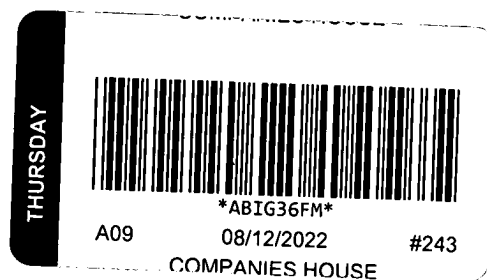


Registered number: OC392780

INFINITY PARK DERBY LLP

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022



INFINITY PARK DERBY LLP

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INFINITY PARK DERBY LLP

INFORMATION

Designated Members

Wilson Bowden Developments Limited
Cedar House (Infinity Park) Limited

LLP registered number

OC392780

Registered office

Barratt House, Cartwright Way, Forest Business Park, Bardon Hill, Coalville,
Leicestershire, United Kingdom, LE67 1UF

Independent auditor

Deloitte LLP, Statutory Auditor, 2 New Street Square, London, United Kingdom EC4A 3BZ

Solicitor

Wragge Lawrence Graham & Co, 4 More London, Riverside, London, United Kingdom SE1 2AU

Banker

Barclays Bank PLC, 2 High Street, Nottingham NG1 2EN

INFINITY PARK DERBY LLP

MEMBERS' REPORT FOR THE YEAR ENDED 30 JUNE 2022

The Members present their annual report and the audited financial statements of Infinity Park Derby LLP (the 'LLP') for the year ended 30 June 2022.

The Members' report has been prepared in accordance with the special provisions applicable to limited liability partnerships applying the small limited liability partnership exemption.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the LLP is to undertake the development of land known as Infinity Park, Derby. The LLP represents a joint venture development between Wilson Bowden Developments Limited and Cedar House (Infinity Park) Limited.

The LLP made a loss for the year of £173,977 (2021: Profit of £311,281).

The sale of the first development at Infinity Park comprising 13.9 acres for the construction of a 186,000 sq. ft timber frame house manufacturing facility completed in November 2021, although the sale was contracted directly with the LLP's designated member, Wilson Bowden Developments Limited, under a Deed of Arrangement with Infinity Park Derby LLP as the purchaser was a related party to Wilson Bowden. As such the sale and cost of sales are not recorded in the current year results of the LLP, with Cedar House (Infinity Park) Limited to receive a profit share directly from Wilson Bowden Developments Limited after practical completion of the facility. All work in progress costs incurred by the LLP have been recharged to Wilson Bowden for this development. This sale triggered the first repayment of the Derby City Council loan which was made by Wilson Bowden on behalf of the LLP.

A forward funded sale for a second development at Infinity Park was also completed in 2022 comprising 2.9 acres for the construction of a 47,000 sq. ft University research facility. As at 30 June 2022 this was less than 30% build complete and as such the current Statement of Comprehensive Income includes revenue recognition only for the partial completion with no profit margin reflected at this early stage.

INFINITY PARK DERBY LLP

MEMBERS' REPORT (continued) FOR THE YEAR ENDED 30 JUNE 2022

GOING CONCERN

In determining the appropriate basis of preparation of the financial statements, the Members are required to consider whether the LLP can continue in operational existence for the foreseeable future.

Although losses were incurred in the current year this was due to profit not being recognised at the early stage of build completion on the first development through Infinity Park Derby LLP. The Members expect that profits will be realised in the next financial year following successful build completion. The sale is forward funded and as such the Members expect that the LLP has sufficient funding to meet its liabilities as they fall due within the next twelve months.

As at 30 June 2022 the LLP had net assets of £2,060,340. The LLP's main current assets are stock and work in progress of £6,540,148, cash of £3,876,026 and debtors of £37,301 offset by current liabilities of £5,307,589 and non-current liabilities of £3,085,546.

The Members have considered the LLP's forecast and budgets, funding requirements and the principal risks and uncertainties that may impact upon the performance of the LLP together with their mitigation. After making these enquiries the Members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future, being for at least twelve months from the date of signing the financial statements. For this reason they adopt the going concern basis in preparing the financial statements.

