

REGISTERED NUMBER: 06030455 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019
FOR
BUCKLAND DEVELOPMENT LIMITED**



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FOR THE YEAR ENDED 31 MARCH 2019**

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**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2019**

DIRECTORS:

M E Thistlethwayte
D Griffiths
F Gray
P Lambert
J Beresford

SECRETARY:

P Lambert

REGISTERED OFFICE:

20 Jewry Street
Winchester
Hampshire
SO23 8RZ

REGISTERED NUMBER:

06030455 (England and Wales)

AUDITORS:

BDO LLP
Arcadia House
Maritime Walk
Ocean Village
Southampton
SO14 3TL

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property development. The company has option agreements and purchase contracts in place over parts of land selected for the Welborne development north of Fareham. Plans for Welborne currently include up to 6,000 homes, 20 hectares of employment land along with associated infrastructure and supporting facilities. An outline planning application for the whole site was submitted in March 2017, and refreshed in December 2018, which is consistent with the adopted local plan policy.

On 22nd September 2017, Welborne Land Limited, a wholly owned subsidiary of a group ultimately owned by M E Thistlethwayte, purchased 385 acres of the land selected for the Welborne development. As a result of this purchase, through Buckland Development Limited and Welborne Land Limited, M E Thistlethwayte controls approximately 96% of the land for the Welborne development, providing greater certainty and clarity on the deliverability of the new community.

DIRECTORS

The directors of the company during the period were:

M E Thistlethwayte
D Griffiths
F Gray
P Lambert
J Beresford

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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). 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;
- 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2019**

AUDITORS

BDO LLP have expressed their willingness to continue in office. A resolution to re-appoint them will be prepared at the Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
P Lambert - Director

Date: 29 August 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BUCKLAND DEVELOPMENT LIMITED

Opinion

We have audited the financial statements of Buckland Development Limited ("the Company") for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related 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 2019 and of its profit 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.

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.

Other information

The Directors are responsible for the other information. The other information comprises the information 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.

BUCKLAND DEVELOPMENT LIMITED (REGISTERED NUMBER: 06030455)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BUCKLAND DEVELOPMENT LIMITED
(Continued)**

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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BUCKLAND DEVELOPMENT LIMITED
(Continued)

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 at the Financial Reporting Council's website at:

<https://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.



Kim H Hayward (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Southampton
United Kingdom

29 August 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

BUCKLAND DEVELOPMENT LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

		2019	2018
	Notes	£	£
TURNOVER	2	2,547,159	2,558,414
Cost of sales		<u>(1,553,816)</u>	<u>(1,844,526)</u>
GROSS PROFIT		993,343	713,888
Other operating income	13	120,463	684,171
Administrative expenses		<u>(929,170)</u>	<u>(722,164)</u>
OPERATING PROFIT	4	184,636	675,895
Interest payable and similar charges	7	<u>(110,381)</u>	<u>(193,871)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		74,255	482,024
Tax on profit on ordinary activities	8	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u><u>74,255</u></u>	<u><u>482,024</u></u>

All amounts relate to continuing activities.

The notes form part of these financial statements

BUCKLAND DEVELOPMENT LIMITED

**BALANCE SHEET
31 MARCH 2019**

COMPANY NUMBER: 06030455

		2019	2018
	Notes	£	£
CURRENT ASSETS			
Stocks – sites under development		5,880,783	5,038,879
Debtors	9	476,723	419,496
Cash at bank		228,875	1,174,498
		<u>6,586,381</u>	<u>6,632,873</u>
CREDITORS			
Amounts falling due within one year	10	<u>(3,248,025)</u>	<u>(3,368,772)</u>
NET ASSETS		<u>3,338,356</u>	<u>3,264,101</u>
CAPITAL AND RESERVES			
Called up share capital	11	5,000,000	5,000,000
Profit and loss account		<u>(1,661,644)</u>	<u>(1,735,899)</u>
SHAREHOLDERS' FUNDS		<u>3,338,356</u>	<u>3,264,101</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved by the Board of Directors and authorised for issue on **29 August 2019** and were signed on its behalf by:



 P Lambert - Director

The notes form part of these financial statements

BUCKLAND DEVELOPMENT LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019**

	Share capital £	Profit and loss account £	Total equity £
Balance at 31 March 2017	4,500,000	(2,217,923)	2,282,077
Transactions with owners			
Issue of ordinary shares	500,000	-	500,000
Comprehensive income			
Profit for the year	-	482,024	482,024
Balance at 31 March 2018	5,000,000	(1,735,899)	3,264,101
Comprehensive income			
Profit for the year	-	74,255	74,255
Balance at 31 March 2019	<u>5,000,000</u>	<u>(1,661,644)</u>	<u>3,338,356</u>

The notes form part of these financial statements

BUCKLAND DEVELOPMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. GENERAL INFORMATION

Buckland Development Limited is a company limited by shares incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the directors' report.

2. ACCOUNTING POLICIES

Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

Turnover

Turnover represents services provided to third parties to assist with their development activities. Invoices are rendered in accordance with the contract terms.

Going concern

The Company is working on a long term development project that will span a period of more than 20 years and forms part of the local plan for Fareham Borough Council adopted on 8 June 2015.

