

ABBAY DEVELOPMENTS LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 April 2023

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ABBAY DEVELOPMENTS LIMITED

COMPANY INFORMATION

DIRECTORS :	C. H. Gallagher (Chairman) C.A. Hamilton (Managing Director) D. J. Dawson S.D. Critchell E.J. Costello S.J. Holbrook J.L. Collison
SECRETARY(S) :	D. J. Dawson J.L. Collison
REGISTERED OFFICE :	Abbey House 2 Southgate Road Potters Bar Hertfordshire EN6 5DU Telephone : Potters Bar (01707) 651266 Fax : Potters Bar (01707) 646836
REGISTERED NO. :	0348843
AUDITORS :	Ernst & Young Chartered Accountants Ernst and Young Building Harcourt Centre Harcourt Street Dublin 2 Ireland
BANKERS :	Barclays Bank plc Barclays Business Centre St. Albans Branch Blenheim Gate 22/24 Upper Marlborough Road St. Albans Hertfordshire AL1 3AL
SOLICITORS :	Dickins Shiebert Ltd Matthew House (first floor) 45/47 High Street Potters Bar Hertfordshire EN6 5AW

ABBHEY DEVELOPMENTS LIMITED

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ABBEEY DEVELOPMENTS LIMITED

STRATEGIC REPORT

The directors present their strategic report for the year ended 30 April 2023.

RESULTS FOR THE FINANCIAL YEAR

The profit for the year after taxation amounted to £25,608,818 (2022: £41,114,861).

The net assets of the Company decreased from £53,722,311 to £14,331,129.

Dividends of 1,300.00 pence per share (2022: 4,406.62238 pence per share) have been paid during the year absorbing £65,000,000 profit (2022: £203,331,119)

During the year the Company sold 429 units (2022: 509 units) with turnover of £158,542,114 (2022: £175,187,813) generating an operating profit of £49,243,518 (2022: profit £50,297,124).

During the financial year the Company sold 1,369 land plots from fellow subsidiary, Abbey Investments Limited, for a total consideration of £138,193,960. This purchase was funded by a loan of £138,193,960 from Gallagher Holdings Limited, a group company.

Trading in the United Kingdom was strong throughout the year. Rising interest rates, energy costs and high cost inflation (land, materials and labour) will impact future margins. At the year end the Company, owned or controlled land allocated for housing development for the supply of 150 plots.

KEY PERFORMANCE INDICATORS

Measurement of the Company's performance is consistently applied and control is exercised by management. The Company uses the following key performance indicators to evaluate its performance:

1. Financial Performance Compared to Budget

The Company has a budgeting system in place whereby actual performance is measured against budget, both financial and non-financial, on a monthly reporting timetable.

2. Unit Reservations

The Company reviews the weekly net sales reservations and weekend site visitor numbers.

3. Development Site Profit Margin

The Company evaluates the gross profit margin of each development site on a monthly basis.

SECTION 172 STATEMENT (Included within Directors Report)

RELATIONS WITH MEMBERS

Abbey Developments Limited's strategy is designed to deliver long term value for its shareholders, employees, customers and other stakeholders. Our aim is to drive growth and we employ a business model that balances the demands of our main customers with the key performance Indicators and principle risks and uncertainties (set out on page 2 of the Strategic Report) faced by the business in which we are engaged.

Shareholders and Social Responsibility

The Company places a high level of importance on communicating with its shareholder. The shareholder ensures that its views are communicated to the Board. Shareholder relations are managed primarily by the Company Secretary.

Stakeholders and Social Responsibility

The Board recognises that the long-term success of the Company relies upon good relations with its various stakeholders. The Board periodically reviews its stakeholder strategy and action plan and thereby updates its analysis of its stakeholders and their interests and assesses how their needs and expectations are being managed.

Feedback is recognised as an important part of the shareholder strategy and the Board reviews feedback and decides how to address it.

Ethical Values and Behaviour

The Board seeks to ensure that all the Company business is conducted in an honest and ethical manner and the Company is committed to acting professionally, fairly and with integrity in all business dealings and relationships. These values are enshrined in the written policies and working practices adopted by all employees within the Company.

An open culture is encouraged within the Company with feedback sought and the Board consider that the culture of the Company is consistent with its objectives, strategy, risks and uncertainties and business model. The Executives monitor business operations to ensure that adherence to the corporate values and culture are observed and address any concerns where they may arise, escalating these to Board level as necessary.

CORPORATE SOCIAL RESPONSIBILITY

We are fully committed to operating ethically and responsibly in relation to employees, customers, neighbours and all other stakeholders.

Employees

The Board together with the directors, thank the management and staff for their hard work and efforts during the year.

The average number of employees during the year is set out in note 7 to the financial statements.

Disabled Employees

The Company gives every consideration to applications for employment from disabled persons where the requirements of the job may be adequately fulfilled by a handicapped or disabled person.