DESIGNATED MEMBERS

Wilson Bowden Developments Limited and Cedar House (Infinity Park) Limited were Designated Members of the LLP throughout the year.

MANAGEMENT BOARD

There are four representatives on the Management Board. The Members may by notice in writing to the Registered Office each appoint two representatives to attend Management Board meetings (and remove any such Representatives and appoint replacements).

INFINITY PARK DERBY LLP

MEMBERS' REPORT (continued) FOR THE YEAR ENDED 30 JUNE 2022

MEMBERS' DRAWINGS AND CAPITAL POLICY

The profits or losses of the LLP shall be divided amongst the Members in the ratio 50% to Wilson Bowden Developments Limited and 50% to Cedar House (Infinity Park) Limited.

Details of changes in Members' capital in the year ended 30 June 2022 are set out in note 12 to the financial statements. No drawings or contributions are made to or by the Member without the agreement of both Members.

If, on the finalisation of the annual financial statements of the LLP, such financial statements show that the drawings (if any) made by any Member are in excess of its share of profits for the relevant accounting year, then such Member shall repay the excess forthwith, together with interest on the excess (or such part thereof shall be outstanding).

Losses incurred by the LLP in respect of any accounting period shall not be divided or allocated amongst the Members unless, in respect of that (or any other) accounting period, the Members shall have so resolved provided always that, notwithstanding the foregoing, no Member shall, at any relevant time have any liability for losses incurred by the LLP which, in aggregate exceed (or could exceed) the aggregate amount of that Member's capital contributions made or contracted to be made at that time.

DISCLOSURE OF INFORMATION TO AUDITOR

Each Member at the date of approval of this report confirms that:

- So far as each Member is aware, there is no relevant audit information of which the LLP's auditor is unaware; and
- Each Member has taken all the steps that ought to have been taken as Member in order to be aware of any relevant audit information and to establish that the LLP's auditor is aware of the information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418(2) of the Companies Act 2006.

INFINITY PARK DERBY LLP

**MEMBERS' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2022**

AUDITOR

Deloitte LLP has expressed its willingness to be reappointed as auditor and appropriate arrangements have been put in place for them to be reappointed at a meeting of the Members.

This report was approved by the Members on 6 December 2022 and signed on their behalf by:



Nicholas Richardson
Wilson Bowden Developments Limited
Designated Member



Ralph Jones
Cedar House (Infinity Park) Limited
Designated Member

INFINITY PARK DERBY LLP

MEMBERS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

The Members are responsible for preparing the members' report and the financial statements in accordance with applicable law and regulations.

Company law, (as applied by The Limited Liability Partnerships (Accounts & Audit) (Application of Companies Act 2006) Regulations 2008), requires the Members to prepare financial statements for each financial year. Under that law the Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The financial statements are required by law to give a true and fair view of the state of affairs of the firm and of the profit or loss of the firm for that period.

In preparing these financial statements, the Members are required to:

- select suitable accounting policies and the apply them consistently;
- 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 firm will continue in business.

The Members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the firm and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to limited liability partnerships. They are also responsible for safeguarding the assets of the firm and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INFINITY PARK DERBY LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INFINITY PARK DERBY LLP

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Infinity Park Derby LLP (the 'LLP'):

- give a true and fair view of the state of the LLP's affairs as at 30 June 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to LLPs.

We have audited the financial statements of the LLP which comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Reconciliation of Members' Interests; and
- the related notes 1 to 14.

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).

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 LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council ('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.

INFINITY PARK DERBY LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INFINITY PARK DERBY LLP (CONTINUED)

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Members' 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 LLP's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Members with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Member's report, other than the financial statements and our auditor's report thereon. The Members are responsible for the other information contained within the Members' report. Our opinion on the financial statements does not cover the other information and, 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 rise 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Members

As explained more fully in the members' responsibilities statement, the Members 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 Members 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 members are responsible for assessing the LLP'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 members either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

INFINITY PARK DERBY LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INFINITY PARK DERBY LLP (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 on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which 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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the LLP's industry and its control environment, and reviewed the LLP's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and internal audit about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the LLP operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act as applied to Limited Liability Partnerships and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the LLP's ability to operate or to avoid a material penalty. These included the environmental regulations, planning, and health and safety law.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

INFINITY PARK DERBY LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INFINITY PARK DERBY LLP (CONTINUED)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address them are described below.