The directors are confident that the development project will be profitable over the life of the project and that it is appropriate to continue treating the Company as a going concern.

Stocks: sites under development

Represents accumulated costs incurred on sites under development, not yet recharged to third parties, over which the company either has title or an option to purchase one. Cost includes all direct expenditure and at an appropriate stage of the development, a proportion of fixed and variable overheads.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the pension scheme are charged to the profit and loss account in the period to which they relate.

Taxation

The charge for taxation is based on profit for the year and takes into account deferred tax.

Current tax is measured at the amount expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

BUCKLAND DEVELOPMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

3. 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 there are indicators of impairment of the company's assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other sources of estimation uncertainty

Stocks – Sites under development

- Sites under development are held at the lower of cost and net realisable value. They are reviewed annually by management for indicators of impairment. This value requires judgement for determining the extent of its recoverability at each balance sheet date. The company assesses the recoverability with reference to the development prospects of the project, the performance of the housing market and the relationship they have with the ultimate developer.

4. OPERATING PROFIT

The operating profit is stated after charging:	2019	2018
	£	£
Auditors' remuneration	5,550	5,350
Defined contribution pension cost	<u>37,792</u>	<u>15,876</u>

5. EMPLOYEES

The average number of employees, including directors, during the year were:	2019	2018
	Number	Number
Average number of employees	<u>6</u>	<u>4</u>

6. DIRECTORS' REMUNERATION

	2019	2018
	£	£
Directors' remuneration	395,196	408,810
Company contributions to defined contribution pension schemes	<u>23,045</u>	<u>6,784</u>

There were two directors in the company's defined contribution pension scheme during the year (2018: two).

Emoluments of the highest paid director were £266,918 (2018 - £304,946). Company pension contributions of £16,970 (2018 - £nil) were made to a defined contribution pension scheme.

BUCKLAND DEVELOPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2019 £	2018 £
On related party loan	<u>110,381</u>	<u>193,871</u>

8. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2019 £	2018 £
Current tax		
UK Corporation tax	<u>-</u>	<u>-</u>
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

The amount of deferred tax asset not recognised in the financial statements is £239,868 (2018: £256,494). The deferred tax asset has arisen due to trading losses of £1,410,988 (2018: £1,508,790). The directors do not have sufficient evidence to support the recognition of a deferred tax asset, and therefore the asset has not been recognised in these financial statements.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	16,284	-
Taxation & social security	21,613	-
Other debtors & accrued income	<u>438,826</u>	<u>419,496</u>
	<u>476,723</u>	<u>419,496</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	258,398	305,076
Amounts owed to a related party	2,600,000	2,160,000
Taxation & social security	12,125	546,726
Accruals and deferred income	<u>377,502</u>	<u>356,970</u>
	<u>3,248,025</u>	<u>3,368,772</u>

Amounts due to a related party of £2,600,000 (2018: £2,160,000) are unsecured, incur a commercial rate of interest and are repayable on demand, explained in note 13.

BUCKLAND DEVELOPMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2019

11. CALLED UP SHARE CAPITAL

Issued and fully paid £1 ordinary shares

At 1 April 2018 and at 31 March 2019

£
5,000,000

On 11 July 2017 the company issued 500,000 £1 ordinary shares at par, which were paid in full.

12. PENSIONS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge amounted to £37,792 (2018: £15,876). Contributions amounting to £nil (2018: £nil) were payable to the fund and are included in creditors.

13. RELATED PARTY DISCLOSURES

Related party transactions and balances

The company holds an option over land to the north of Fareham, Hampshire, which is owned by the Roche Court Trust, of which J R Thistlethwayte and M E Thistlethwayte are Trustees.

During the year the company paid £162,948 (2018: £71,623) in management and other charges to Buckland Capital Partners Limited, a company of which M E Thistlethwayte and P Lambert are directors. At the balance sheet date £nil (2018: £3,363) remained outstanding.

During the year, the company recharged costs amounting to £39,420 (2018: £nil) to Buckland Capital Partners Limited, a company in which M E Thistlethwayte and P Lambert are directors. At the balance sheet date £nil remained outstanding (2018: £nil).

During the year, the company recharged costs amounting to £375 (2018: £nil) to Portchester Equity Limited, a company in which M E Thistlethwayte and P Lambert are directors. At the balance sheet date £nil remained outstanding (2018: £nil).

During the year the company received further loans from Buckland Capital Partners Limited, a company in which M E Thistlethwayte and P Lambert are directors, up to a maximum of £2,600,000 (2018: £4,160,000) and interest was charged at 5% per annum. During the year £110,381 (2018: £193,871) interest was paid, of which £110,381 (2018: £193,871) related to the interest charge in the current financial year and £nil (2018: £nil) was accrued in the prior financial year. At the balance sheet date capital and interest due by the company amounted to £2,600,000 (2018: £2,160,000).

During the year the company charged a management fee to Welborne Land Limited, a company in which M E Thistlethwayte, P Lambert, D Griffiths and J Beresford are directors, amounting to £2,667,611 (2018: £3,242,585); £120,463 (2018: £684,171) was in respect of overheads incurred by the company in prior years which has been reflected as other income in the Statement of Comprehensive Income. At the balance sheet date, £437,440 (2018: £390,585) remained outstanding.

14. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is M E Thistlethwayte.