

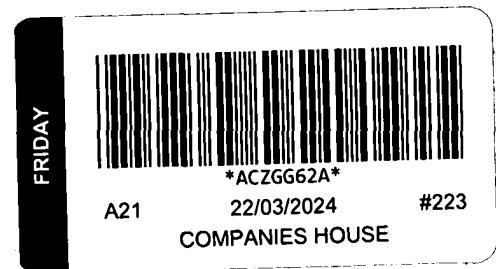
**REGISTERED NUMBER: 07283010 (England and Wales)**

**Directors' Report and Financial Statements**

**For the year ended 31<sup>st</sup> December 2023**

**For**

**Skanska Residential Development UK Limited**



**Skanska Residential Development UK Limited (Registered number: 07283010)**

**Contents of the Financial Statements  
For the year ended 31<sup>st</sup> December 2023**

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**Skanska Residential Development UK Limited (Registered number: 07283010)**

**Company information**

<b>Directors</b>	S J Coggin S Paul
<b>Secretary</b>	S Leven
<b>Registered office</b>	1 Hercules Way Leavesden Watford WD25 7GS
<b>Registered number</b>	07283010
<b>Auditors</b>	Ernst & Young LLP 1 More London Place London SE1 2AF

**Skanska Residential Development UK Limited (Registered number: 07283010)**

## **Directors' Report**

The directors present their report with the financial statements of the company for the year ended 31st December 2023.

### **Principal activity and future developments**

The company's principal activity is the management of warranty/defects issues in connection with its residential developments, all of which were completed and sold by 31 December 2014. The company will continue to operate until the warranty period has elapsed, when a decision will be made on the company's future activities.

### **Review of business**

The company made an operating loss in the year of £18,000 (2022: operating loss of £5,000).

### **Market and outlook**

The company has no plans to break ground on any future developments of its own for the foreseeable future.

### **Principal risks and uncertainties**

The company's principal risks and uncertainties are related to residential developments undertaken historically, for which provisions have been made.

### **Directors**

The directors who have held office during the year under review and up to the date of this report are as follows:

S J Coggin  
S Paul

### **Going Concern**

The directors have undertaken a detailed assessment of the company's ability to continue as a going concern for the period up to 31 December 2025 ('the going concern review period'). That assessment has taken into consideration: the current financial position of the company; a detailed review of the company's forecast cashflows for the going concern review period; sensitivities to the key assumptions in the forecast cashflows; and the principal risks and uncertainties facing the company, including the impact of the current macroeconomic environment.

Following this assessment, the directors are confident that the company will be able to meet its liabilities as they fall due and continue in operational existence for the going concern review period.

Accordingly, the directors continue to adopt the going concern basis in preparing the company's financial statements.

### **Strategic report**

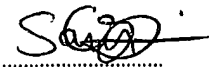
The company has taken the exemption under S414B of the Companies Act 2006 from the requirement to prepare a strategic report for the financial year.

### **Statement as to disclosure of information to the auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

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

### **On behalf of the board:**



S J Coggin - Director

Date: 20/03/2024

**Skanska Residential Development UK Limited (Registered number: 07283010)**

**Statement of Directors' Responsibilities**

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 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures, disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Skanska Residential Development UK Limited (Registered number: 07283010)**

**Independent Auditor's Report to the Members of Skanska Residential Development UK Limited**

**Opinion**

We have audited the financial statements of Skanska Residential Development UK Limited (the 'company') for the year ended 31 December 2023 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 11, 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 FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2023 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the period to 31 December 2025.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability 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 contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 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.

Skanska Residential Development UK Limited (Registered number: 07283010)

**Independent Auditor's Report to the Members of Skanska Residential Development UK Limited (continued)**

**Responsibilities of directors**

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

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

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

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

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (the Companies Act 2006 and United Kingdom Accounting Standards including FRS101 'Reduced Disclosure Framework'); as well as Health and Safety legislation; Building Regulations and the relevant direct and indirect tax compliance regulation in the UK.
- We understood how the company is complying with those frameworks by making enquiries of management to understand how the company maintains its policies and procedures in these areas and corroborated this by reviewing supporting documentation. We also obtained and read correspondence with relevant authorities, where applicable.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by assuming the valuation of the warranty / defects provision to be a significant risk. In response, we performed audit procedures including: incorporating data analytics into our testing of manual journals; and assessing the appropriateness of key assumptions utilised to derive the warranty/defects provision via; analysis of the nature and costs of works undertaken to date; inspection of correspondence in relation to issues identified; as well as consideration of management's forecast rectification spend and the impact of discounting.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved inquiries of senior management, and where applicable, those charged with governance; review of board minutes; review of warranty / defects claims correspondence with residential homeowners; testing journals identified by specific risk criteria; and obtaining written representations from the directors of the company.