Revenue Recognition

Auditing management's revenue recognition for construction contracts is judgemental and can be materially impacted by key assumptions including the determination of the stage of completion. This judgement is susceptible to management override.

Work performed

- obtained the contracts to assess the accounting treatment applied by management against the requirements of accounting standards and agreed the total revenue of the contracts;
- obtained the external progress certificate at 30 June 2022 and traced to the cash received and stage of completion;
- recalculated revenue to be recognised on contract balances considering any upfront deposits received under the contract; and
- compared to management's recognised revenue balances.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance

INFINITY PARK DERBY LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INFINITY PARK DERBY LLP (CONTINUED)

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to LLP's we are required to report in respect of the following matters 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
- we have not received all the information and explanations we require for our audit; or
- the Members were not entitled to prepare financial statements in accordance with the small limited liability partnerships regime.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to LLP's. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lee Highton, FCA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

Date: 7 December 2022

INFINITY PARK DERBY LLP

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 £	2021 £
REVENUE	3	4,353,765	-
Cost of sales		(4,359,453)	(14,364)
GROSS RESULT		(5,688)	(14,364)
Administrative expenses		(28,222)	(27,407)
OPERATING LOSS	4	(33,910)	(41,771)
Interest receivable	5	-	443,754
Interest payable	5	(140,067)	(90,702)
(LOSS)/PROFIT FOR THE YEAR AVAILABLE FOR DIVISION AMONG MEMBERS BEING TOTAL COMPREHENSIVE (EXPENSE)/INCOME		(173,977)	311,281

There was no other comprehensive income for 2022 or 2021.

The notes on pages 15 to 23 form part of these financial statements.

INFINITY PARK DERBY LLP

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	£	2022 £	2021 £
CURRENT ASSETS				
Stock and work in progress	7	6,540,148	6,389,015	
Cash in hand		3,876,026	412,462	
Debtors: amounts falling due within one year	8	37,301	19,579	
		<u>10,453,475</u>	<u>6,821,056</u>	
CREDITORS: amounts falling due within one year	9	<u>(5,307,589)</u>	<u>(1,665,602)</u>	
NET CURRENT ASSETS			<u>5,145,886</u>	<u>5,155,454</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,145,886</u>	<u>5,155,454</u>
Creditors: amounts falling due after more than one year	10	(3,085,546)		(2,921,137)
NET ASSETS ATTRIBUTABLE TO MEMBERS			<u>2,060,340</u>	<u>2,234,317</u>
REPRESENTED BY:				
Members' capital classified as equity	12	2,977,575	2,977,575	2,977,575
Other reserves classified as equity		(917,235)	(917,235)	(743,258)
		<u>2,060,340</u>	<u>2,060,340</u>	<u>2,234,317</u>
TOTAL MEMBERS' INTERESTS				
Members' other interests		2,060,340		2,234,317
Loans and other creditors due to members		625,427		-
		<u>2,685,767</u>	<u>2,685,767</u>	<u>2,234,317</u>

The notes on pages 15 to 23 form part of these financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small limited liability partnerships regime.

The financial statements were approved and authorised for issue by the Members and were signed on their behalf by:



Nicholas Richardson
Wilson Bowden Developments Limited
Designated Member



Ralph Jones
Cedar House (Infinity Park) Limited
Designated Member

Date: 7 December 2022

Company Registration No. OC392780

INFINITY PARK DERBY LLP

RECONCILIATION OF MEMBERS' INTERESTS AS AT 30 JUNE 2022

	Members capital (classified as equity)	Other reserves *	Total equity
	£	£	£
At 1 July 2021	2,977,575	(743,258)	2,234,317
Loss for the year	-	(173,977)	(173,977)
Capital introduced by Members	-	-	-
At 30 June 2022	2,977,575	(917,235)	2,060,340

RECONCILIATION OF MEMBERS' INTERESTS AS AT 30 JUNE 2021

	Members capital (classified as equity)	Other reserves *	Total equity
	£	£	£
At 1 July 2020	2,357,415	(743,258)	1,302,876
Profit for the year	-	311,281	311,281
Capital introduced by Members	620,160	-	620,160
At 30 June 2021	2,977,575	(743,258)	2,234,317

The notes on pages 15 to 23 form part of these financial statements.

