Registered number: 10143653

DKE (WAVERTREE) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2022

CONTENTS

Director	Geoffrey Gilbert Dart
Registered Office	70 Jermyn Street London England SW1Y 6LN
Independent Auditor	PKF Littlejohn LLP Statutory auditor 15 Westferry Circus Canary Wharf London E14 4HD
Company Number	10143653

The Directors present their report, together with the audited financial statements for the year ended 30 April 2022.

Results and dividends

The loss for the year, after taxation, amounted to £637 (2021: loss of £264,921).

Directors

The Directors of the Company during the year ended 30 April 2022 were:

Geoffrey Gilbert Dart

Provision of Information to Auditors

So far as each of the Directors is aware at the time this report is approved:

- there is no relevant audit information of which the Company's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditor

PKF Littlejohn LLP has signified its willingness to continue in office as auditor.

Status of this Directors' Report

This report is prepared in accordance with the small companies' regime under the Companies Act 2006.

This report was approved by the Board on 27 June 2023 and signed on its behalf.

Geoffrey G. Dart
Director

The Directors are responsible for preparing the 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework – Disclosure exemptions from UK-adopted IFRS for qualifying entities (FRS 101).

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. 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;
- 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.

Independent Auditor's Report to the Members of DKE (Wavertree) Limited

Opinion

We have audited the financial statements of DKE (Wavertree) Limited (the 'company') for the year ended 30 April 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity 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 101 *Reduced Disclosure Framework – Disclosure exemptions from UK-adoptedIFRS for qualifying entities* (United Kingdom Generally Accepted Accounting Practices).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practices; 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.

Material uncertainty relating to going concern

We draw attention to Note 3 to the financial statements which indicates that the group will require additional funding within the 12 months from the date at which the financial statements are authorised for issue. The ability of the company to continue its projects is therefore dependent on the group successfully raising funds through issuance of convertible loan notes and the group's continued support of the company.

As stated in Note 3 the events or conditions along with other matters set forth in that Note and in the Annual Report, indicate that a material uncertainty exists that may cast significant doubt on the ability of the company to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the 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: 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.

Eric Hindson

Eric Hindson (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor
28 June 2023

15Westferry Circus
Canary Wharf
London E14 4HD

Continuing operations	Note	Year ended 2022	Year ended 2021 £
Revenue	5	-	1,391,426
Cost of sales		-	(1,693,179)
Gross Profit		-	(241,753)
Administrative expenses	6	(637)	(23,168)
Loss before taxation		(637)	(264,921)
Income tax	8	-	-
Loss for the year attributable to equity owners		(637)	(264,921)
Other Comprehensive Income:			
Items that may be subsequently reclassified to profit or loss		-	-
Total comprehensive income for the year attributable to the equity owners		(637)	(264,921)

The Accounting Policies and Notes on pages 10 to 17 form part of the financial statements

	Note	2022 £	2021 £
Debtors: Amounts falling due within one year	9	407	836
Cash and cash equivalents		281	7,705
Total current assets		688	8,541
Creditors: amounts falling due within one year	10	(278,678)	(277,638)
Net Current Assets/(Liabilities)		(278,678)	(269,097)
Creditors: amounts falling due after one year		(33,925)	(42,181)
Total Assets less Current Liabilities		(311,915)	(311,278)
Net Assets /(Liabilities)		(311,915)	(311,278)
Capital and Reserves			
Called up share capital	11	1	1
Profit and loss account		(311,916)	(311,279)
Total equity		(311,915)	(311,278)

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 101 Reduced Disclosure Framework.

The financial statements were approved and authorised for issue by the Board of Directors and were signed on its behalf on 27 June 2023.

Geoffrey G. Dart
Director

The Accounting Policies and Notes on pages 10 to 17 form part of these financial statements.

	Called-up share capital	Retained earnings	Total
	£	£	£
Balance at 1 May 2020	1	(46,358)	(46,357)
Loss for the year	-	(264,921)	(264,921)
Total comprehensive loss for the year	-	(264,921)	(264,921)
Balance as at 30April 2021	1	(311,279)	(311,278)
Balance as at 1 May 2021	1	(311,279)	(311,279)
Loss for the year	-	(637)	(637)
Total comprehensive loss for the year	-	(637)	(637)
Balance as at 30 April 2021	1	(311,916)	(311,916)

The Accounting Policies and Notes on pages 10 to 18 form part of these financial statements.