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

*Ernst & Young LLP*

Peter Campbell (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London

Date: 20 March 2024

Skanska Residential Development UK Limited (Registered number: 07283010)

**Statement of Comprehensive Income**  
**For the year ended 31st December 2023**

		<b>2023</b>	<b>2022</b>
	<b>Notes</b>	<b>£'000</b>	<b>£'000</b>
Revenue		--	--
Cost of sales		--	--
<b>Gross result</b>		--	--
Administrative expenses		(18)	(5)
<b>Operating loss</b>		(18)	(5)
Interest receivable and similar income	4	145	46
<b>Profit before taxation</b>	5	127	41
Tax on profit	6	(27)	(8)
<b>Profit for the financial year</b>		100	33
Other comprehensive income		--	--
<b>Total comprehensive income for the year</b>		100	33

The notes on pages 9 to 12 form part of these financial statements.



**Skanska Residential Development UK Limited (Registered number: 07283010)**

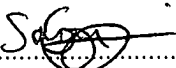
**Statement of Financial Position  
As at 31 December 2023**

	Notes	2023 £'000	2022 £'000
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	198	138
Cash at bank		<u>2,888</u>	<u>3,275</u>
		3,086	3,413
<b>Creditors</b>			
Creditors: amounts falling due within one year	8	(110)	(8)
		<u>2,976</u>	<u>3,405</u>
<b>Net current assets</b>		2,976	3,405
<b>Total assets less current liabilities</b>		2,976	3,405
<b>Creditors</b>			
Provision for liabilities	9	(257)	(786)
		<u>2,719</u>	<u>2,619</u>
<b>Net assets</b>		2,719	2,619
<b>Capital and reserves</b>			
Called up share capital	10	5,000	5,000
Retained deficit		(2,281)	(2,381)
		<u>2,719</u>	<u>2,619</u>
<b>Shareholder's funds</b>		2,719	2,619

The notes on pages 9 to 12 form part of these financial statements.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the board of directors on 20/03/2024 and were signed on its behalf by:

  
S J Coggin - Director

**Skanska Residential Development UK Limited (Registered number: 07283010)**

**Statement of Changes in Equity  
For the year ended 31 December 2023**

	<b>Called up share capital</b>	<b>Retained deficit</b>	<b>Total equity</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Balance at 1st January 2022</b>	5,000	(2,414)	2,586
<b>Changes in equity</b>			
Profit for the year	--	33	33
Other comprehensive income for the year	--	--	--
<b>Balance at 31st December 2022</b>	<u>5,000</u>	<u>(2,381)</u>	<u>2,619</u>
<b>Changes in equity</b>			
Profit for the year	--	100	100
Other comprehensive income for the year	--	--	--
<b>Balance at 31st December 2023</b>	<u>5,000</u>	<u>(2,281)</u>	<u>2,719</u>

The notes on pages 9 to 12 form part of these financial statements.

**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> December 2023**

**1. Statutory information**

Skanska Residential Development UK Limited is a private company, limited by shares, incorporated, registered and domiciled in England and Wales. The company's registered number and registered office address can be found on the company information page.

The presentation currency of the financial statements is the pound sterling (£).

All values are rounded to the nearest thousand pounds (£000), except where otherwise indicated.

**2. Accounting policies**

**Basis of preparation**

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" in accordance with applicable accounting standards and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirement of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group.

**Taxation**

UK corporation tax is provided at amounts expected to be paid or recovered, using the tax rates and laws enacted or substantively enacted by the statement of financial position date.

**Interest bearing loans and borrowings**

All loans and borrowings are initially recognised at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

**Provision for liabilities**

A provision is recognised when the company has a legal or constructive obligation as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

**Financial instruments**

Financial assets and liabilities are recognised in the statement of financial position when the company becomes a party to the contractual provisions of the instrument. Trade receivables and other receivables do not attract any interest and are stated at their invoiced value, reduced by appropriate allowances for estimated unrecoverable amounts. Overdrafts are stated at their amortised cost using the effective interest rate. Trade payables on normal terms are not interest bearing and are stated at their invoiced value.