Profits or losses of the LLP are divided between the designated Members Wilson Bowden Developments Limited and Cedar House (Infinity Park) Limited in an equal split of 50% each. There are no existing restrictions or limitations which impact the ability of the Members of the LLP to reduce the amount of Members' interests.

The profit distributed to the Members during the year was £nil (2021: £nil).

*Other reserves comprise the accumulated losses of the LLP.

INFINITY PARK DERBY LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

1. ACCOUNTING POLICIES

1.1 General information and basis of preparation of financial statements

The LLP is incorporated in the UK and registered in England and Wales under the Limited Liability Partnership Act 2000. The address of its registered office is given on the information page. The principal activities of the partnership and the nature of the partnerships operations are set out in the members report on pages 2 to 5.

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships; issued December 2018 as applied to Small LLP's".

The functional currency of the LLP is sterling because that is the currency of the primary economic environment in which the Partnership operates.

1.2 Going concern

The Members have considered the LLP's forecast and budgets, funding requirements, and the principal risks and uncertainties that may impact upon the performance of the LLP together with their mitigation. After making these enquiries, the Members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future, being for at least twelve months from the date of signing the financial statements. For this reason they continue to adopt the going concern basis in preparing the financial statements as outlined in the Members Report on page 3.

1.3 Revenue from the sale of commercial properties

Revenue is recognised at legal completion in respect of the total proceeds of building and development. Revenue is measured at fair value of consideration received or receivable and represents the amounts receivable for the property, net of VAT.

1.4 Revenue on construction contracts

The LLP considers all contracts with commercial customers on a contract by contract basis and determines the appropriate revenue recognition based on the particular terms of that contract. The LLP accounts for contracts as construction contracts only in circumstances in which control of the associated land is transferred to the customer before or during construction. Revenue is only recognised from the point at which control of the

INFINITY PARK DERBY LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

1. ACCOUNTING POLICIES (CONTINUED)

1.4 Revenue on contracts recognised over time (continued)

associated land is transferred.

Where the outcome of a construction contract can be estimated reliably, revenue is recognised by reference to the stage of completion of contract activity at the balance sheet date. This is normally measured by surveys of work performed to date. The LLP is satisfied that it is appropriate to measure performance by reference to surveys of work performed to date, because these surveys identify the extent to which benefits have been transferred to the customer. Variations to, and claims arising in respect of such contracts are included in revenue to the extent that they have been agreed with the customer. Where the outcome of a construction contract cannot be estimated reliably, revenue is recognised to the extent of contract costs incurred. When it is probable that the total costs on a contract will exceed total contract revenue, the expected loss is immediately recognised as an expense in the Statement of Comprehensive Income.

1.5 Recognition of profit where developments are accounted for as 'Construction Contracts'

The LLP applies its policy on contract accounting when recognising revenue and profit on partially completed contracts. The application of this policy requires judgement to be made in respect of total expected costs to complete for each development. The LLP has in place established internal control processes to ensure that the evaluation of costs and revenues is based upon appropriate estimates.

1.6 Finance costs

Finance costs are recognised as an expense in the Income statement in the period to which they relate.

1.7 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value, less progress payments received or receivable, after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

INFINITY PARK DERBY LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

1.8 Taxation

Income tax payable on the partnership profits is solely the liability of the individual Members and consequently is not dealt with in these financial statements.

1.9 Financial instruments

Financial assets and financial liabilities are recognised on the Statement of Financial Position when the LLP becomes a party to the contractual provisions of the instrument.

The LLP derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

The LLP derecognises a financial liability only when the LLP's obligations are discharged, cancelled or they expire.

Impairment of financial assets

Trade and other receivables are assessed for indicators of impairment at each year end date and are impaired where there is objective evidence that the recovery of the receivable is in doubt.

Objective evidence of impairment could include significant financial difficulty of the customer, default on payment terms or the customer going into liquidation.