1. General information

The Company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 70 Jermyn Street, London, England, SW1Y 6LN.

The Company's principal activity is to support its parent in the acquisition, management and development of real estate portfolios specialising mainly in the supported living and hotels sector.

2. Statement of compliance

The individual financial statements of DKE (Wavertree) Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 101, "Reduced Disclosure Framework – Disclosure exemptions from UK-adopted IFRS for qualifying entities" ("FRS 101") and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of land and buildings and certain financial assets and liabilities measured at fair value through profit or loss.

The financial statements are presented in Pound Sterling (£), rounded to the nearest pound.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial instruments: Disclosures'.
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- Paragraph 38 of IAS 1, 'Presentation of financial statements' – comparative information requirements in respect of:
    i. paragraph 79(a)(iv) of IAS 1; and
    ii. paragraph 73(e) of IAS 16, Property, plant and equipment'.
- The following paragraphs of IAS 1, 'Presentation of financial statements':
    - 10(d) (statement of cash flow);
    - 16 (statement of compliance with all IFRS);
    - 38A (requirement for minimum of two primary statements, including cash flow statements);
    - 38B-D (additional comparative information);
    - 111 (cash flow statement information); and
    - 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not yet applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).

3. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.
- The requirement of IFRS 1, 'First-time adoption of IFRS', to present a statement of financial position at the date of transition.

(b) Going concern

The Directors have reviewed projections for a period of at least 12 months from the date of approval of the Financial Statements.

The company is reliant on support from its parent company. In making their assessment of going concern, the Directors acknowledge that the Group has a very small cost base, and following discussions with the Group's funders and professional advisors, the Group has agreed a term sheet with its current investors and broker in which its broker will facilitate a capital investment into the Group of circa £250,000 to £400,000; a commitment to pay certain outstanding fees and a commitment to provide further funding whilst looking for a possible reverse transaction. The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group has sufficient funds available to it following events after the year end.

The Directors note that the Group has always been successful with past fundraises and continue to believe strongly in the Group's potential. However, the success of securing funding or a reverse transaction has been identified as a material uncertainty which may cast significant doubt over the going concern assessment. Whilst acknowledging this uncertainty, based upon the expectation of completing a successful fundraising in the near future, and the continued support of it investors and broker, the Directors consider it appropriate to continue to prepare the financial statements on a going concern basis.

(c) New standards, amendments and IFRIC interpretations

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 30 April 2022 have had a material impact on the company.

(d) Consolidated financial statements

The Company is a wholly owned subsidiary of Dukemount Capital Plc. It is included in the consolidated financial statements Dukemount Capital Plc which are publicly available which are publicly available on its website at www.dukemountcapitalplc.com. Its registered office is 70 Jermyn Street, London, SW1Y 6LN.

These financial statements are the Company's separate financial statements.

3. Summary of significant accounting policies (continued)

(e) Financial Assets

Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

i. Financial Assets at Fair Value Through Profit or Loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

ii. Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's loans and receivables comprise Trade and Other Receivables and Cash and Cash Equivalents in the Balance sheet (note 9).

Recognition and measurement

Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the profit and loss account. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of financial assets at fair value through profit or loss are presented in the profit and loss account within "Other (Losses)/Gains – Net" in the period in which they arise.

(f) Impairment of Financial Assets

Assets Carried at Amortised Cost

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset, or a group of financial assets, is impaired. A financial asset, or a group of financial assets, is impaired, and impairment losses are incurred, only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event"), and that loss event (or events) has an impact on the estimated future cash flows of the financial asset, or group of financial assets, that can be reliably estimated.

3. Summary of significant accounting policies (continued)

(g) Revenue from contracts with customers

Revenue relates to amounts contractually due under a property development agreement at the balance sheet date relating to the stage of completion of a contract as measured by surveys of work performed to date.

Revenue is recognised for services when the Group has satisfied its contractual performance obligation in respect of the services. The amount recognised for the services performed is the consideration that the Group is entitled to for performing the services provided. Revenue from contracts with customers is recognised over time.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change, and may include cost contingencies to take into account specific risks within each contract. Cost contingencies are reviewed on a regular basis throughout the life of the contract. However, the nature of the risks on projects are such that they often cannot be resolved until the end of the project and therefore may reverse until the end of the project. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management. The estimated final outcomes on projects are continuously reviewed, and adjustments are made when necessary.