**Going Concern**

The directors have undertaken a detailed assessment of the company's ability to continue as a going concern for the period up to 31 December 2025 ('the going concern review period'). That assessment has taken into consideration: the current financial position of the company; a detailed review of the company's forecast cashflows for the going concern review period; sensitivities to the key assumptions in the forecast cashflows; and the principal risks and uncertainties facing the company, including the impact of the current macroeconomic environment.

Following this assessment, the directors are confident that the company will be able to meet its liabilities as they fall due and continue in operational existence for the going concern review period.

Accordingly, the directors continue to adopt the going concern basis in preparing the company's financial statements.

**Skanska Residential Development UK Limited (Registered number: 07283010)**

**Notes to the Financial Statements (continued)**  
**For the year ended 31<sup>st</sup> December 2023**

**3. Employees and directors**

The company has no employees and hence there were no staff costs for the year ended 31st December 2023 (2022: £nil). The Directors did not receive any remuneration during the year in respect of their services provided to the company (2022: £nil). The Directors were remunerated by other Skanska Group companies for their services provided to those entities.

**4. Interest receivable and similar income**

	2023	2022
	£'000	£'000
Bank interest	<u>145</u>	<u>46</u>

**5. Profit before taxation**

The profit before taxation is stated after charging:

	2023	2022
	£'000	£'000
Auditor's remuneration	<u>18</u>	<u>5</u>

**6. Taxation**

Analysis of tax charge:

	2023	2022
	£'000	£'000
Current tax:		
UK Corporation tax current year	30	8
Adjustment in respect of prior year	(3)	--
Total tax charge in statement of comprehensive income	<u>27</u>	<u>8</u>

**Skanska Residential Development UK Limited (Registered number: 07283010)**

**Notes to the Financial Statements (continued)**  
**For the year ended 31st December 2023**

**6. Taxation (continued)**

**Factors affecting the total tax charge**

The tax assessed for the year is lower than (2022: equates to) the standard rate of corporation tax in the UK. The difference is explained below:

	2023 £'000	2022 £'000
Profit before income tax	<u>127</u>	<u>41</u>
Profit multiplied by the standard rate of corporation tax in the UK of 23.50% (2022: 19%)	30	8
Effects of:		
Adjustment to tax charge in respect of prior period	(3)	--
Total tax charge	<u>27</u>	<u>8</u>

**Changes in corporation tax rate**

The Finance Act 2021 increased the UK's main corporation tax rate from 19% to 25%, effective from 1 April 2023.

**7. Debtors: amounts falling due within one year**

	2023 £'000	2022 £'000
Other debtors	9	4
Corporate tax debtor	98	126
Prepayments	<u>91</u>	<u>8</u>
	<u>198</u>	<u>138</u>

**8. Creditors: amounts falling due within one year**

	2023 £'000	2022 £'000
Trade creditors	23	--
Accruals and deferred income	55	8
Intercompany	<u>32</u>	<u>--</u>
	<u>110</u>	<u>8</u>

**Notes to the Financial Statements (continued)**  
**For the year ended 31st December 2023**

**9. Provision for liabilities**

	2023 £'000
	Warranty/ defects provision
As at 1st January 2023	786
Utilised	(529)
Addition	--
Released	--
Unwinding of discounting	--
As at 31st December 2023	<u>257</u>

A provision is recognised for warranty/ defects claims in relation to residential development sales in 2013/2014, for which the company has contractual warranty obligations up to 2026. With known issues, most of the provision is expected to be utilised over the next 2 years.

**10. Called up share capital**

Authorised, allotted, issued, and fully paid.

Number	Class	Nominal value	2023 £'000	2022 £'000
5,000,000	Ordinary	£1.00	<u>5,000</u>	<u>5,000</u>

**11. Ultimate parent company**

Skanska Kraft AB is the company's immediate parent company.

The ultimate parent company is Skanska AB, a company incorporated in Sweden, which heads the smallest and largest group in which the results of the Company are consolidated.

Copies of Skanska AB financial statements can be obtained from Skanska UK Plc at 1 Hercules Way, Leavesden, Watford, WD25 7GS.