The carrying amount of trade and other receivables is reduced through the use of an allowance account. When a trade or other receivable is considered uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the Statement of Comprehensive Income.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and balances in bank accounts with no notice or less than three months' notice from inception and are subject to an insignificant risk of changes in value.

INFINITY PARK DERBY LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

1.9 Financial instruments (continued)

Financial liabilities

Financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the 'effective interest rate' method.

Financial liabilities are classified as current liabilities unless the LLP has an unconditional right to defer settlement of the liability for at least twelve months after the year end date.

1.8 Members' capital

Members' capital is classified as equity in accordance with FRS 102. No drawings or contributions are made to or by the Member without the agreement of both Members.

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In accordance with the requirements of FRS 102, the LLP has detailed below the critical accounting judgements made and the key sources of estimation uncertainty within these financial statements.

In the process of applying the LLP's accounting policies, which are described in the accounting policies note, the Members have made no individual judgements that have a significant impact upon the financial statements, apart from those involving estimations. The key assumptions concerning the future, and other key sources of estimation uncertainty at the Statement of Financial Position date, are discussed below.

Estimates of carrying value of land and work in progress

The LLP's principal activity is property development. Development activity may not be contracted prior to the development commencing. Accordingly, the LLP has in its Statement of Financial Position at 30 June 2022 current assets that are not covered by a forward sale, although typically the developments will be forward funded and fixed build contracts agreed beforehand, as was the case with the first two developments on Infinity Park during the current year. Internal controls are designed to identify where the value of land and work in progress in the Statement of Financial Position is more than the lower of cost or net realisable value. The land is not drawn down from third-party landownership until a viable development arises, and the land price not determined until this point, subject to minimum land values being achievable, which also reduces the LLP's exposure to a fall in land values.

INFINITY PARK DERBY LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Where the estimated net realisable value of a site is less than its current carrying value within the Statement of Financial Position the land and work in progress value is impaired. No net impairment to land and work in progress was necessary in the current year and no impairment was created/released in the year (2021: net impairment £nil).

The key estimates required are those needed to estimate the realisable value of the site, which is determined by forecast sales rates, expected sales prices and estimated costs to complete. The estimation of future sales prices and costs to complete include allowances for sales price inflation and build cost inflation in future periods. If the UK property market were to change beyond management expectations in the future and assumptions around sales prices and estimated costs to complete, adjustments to the carrying value of the land and work in progress may be required.

3 ANALYSIS OF REVENUE

An analysis of revenue by class of business is as follows:

	2022 £	2021 £
Construction contracts	<u>4,353,765</u>	<u>-</u>

4 OPERATING LOSS

The fees payable to the LLP's auditor for the audit of the LLP's annual financial statements amounted to £5,000 (2021: £5,000), the value of which has been accrued for in the financial statements.

The LLP had no employees during the current year or the prior period.

5 INTEREST (PAYABLE)/RECEIVABLE

	2022 £	2021 £
Interest receivable on infrastructure loan	-	443,754
Interest (payable) on infrastructure loan	(140,067)	(90,702)
Interest (payable)/receivable on infrastructure loan	<u>(140,067)</u>	<u>353,052</u>

INFINITY PARK DERBY LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

5 INTEREST (PAYABLE)/RECEIVABLE (continued)

The interest rate payable on the infrastructure loan was reduced from 5.5% to 2.5% in 2021 following agreement with the lender, Derby City Council, for this to apply from inception of the loan in July 2016 through to completion of the first development on the site, at which point the interest payable reverted back to the 5.5% interest rate. A £443,754 interest receivable adjustment for this rate reduction was made in the prior year in respect of the period July 2016 to June 2020 and interest payable calculated at 2.5% in the prior year. The sale of the first development completed in November 2021 and a loan repayment was made by Wilson Bowden Developments Limited on behalf of the LLP (see note 9 – amounts owed to a related party), with the interest rate payable on the remaining loan being increased to 5.5% from then onwards.

