill
Director

The notes on pages 11 to 22 form part of these financial statements.

Vanderbilt Topco Ltd
Company statement of changes in equity
for the year ended 31 December 2021

	Share capital £'000	Share premium £'000	Other reserve £'000	Statement of comprehensive income £'000	Total equity £'000
1 January 2020	-	21	12	(56)	(23)
Profit for the year	-	-	-	10	10
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31 December 2020	-	21	12	(46)	(13)
Profit for the year	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31 December 2021	-	21	12	(46)	(13)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 11 to 22 form part of these financial statements.

Vanderbilt Topco Ltd

Notes forming part of the financial statements for the year ended 31 December 2021

1 Accounting policies

The financial statements have been prepared under the historical cost convention in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies.

Going concern

The financial statements have been prepared on the basis that the Company and the Group continue to be a going concern. The Group's activities were financed by two types of financial borrowings:

- a five year deep discounted bond (DDB) issued to Solar Capital Limited; and
- two unsecured loans for the land development business

Solar Capital Limited has agreed to defer the DDB's maturity date to 19 December 2023 so that the outstanding amount of the bond, including accrued interest at 31 December 2021 of £53.0m, will not be called upon for repayment within the next twelve months from the date of signing these financial statements. The land development activities of Vanderbilt Strategic Limited have been funded from unsecured loans provided by E Spencer-Churchill and Sun Capital International (Europe) Limited in order to support the Group's growth until its first sales projects are contracted in 2022. At 31 December 2021, the lenders have provided assurances that the outstanding balances will not be called upon for repayment (unless the Group is able to do so) within twelve months from the date of signing these accounts. Subsequent to the year end, the Group has made loan repayments of £240k to Sun Capital International (Europe) Limited.

In determining the appropriate basis of preparation of the financial statements, the Director is required to consider whether the Group can continue in operational existence for the foreseeable future. As part of this analysis, the Director continually monitors the Group's forecasted position and the likelihood and timing of future revenue streams from the sale of developable land. He has considered the ongoing relationship with the Group's external lenders and their intentions to provide sufficient available finance for the foreseeable future and to defer the maturity date of the outstanding bond, and so the Director has continued to adopt the going concern basis in preparing these financial statements.

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the year has been presented as the reconciliations for the Group and the parent company would be identical;
- No statement of cash flows has been presented for the parent company;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the Group as a whole.

The following principal accounting policies have been applied:

Basis of consolidation

Except where listed below the consolidated financial statements present the results of Vanderbilt Topco Ltd and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of wholly-owned business combinations using the acquisition method of accounting. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is acquired. Where a business is acquired with minimal costs incurred and the acquired business does not have the ability, by itself, to generate outputs and economic benefits, it is treated as an asset acquisition investment and not a business combination.

Vanderbilt Topco Ltd

Notes forming part of the financial statements for the year ended 31 December 2021 (*continued*)

1 Accounting policies (*continued*)

Basis of consolidation (continued)

The consolidated financial statements incorporate the results of joint venture entity organisations where there is 50% control, using the equity method of accounting. The results of acquired joint venture entities are included in the consolidated statement of comprehensive income from the date on which control is acquired.

Revenue

Revenue on the sale of development land is recognised on the date that the contract for sale becomes unconditional. Revenue on the promotion of developable land, either on its sale or acquisition, is recognised on the date that the fee becomes invoiceable to the client in accordance with the terms of the promotion agreements. Revenue associated with the sale of consortium new build residential properties is recognised on the date those properties were legally completed.

Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Tangible fixed assets

Tangible fixed assets, other than investment properties, are stated at historical cost less accumulated depreciation.

Depreciation

Depreciation on assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Fixtures, fittings and equipment	- 5 years
Computer software	- 2 years

Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid. Where a subsidiary that does not have the ability, by itself, to generate outputs and economic benefits, is acquired, the investment is treated as an acquisition of assets, and the assets and liabilities of the subsidiary are consolidated on a line-by-line basis. Investments in joint venture entities are measured at cost plus the Group's % of post-acquisition reserves less any accumulated impairment.

Stocks

Stocks, including land held for development and work in progress, are stated at the lower of cost and estimated net realisable value. A provision is established for costs incurred in relation to sites not contracted at the year end. The amounts are subsequently written off when there is objective evidence that those sites are not proceedable for development.

Costs incurred in relation to conditional contracts held over land are valued at the lower of cost and estimated net realisable value.