Provision is made for all known or expected losses on individual contracts once such losses are foreseen.

Where costs incurred plus recognised profits less recognised losses exceed progress billings, the balance is recognised as contract assets within trade and other receivables. Where progress billings exceed costs incurred plus recognised profits less recognised losses, the balance is recognised as contract liabilities within trade and other payables.

(h) Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

(i) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss account over the period of the borrowings, using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services, and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities, unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

(j) Current and deferred tax

The tax expense for the period comprises current tax. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised directly in equity. In this case the tax is also recognised directly in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(k) Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

(b) Percentage completion method used for long term contracts

The Company makes an estimate of the stage of completion of a project based on the costs incurred at the year end. Management then make assumptions regarding the collectability of billings and expected future costs. The method used is as stated in the constructions contract accounting policy 3g). Estimation uncertainty will exist with regard to the gross profit being recognised at the year end. The Directors believe that this uncertainty is reduced to an acceptable level by using quantity surveyors' reports to assess the stage of contract completion at the year end.

5. Revenue

Analysis of turnover by geography:

	2022	2021
	£	£
United Kingdom	-	1,391,426
	-	1,391,426

Analysis of turnover by category:

	2022	2021
	£	£
Property management and building development services	-	1,391,426
	-	1,391,426

All revenue is recognised over time.

6. Expenses by Nature

	30 April 2022	30 April 2021
	£	£
Operating profit is stated after charging:		
Professional fees	-	16,500
Audit fees payable to the Company's auditor	-	5,625
Insurance	-	550
Travel	-	-
Bank charges	637	493
	637	23,168

7. Employees and Directors

Directors' Remuneration

The Directors received no remuneration in the year ended 30 April 2022 (2021 £Nil) in relation to their services for DKE (Wavertree) Limited. There are no employees other than the directors.

8. Income tax

Tax expense included in profit and loss

	30 April 2022	30 April 2021
(a) Current tax		
UK Corporation tax on profits for the year	-	-
Total current tax	-	-
Tax on profit on ordinary activities	-	-

(b) Reconciliation of tax charge

The tax assessed for the period is lower (year ended 30 April 2020: higher) than the standard effective rate of corporation tax in the UK for the year ended 30 April 2021 of 19% (year ended 30 April 2020: 19%). The differences are explained below:

	30 April 2022	30 April 2021
Profit/ (loss) on ordinary activities before tax	(637)	(264,921)
Profit multiplied by the standard rate of tax in the UK of 19% (2021: 19%)	(121)	(50,335)
Effects of:		
Losses carried forward on which no deferred tax is recognised	121	50,335
Tax charge for the year	-	-

Tax losses available to be carried forward by the Company at 30 April 2022 against future profits are estimated at £311,916 (2021: £311,279).

A deferred tax asset has not been recognised in respect of these losses in view of uncertainty as to the level of future taxable profits.

9. Debtors

	2022 £	2021 £
Other debtors	836	836
Amounts owed by group undertakings	-	-
Amounts recoverable on contracts	-	-
	836	836

Amounts due from group undertakings are unsecured, interest free, have no fixed date of repayment and repayable on demand.

Amounts recoverable on contracts represents sales invoices issued after 30 April 2022 in respect of work undertaken during the year ended 30 April 2022 with appropriate provision being made in accruals and deferred income for costs incurred in undertaking such work but which had not been invoiced at 30 April 2022.

10. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	14,254	139,988
Amounts owed to group undertakings	257,365	103,065
Accruals	7,059	34,585
	278,678	277,638

Accrued costs represents the cost of property development work undertaken as at 30 April 2021.

11. Creditors: Amounts falling due after one year

	2022 £	2021 £
Trade creditors	33,925	42,181
	33,925	42,181

12. Share capital

	2022	2021
	£	£
Allotted, Called-up and Fully Paid		
1 Ordinary shares of £1 each	1	1

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

13. Related party transactions

The Company has taken advantage of the exemption available under FRS 101 not to disclose transactions and balances with members of the group owned by Dukemount Capital Plc on the grounds that all subsidiaries within that group are wholly owned by their respective parent.

14. Controlling parties

The immediate parent undertaking is Dukemount Capital Plc, a company incorporated in the United Kingdom at 70 Jermyn Street, London, SW1Y 6LN. The parent company is listed on the London Stock Exchange (LSE: DKE).

The Directors believe there to be no ultimate controlling party.