

**REGISTERED NUMBER: 08299002 (England and Wales)**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

**FOR**

**THE DAVENTRY ESTATE COMPANY LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2022**

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**THE DAVENTRY ESTATE COMPANY LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2022**

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**DIRECTORS:**

C Morgan  
S Hibbert  
JWE Aldridge  
J Slack  
T Gilford

**SECRETARY:**

Z Campbell

**REGISTERED OFFICE:**

One Angel Square  
Angel Street  
Northampton  
Northamptonshire  
NN1 1ED

**REGISTERED NUMBER:**

08299002 (England and Wales)

**AUDITORS:**

DNG Dove Naish LLP, Statutory Auditor  
Eagle House  
28 Billing Road  
Northampton  
NN1 5AJ

**STATEMENT OF FINANCIAL POSITION**  
**31 MARCH 2022**

|  | Notes | 2022<br>£      | £                | 2021<br>£      | £                |
|--|-------|----------------|------------------|----------------|------------------|
| <b>FIXED ASSETS</b>                          |       |                |                  |                |                  |
| Investment property                          | 4     |                | 7,874,000        |                | 7,445,000        |
| <b>CURRENT ASSETS</b>                        |       |                |                  |                |                  |
| Debtors                                      | 5     | 7,106          |                  | 7,007          |                  |
| Cash at bank                                 |       | <u>216,003</u> |                  | <u>204,041</u> |                  |
|  |       | 223,109        |                  | 211,048        |                  |
| <b>CREDITORS</b>                             |       |                |                  |                |                  |
| Amounts falling due within one year          | 6     | <u>25,681</u>  |                  | <u>31,948</u>  |                  |
| <b>NET CURRENT ASSETS</b>                    |       |                | <u>197,428</u>   |                | <u>179,100</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                | 8,071,428        |                | 7,624,100        |
| <b>CREDITORS</b>                             |       |                |                  |                |                  |
| Amounts falling due after more than one year | 7     |                | (5,919,161)      |                | (5,919,601)      |
| <b>PROVISIONS FOR LIABILITIES</b>            |       |                | <u>(338,303)</u> |                | <u>(175,600)</u> |
| <b>NET ASSETS</b>                            |       |                | <u>1,813,964</u> |                | <u>1,528,899</u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                |                  |                |                  |
| Called up share capital                      |       |                | 1,000            |                | 1,000            |
| Investment property reserve                  | 8     |                | 1,612,824        |                | 1,346,527        |
| Retained earnings                            | 8     |                | <u>200,140</u>   |                | <u>181,372</u>   |
| <b>SHAREHOLDERS' FUNDS</b>                   |       |                | <u>1,813,964</u> |                | <u>1,528,899</u> |

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 15 September 2022 and were signed on its behalf by:

JWE Aldridge - Director

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**1. STATUTORY INFORMATION**

The Daventry Estate Company Limited is a private company, limited by shares, registered 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 (£).

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**Significant judgements and estimates**

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company 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 within the individual accounting policies below.

**Turnover**

Turnover represents rental income from investment properties.

**Investment property**

Investment property is shown at the most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Comprehensive Income. The fair value is stated on the basis that the properties are valued on an individual basis, rather than collectively.

**Financial instruments**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity date of three months or less.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income under administrative expenses.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**2. ACCOUNTING POLICIES - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Deferred tax is recognised on fair value gains on investment properties.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Finance leases**

Assets held under finance leases are capitalised in the balance sheet. The interest element of these obligations is charged to the statement of comprehensive income over the relevant period. The capital element of future payments is treated as a liability.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was NIL (2021 - NIL).

**4. INVESTMENT PROPERTY**

|                       | Total<br>£       |
|-----------------------|------------------|
| <b>FAIR VALUE</b>     |                  |
| At 1 April 2021       | 7,445,000        |
| Revaluations          | 429,000          |
| At 31 March 2022      | <u>7,874,000</u> |
| <b>NET BOOK VALUE</b> |                  |
| At 31 March 2022      | <u>7,874,000</u> |
| At 31 March 2021      | <u>7,445,000</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

## 4. INVESTMENT PROPERTY - continued

The investment properties were valued on a fair value basis as at 31 March 2022 by James Ring MRICS an employee of West Northamptonshire Council..

The constitutions of both Daventry District Council and West Northamptonshire Council state that, in the absence of specific alternative objectives, any disposal shall have the objective of securing the best financial return for the council. Consequently any future disposal would be undertaken by means of individual property disposal. Therefore open market value represents fair value for the company.

If the properties were to be sold as one investment portfolio the RICS guidance note 'Valuing Residential Property purpose built for renting' would be followed. On that basis the value of the properties would be £4.27m.

The investment properties were all held under finance leases. The fair value of these assets is as stated above.

## 5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                    | 2022         | 2021         |
|------------------------------------|--------------|--------------|
|                                    | £            | £            |
| Trade debtors                      | 738          | 825          |
| Amounts owed by group undertakings | 1,531        | 1,052        |
| Prepayments and accrued income     | 4,837        | 5,130        |
|                                    | <u>7,106</u> | <u>7,007</u> |

## 6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                              | 2022          | 2021          |
|------------------------------|---------------|---------------|
|                              | £             | £             |
| Finance leases               | 440           | 429           |
| Tax                          | 4,402         | 5,455         |
| Accruals and deferred income | 20,839        | 26,064        |
|                              | <u>25,681</u> | <u>31,948</u> |

## 7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

|  | 2022             | 2021             |
|--|------------------|------------------|
|  | £                | £                |
| Finance leases                               | <u>5,919,161</u> | <u>5,919,601</u> |
| Amounts falling due in more than five years: |                  |                  |
| Repayable by instalments                     |                  |                  |
| Finance leases                               | <u>5,917,293</u> | <u>5,917,777</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**8. RESERVES**

|                     | Retained<br>earnings<br>£ | Investment<br>property<br>reserve<br>£ | Totals<br>£      |
|---------------------|---------------------------|--|------------------|
| At 1 April 2021     | 181,372                   | 1,346,527                              | 1,527,899        |
| Profit for the year | 285,065                   |  | 285,065          |
| Reserves transfer   | (266,297)                 | 266,297                                | -                |
| At 31 March 2022    | <u>200,140</u>            | <u>1,612,824</u>                       | <u>1,812,964</u> |

**9. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Robyn Liddell (Senior Statutory Auditor)  
for and on behalf of DNG Dove Naish LLP, Statutory Auditor

**10. RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with other members of the group.

**11. CONTROLLING PARTY**

The directors consider that The Daventry Estate Company Limited (TDECL) is a "controlled" company under the terms of the Local Government and Housing Act 1989 and the Local Authorities (Companies) Order 1995. This is because Daventry District Council (DDC) is the sole shareholder of the company. As such DDC has 100% of the voting rights at general meetings and has the sole right to appoint and remove directors.

DDC was subject to a structural change order that saw it become part of West Northamptonshire Council (WNC) from 1 April 2021. At that time WNC became the sole shareholder of the company and acquired the voting rights and right to appoint and remove directors previously held by DDC. The company remains a controlled company.

WNC can be contacted at Lodge Road, Daventry, Northamptonshire, NN11 4FP, or One Angel Square, Northampton, NN1 1ED.



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