Debtors

Trade debtors are initially recognised at fair value and subsequently measured at fair value through profit and loss, less any appropriate provision for estimated irrecoverable amounts. A provision is established for irrecoverable amounts when there is objective evidence that amounts due under the original payment terms will not be collected. Other debtors including prepayments and accrued income are recognised at cost.

Vanderbilt Topco Ltd

Notes forming part of the financial statements for the year ended 31 December 2021 (*continued*)

1 Accounting policies (continued)

Cash at bank and in hand

Cash at bank and in hand includes all balances held in bank accounts and on operating premises and are shown at their realisable amounts.

Creditors

Creditors are recognised at amortised cost. Borrowings are initially recognised at the fair value of the proceeds, net of related transaction costs. These transaction costs, and any discount or premium on issue, are subsequently amortised under the effective yield method through the income statement as interest over the life of the loan, and added to the liability disclosed in the statement of financial position. Related accrued interest is included in accruals and deferred income.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least one year after the statement of financial position date.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Employee termination payments

Where the Group agrees a termination settlement agreement with an employee, it will pay the agreed termination payment, including any statutory redundancy costs, and the employee's legal costs associated with the agreement of the settlement agreement. Once the amounts have been paid, the Group has no further payment obligations. The payments are recognised as an expense in the statement of comprehensive income when they fall due. Where a termination settlement has not been agreed at the year end, the Directors will estimate the value of settlement and disclose it as a contingent liability. Amounts agreed but not paid are shown in other creditors as a liability in the statement of financial position.

Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company's subsidiaries operate and generate taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the Group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Vanderbilt Topco Ltd

Notes forming part of the financial statements for the year ended 31 December 2021 (continued)

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Directors have made the following judgements:

- Determine whether leases entered into by the Group either as a lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.

Other key sources of estimation uncertainty

- *Tangible fixed assets (see note 9)*

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- *Carrying value of stocks and work in progress*

Stocks and work in progress are held at the lower of cost and estimated net realisable value. Net realisable value is based on estimated sales values less future costs expected to be incurred on disposal. The Directors are required to make an assessment as to the future expected sales values and the future costs to be incurred in completing the development.

3 Analysis of consolidated turnover

	2021 £'000	2020 £'000
Analysis by class of business:		
Land sales	-	100
Promotion fees	15	
Promotion costs recharged to joint venture	222	
Development agreement revenue arising from consortium sales	1,709	-
	<u>1,946</u>	<u>100</u>

All turnover was generated in the United Kingdom.

4 Cost of sales / group operating loss

	2021 £'000	2020 £'000
Cost of sales is arrived at after crediting:		
Reduction of provision against work in progress	(416)	(75)
	<u></u>	<u></u>
Administrative expenses are arrived at after charging / (crediting):		
Prior years' consultancy fees restated and capitalised as work in progress	-	(298)
Prior year's provision for employment legal costs	(48)	50
Depreciation of tangible fixed assets	-	13
Impairment of tangible fixed assets	-	15
Fees payable / (credit for overprovision) for the Group's auditor for the audit of the Group's annual accounts	-	(13)
Taxation compliance services	2	1
	<u></u>	<u></u>

Vanderbilt Topco Ltd

Notes forming part of the financial statements for the year ended 31 December 2021 (continued)

5	Employees and Director's remuneration	2021	2020
		£'000	£'000
	Staff costs (including Directors) consist of:		
	Wages and salaries	-	64
	Social security costs	-	2
	Termination payments	(48)	91
		<hr/>	<hr/>
		(48)	157
		<hr/>	<hr/>
	Directors' emoluments	-	-
		<hr/>	<hr/>
Emoluments of the highest paid director for the year ended 31 December 2021 were £nil (2020: £nil).			
The average number of employees (including Directors) during the year was as follows:			
		2021	2020
		Number	Number
	Directors	2	2
	Staff	-	1
		<hr/>	<hr/>
		2	3
		<hr/>	<hr/>
6	Interest payable and similar charges	2021	2020
		£'000	£'000
	Interest on other loans	222	609
	Interest on deferred bond redemption	9,433	9,433
	Other interest	(6)	17
		<hr/>	<hr/>
		9,649	10,059
		<hr/>	<hr/>
7	Interest receivable and similar income	2021	2020
		£'000	£'000
	Other interest	-	-
		<hr/>	<hr/>
		7	-
		<hr/>	<hr/>
8	Taxation on loss on ordinary activities	2021	2020
		£'000	£'000
	UK corporation tax		
	Tax charge / (credit) for profit / (loss) in year	-	1
		<hr/>	<hr/>
	Taxation on loss on ordinary activities	-	1
		<hr/>	<hr/>