6 INFORMATION IN RELATION TO MEMBERS

	2022 Number	2021 Number
The average number of Members during the period was	<u>2</u>	<u>2</u>

7 STOCK AND WORK IN PROGRESS

	2022 £	2021 £
Work in progress	<u>6,540,148</u>	<u>6,389,015</u>

The Members consider all stocks to be essentially current in nature although the LLP's operational cycle is such that a proportion of stocks will not be realised within twelve months. It is not possible to determine with accuracy when specific stock will be realised as this will be subject to a number of issues including consumer demand.

8 DEBTORS:

Amounts falling due within one year

	2022 £	2021 £
Taxation and social security	37,176	19,462
Prepayments	<u>125</u>	<u>117</u>
	<u>37,301</u>	<u>19,579</u>

INFINITY PARK DERBY LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

9 CREDITORS:

Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	149,204	113,775
Loans	-	753,905
Payments on account	2,034,904	-
Amounts owed to related party	625,427	-
Accruals	<u>2,498,054</u>	<u>797,922</u>
	<u>5,307,589</u>	<u>1,665,602</u>

Accruals include £783,522 of costs to be recharged by the Members relating to infrastructure costs prior to the formation of the LLP (See Note 13). These costs will be recharged and repaid following developed land sales.

Payments on account relate to advanced funding received in the current year for the University research development facility.

10 CREDITORS:

Amounts falling due after more than one year

	2022	2021
	£	£
Trade creditors	29,282	-
Loans	<u>3,056,264</u>	<u>2,921,137</u>
	<u>3,085,546</u>	<u>2,291,137</u>

Creditors falling due after more than one year comprise a loan funding infrastructure on which a 5.5% rate of interest is now payable since completion of the first development. Repayments are due from developed land sales. The loan is guaranteed by the Members and has a long stop date of 15 September 2034.

INFINITY PARK DERBY LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

11 FINANCIAL INSTRUMENTS:

Financial Assets

	2022	2021
	£	£
Financial assets		
Cash and debt instruments	<u>3,876,026</u>	<u>412,462</u>

Financial liabilities

Financial liabilities measured at amortised cost	<u>(8,393,135)</u>	<u>(3,956,739)</u>
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Financial assets comprise cash and debt instruments. Debt instruments are measured at amortised cost.

Financial liabilities comprise trade creditors, accruals, and amounts owed to related parties (note 13).

12 MEMBERS' CAPITAL

	Wilson Bowden Developments Limited	Cedar House (Infinity Park) Limited	Total
	£	£	£
At 30 June 2021	1,488,788	1,488,787	2,977,575
Movement in the year	-	-	-
At 30 June 2022	<u>1,488,788</u>	<u>1,488,787</u>	<u>2,977,575</u>

INFINITY PARK DERBY LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

13 RELATED PARTY TRANSACTIONS

Project administration services are being undertaken by Wilson Bowden Developments Limited in accordance with the LLP Agreement. Wilson Bowden Developments charged £15,000 (2021: £20,000) for these services for the year, all of which have been paid before 30 June 2022.

The accruals balance of £2,498,054 includes £746,726 of expenses which are yet to be recharged by Wilson Bowden Developments Limited and £36,796 to be recharged by Cedar House (Infinity Park) Limited. These are costed within work in progress.

The Members guarantee a loan of £3,056,264 (2021: £3,675,042) made by Derby City Council to the LLP. The loan creditor has reduced since the prior year due to two repayments being made in the year, one of which was made by Wilson Bowden Developments Limited and is still owed to this related party (see note 9). The interest rate payable on the loan has reverted back to 5.5% after completion of the first development.

14 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The LLP is jointly controlled by its Members Wilson Bowden Developments Limited (registered office: Barratt House, Cartwright Way, Forest Business Park, Bardon Hill, Coalville, Leicestershire, LE67 1UF) and Cedar House (Infinity Park) Limited (registered office: High Edge Court, Church Street, Heage, Belper, Derbyshire, DE56 2BW).

The ultimate parent of Wilson Bowden Developments Limited is Barratt Developments PLC (registered office: Barratt House Cartwright Way, Forest Business Park, Bardon Hill, Coalville, Leicestershire, LE67 1UF), and the ultimate parent of Cedar House (Infinity Park) Limited is Bowmer and Kirkland Limited (registered office: High Edge Court, Church Street, Heage, Belper, Derbyshire, DE56 2BW).