Vanderbilt Topco Ltd

Notes forming part of the financial statements for the year ended 31 December 2021 (continued)

8 Taxation on loss on ordinary activities (continued)

The tax assessed for the year is higher than the standard rate of corporation tax in the UK applied to the loss before tax. The differences are explained below:

	2021 £'000	2020 £'000
Loss on ordinary activities before tax	(9,881)	(9,817)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 19% (2020: 19%)	(1,877)	(1,865)
Effects of:		
Expenses not deductible for tax purposes	2	-
Changes to rates of deferred tax	-	-
Losses utilised against current profits	864	-
Losses carried forward	1,011	1,865
Total tax charge for the year	-	-

No deferred tax asset has been recognised for tax losses due to uncertainty over the timing and quantum of their recovery.

8 Tangible fixed assets

	Computer software £'000	Fixtures, fittings and equipment £'000	Total £'000
Group			
<i>Cost or valuation</i>			
At 1 January 2021	36	4	40
Additions	-	-	-
At 31 December 2021	36	4	40
<i>Depreciation</i>			
At 1 January 2021	(36)	(3)	(39)
Provision for year	-	-	-
At 31 December 2021	(36)	(3)	(39)
<i>Net book value</i>			
At 31 December 2021	-	1	1
At 31 December 2020	-	1	1

The Company does not own any tangible fixed assets.

No assets were held by the Group under finance leases at 31 December 2021 or 31 December 2020.

Vanderbilt Topco Ltd

Notes forming part of the financial statements for the year ended 31 December 2021 (continued)

10 Investments

Cost	Group 2021 £'000	Group 2020 £'000	Company 2021 £0.00	Company 2020 £0.00
At 1 January 2021	-	-	0.04	0.04
Investment in subsidiary undertaking	-	-	-	-
Investment in joint venture entity	4,604	-	-	-
Share of loss of joint venture entity	(1,522)	-	-	-
	<u>3,082</u>	<u>-</u>	<u>0.04</u>	<u>0.04</u>
At 31 December 2021	3,082	-	0.04	0.04

On 1 January 2017, the Topco Group acquired 100% of the voting rights and ordinary share capital of Vanderbilt Strategic Limited. The Director considers that, as Vanderbilt Strategic Limited was acquired with minimal costs incurred and it does not have the ability, by itself, to generate outputs and economic benefits, it should be treated as an asset acquisition investment and not a business combination.

On 9 June 2021, Vanderbilt Strategic Limited acquired a 50% interest in a joint venture entity, Blenheim Strategic Partners LLP, incorporated on 27 May 2021, to develop and promote strategic land opportunities. The £4,604k investment in the joint venture was funded from existing work in progress. The Group's share of the joint venture entity's post acquisition deficit at 31 December 2021 was £1,522k.

Investment in joint venture entity	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
At 1 January 2021	-	-	-	-
Cost of investment	4,604	-	-	-
Group share of loss of joint venture entity	(1,522)	-	-	-
	<u>3,082</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2021	3,082	-	-	-

The undertakings in which the Company has an interest at the year end are as follows:

Name	Country of incorporation or registration	Proportion of voting rights and ordinary share capital held / control	Nature of business
Vanderbilt Development Holdings Ltd	United Kingdom	100% (rights / shares)	Holding Company
Vanderbilt Strategic Limited	United Kingdom	100% (rights / shares)	Land Development
Blenheim Strategic Partners LLP	United Kingdom	50% (investment control)	Land Development

The registered address of both Vanderbilt Development Holdings Ltd and Vanderbilt Strategic Limited are Ginger Beer Cottage, 31-33 Essington, North Tawton, Devon, EX20 2DS. The registered address of Blenheim Strategic Partners LLP is The Estate Office, Blenheim Palace, Woodstock, OX20 1PP.

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Notes forming part of the financial statements for the year ended 31 December 2021 (continued)

11 Stocks	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Work in progress	1	2,554	-	-
Consortium work in progress	1,321	-	-	-
	<u>1,322</u>	<u>2,554</u>	<u>-</u>	<u>-</u>

The value of the Group's work in progress at 31 May 2021 was £3,109k. At 9 June 2021, the Directors of Vanderbilt Strategic Limited revalued work in progress for the purposes of investing in Blenheim Strategic Partners LLP, from £3,109k to £6,804k, resulting in a £3,697k movement in revaluation reserves. The work in progress following the investment in the joint venture was therefore reduced to £nil and subsequent project costs incurred by the Company were recharged to the joint venture entity. The balance of work in progress at the year end represents project expenditure which has been incurred but not yet reimbursed by the joint venture, valued at cost.

During the year, Vanderbilt Topco Ltd and Vanderbilt Strategic Limited entered into a development agreement with J A Pye (Oxford) Limited, a residential developer, to share land acquisition and development costs, with 50% of future profits to be shared with the other consortium parties. Consortium work in progress held at the year end represents a 50% share of the costs of strategic land acquired in the name of J A Pye (Oxford) Limited, held on trust for the benefit of Vanderbilt Strategic Limited.

12 Debtors	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Trade debtors	188	-	-	-
VAT	-	5	-	-
Other debtors	2	2	-	-
Prepayments and accrued income	100	-	-	-
	<u>290</u>	<u>14</u>	<u>-</u>	<u>-</u>

All amounts shown under debtors fall due for payment within one year.

13 Creditors: amounts falling due within one year	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Other loans (unsecured)	30,898	31,985	-	-
Trade creditors	32	216	-	-
Amounts owed to Group undertakings	-	-	12	12
Other creditors including taxation and social security	16	17	-	-
Accruals and deferred income	53,806	44,167	1	1
	<u>84,752</u>	<u>76,385</u>	<u>13</u>	<u>13</u>

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Notes forming part of the financial statements for the year ended 31 December 2021 (continued)

13 Creditors: amounts falling due within one year (continued)

Sun Capital International (Europe) Limited has previously provided Vanderbilt Strategic Limited with funds to support the growth of the business. At the year end, the Company had borrowed £1,580k (2020: £1,580k). The loan is unsecured, accrues interest at 10% and is disclosed as bank and other loans.

Mr E Spencer-Churchill, a Director, also agreed to provide Vanderbilt Strategic Limited with funds during the year. On 31 May 2021, he sold a portfolio of land development rights to the Company for £950k, such rights which would subsequently be transferred to J A Pye (Oxford) Limited as part of the new land development agreement. The value of the development rights were added to the existing balance on Mr E Spencer-Churchill's loan account. On 9 June 2021, as part of the structuring of the joint venture entity, the Company exchanged £2,200k of its WIP investment for a debt owed by E Spencer-Churchill to the other joint venture controlling party, the Vanbrugh Unit Trust group. At the year end, the Company owed £534k (2020: £1,568k) to E Spencer-Churchill. The loan is unsecured, accrues interest at 10% and is disclosed as bank and other loans.

In June 2014, the Vanderbilt Development Holdings Ltd issued a five year deep discounted bond to Solar Capital Limited, at a discounted price of £28.8m. The bond is unsecured. The face value of the issued bond is £57.9m and all costs associated with the issue have been fully amortised. Accruals and deferred income includes £53.0m of interest cost relating to the accruing bond discount at 31 December 2021. The bond's redemption date was 19 June 2019, but the bondholder, Solar Capital Limited, has agreed to defer the bond's maturity date to 19 December 2023 so that the outstanding amount of the bond, including accrued interest at 31 December 2021 of £81.8m, will not be called upon for repayment for more than twelve months from the date of signing these financial statements.

	Group 2021 £'000	Group 2020 £'000
The deep discounted bond movements during the year, shown as other loans, was as follows:		-
At 1 January 2021	28,784	28,784
Other loans (unsecured)	28,784	28,784
Bond discount payable on redemption accrued to 19 June 2019	29,130	29,130
	57,914	57,914
Interest accrued on unredeemed bond to 31 December 2021	23,841	14,408
	81,755	72,322

The maturity of sources of debt finance are as follows:

Other loans including deep discounted bonds	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
In one year or less, or on demand	30,898	31,985	-	-
In more than one year but not more than two years	-	-	-	-
Between two and five years	-	-	-	-

Vanderbilt Topco Ltd

Notes forming part of the financial statements for the year ended 31 December 2021 (*continued*)

14 Provisions for liabilities

	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
At 1 January 2021	50	-	-	-
(Credited) / charged to statement of comprehensive income	(50)	50	-	-
	<u>-</u>	<u>50</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>50</u>	<u>-</u>	<u>-</u>

During the previous year, as a consequence of the Coronavirus pandemic, an employee was made redundant. Prior to that year end, he filed a claim with the UK employment tribunal. The Company considered the likelihood of an award for damages and costs being made against it at that time and it determined an appropriate estimate for a worst-case scenario. The matter was resolved in 2021 and the provision was released back to the statement of comprehensive income.

15 Financial instruments

The Company has no financial instruments. The Group's financial instruments may be analysed as follows:

	Group 2020 £'000	Group 2020 £'000
Financial assets		
Financial assets measured at fair value through profit and loss	192	5
Financial liabilities		
Financial liabilities measured at amortised cost	84,705	76,337

Financial assets measured at fair value through profit and loss comprise trade debtors and other debtors. Financial liabilities measured at amortised cost comprise bank loans, other loans, trade creditors and amounts payable under finance leases.

Vanderbilt Topco Ltd

Notes forming part of the financial statements for the year ended 31 December 2021 (continued)

16 Share capital	2021 £0.00	2020 £0.00
Called up share capital		
<i>Allotted, called up and fully paid</i>		
9,871 (2020: 9,871) ordinary shares of £0.01 each	98.71	98.71
229 (2020: 229) 'A' ordinary shares of £0.10 each	22.90	22.90
17,500 (2020: 17,500) preference shares of £0.00001 each	0.18	0.18
	121.79	121.79

Called up share capital and share premium	Number	Shares issued		Total issue proceeds £
		Nominal value £	Share premium £	
Ordinary shares of £0.01	9,871	99	3,464	3,563
'A' ordinary shares of £0.10	229	23	114	137
Preference shares of £0.00001	17,500	0	17,500	17,500
In issue at 1 January and 31 December 2021	27,600	122	21,078	21,200

The rights, preferences and restrictions attaching to each category of equity are as follows:

£0.01 ordinary shares

Shares rank equally for voting purposes. On a show of hands, each member shall have one vote, and on a poll, each member shall have one vote per share held.

Each share ranks *pari passu* with other classes of ordinary share for any dividend declared and for any distribution made on a winding up.

The shares are not redeemable.

£0.10 'A' ordinary shares

Shares rank equally for voting purposes. On a show of hands, each member shall have ten votes, and on a poll, each member shall have ten votes per share held.

Each share ranks *pari passu* with other classes of ordinary share for any dividend declared and for any distribution made on a winding up.

The shares are not redeemable.

£0.00001 preference shares

Shares carry no voting rights except where a class vote of the preference shares is required.

Each share ranks equally for any preference dividend declared. Dividends will not be paid until the shares are redeemed.

Each share ranks equally for any distribution of capital made on a winding up, and together with all accrued but unpaid preference dividends in respect of such preference shares, will be payable in priority to other claims or rights of ordinary shareholders in respect of share capital.

Shares are redeemable upon (i) either an exit, return of assets on liquidation, capital reduction or otherwise, or (ii) at the discretion of the company (provided that funds are legally available therefor), with each preferred shareholder to be paid one pound for each of their preference shares, plus all accrued but unpaid preference dividends in respect of such preference shares. There is no premium payable on redemption.

Vanderbilt Topco Ltd

Notes forming part of the financial statements for the year ended 31 December 2021 (*continued*)

17 Related party disclosures

In preparing the financial statements, advantage has been taken of the exemption in section 33 of FRS 102 from the requirement to disclose transactions entered into between wholly owned companies.

In the current year, the Group acquired a 50% interest in a joint venture entity, Blenheim Strategic Partners LLP. The other controlling party of the entity is the Vanbrugh Unit Trust, and E Spencer-Churchill has a significant influence in the control of that trust, so Blenheim Strategic Partners LLP was treated as a related party. During the year, the company recharged £222,781 of work in progress to Blenheim Strategic Partners LLP at cost. There was no balance owed between the two parties at the year end.

In the current year, the Group entered into a development agreement with J A Pye (Oxford) Limited, a residential developer, to share land acquisition and development costs, with 50% of future profits to be shared with the other consortium parties. J A Pye (Oxford) Limited is controlled by the Vanbrugh Unit Trust, and E Spencer-Churchill has a significant influence in the control of that trust, so J A Pye (Oxford) Limited was treated as a related party. During the year, the Company accrued £1,708,464 of revenue under the development agreement, and due from J A Pye (Oxford) Limited, of which it has received £1,521,328 during the year. The balance owed by J A Pye (Oxford) Limited at 31 December 2021 was £187,136 (2020: £nil).

During the year, E Spencer-Churchill, a Director, sold a portfolio of land development rights to Vanderbilt Strategic Limited. These development rights were valued at an estimated market value of £950k. This amount was added to the loan balance owed to the Director.

18 Controlling party

There is no ultimate controlling party of Vanderbilt Topco Ltd.