Where existing employees become disabled, it is the Company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion wherever appropriate.

Employee Involvement

The continuing Company policy with regard to employee consultation and involvement is that there should be effective communication with all employees who, subject to practical and commercial considerations, should be consulted on and involved in decisions that affect their current jobs and future prospects. The achievement of this policy has to be treated flexibly in accordance with the varying circumstances and needs of the Company but, in all cases, the emphasis is on communication at the local level. Details of the Company's financial results are circulated each half and full year and periodic staff meetings are also held to discuss various aspects of the Company's business.

Health and Safety

The Company pays particular adherence to health and safety matters. Risk assessments and method statements have been prepared for both office and site working and these have been relayed to all relevant employees. Feedback on the procedures in is encouraged from the Company's employees.

Environment

The Company pays particular adherence to applicable environmental legislation and request that our employees and subcontractors are aware of their responsibilities in this regard. The Company supports various charities and local events.

PRINCIPAL RISKS AND UNCERTAINTIES

Company law requires the Company to give a description of the principal risks and uncertainties which it faces. Abbey Developments' business, in which it is engaged, is constantly evolving and the list below of the principal risks and uncertainties for the Company are constantly changing:

- * The Company is engaged in speculative development, which is by its nature highly risky. Occasional substantial losses are a cyclical factor of its business.
- * The Company operates in a very competitive market and therefore it is essential that the Company continues to compete successfully.
- * Any reduction in economic growth in the UK may adversely affect revenue and margins.
- * The Company's performance will be affected by fuel and raw material prices and the cyclical changes of the producers of these raw materials.
- * The Company is subject to substantial laws, regulations and standards such as environmental, health and safety and building regulations, which could result in additional costs related to compliance with these laws and regulations.
- * Any adverse economic interest rate changes will impact on the Company.

FUTURE DEVELOPMENTS

A housebuilding services agreement between the Company and Abbey Investments Limited has been entered into for the Company to act as the building contractor for the Abbey Investments Limited going forward.

By order of the board



J.L. Collison
Secretary

13 July 2023

ABBEE DEVELOPMENTS LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 30 April 2023.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The Company's principal activities during the year continued to be residential housing and land development. The Company intends to continue and develop its activities. Rising interest rates together with high cost inflation (materials and labour) will likely impact margins.

DIVIDENDS

The Directors paid dividends of £65,000,000 for the financial year ending 30 April 2023 (2022: £203,331,119).

IMPORTANT EVENTS SINCE THE YEAR END

The Company is trading at a satisfactory level albeit budgeting for lower levels of overall profitability. The Company plans this year to increase investment in our business.

POLITICAL AND CHARITABLE CONTRIBUTIONS

There were no political contributions during the year and donations for charitable purposes amounted to £Nil (2022: £Nil).

STREAMLINE ENERGY AND CARBON REPORTING

Abbey Developments Limited is required to report on its Green House Gas (GHG) Emissions under the Environmental Reporting Guidelines (March 2019).

The Directors are committed to reduce GHG emissions and the company's report for the year to 30 April 2023 is below. Abbey Developments Ltd only operates in the United Kingdom.

	2023	2022
Energy consumption kWh		
Energy consumption used to calculate emissions: A/Wh Electricity	265,820	345,732
Energy consumption used to calculate emissions: A/Wh Gas	101,713	127,496
Energy consumption used to calculate emissions: A/Wh Transport	988,838	857,087
TOTAL kWh	1,354,171	1,330,315
GHG Emissions to CO2 equivalent		
Emissions from combustion of gas	20,759	26,237
Emissions from combustion of fuel for transport purposes	244,359	212,011
Emissions from purchased electricity	56,399	73,409
Total gross to CO2 equivalent	321,517	311,657
Intensity ratio: tCO2e gross figure based from fields above		
kg CO2 eq per unit sold	749.48	812.29
kg CO2 eq per £m turnover	1,083.51	1,778.99
kg CO2 eq per £m operating profit	9,881.89	6,158.48

ENERGY EFFICIENCY ACTION

No energy efficient actions for the financial year to 30 April 2023 are reported, however during previous financial years gas is no longer used at the head office for the air conditioning heating and cooling system. A conservative estimate the air conditioning system in heating mode has a coefficient of performance of at least 4 the CO2 and the saving is estimated to be 3,672 kg CO2 equivalent per year.

METHODOLOGY

The calculation of GHG for Abbey Developments Ltd from the data is straight forward and consistent with The Greenhouse Gas Protocol and meets the criteria of :

- * Relevance
- * Completeness
- * Consistency
- * Transparency
- * Accuracy

Emissions from combustion of gas are based on metered consumptions of mains supplied gas in kWh.

For LPG (propane and butane) emissions are based on kg LPG delivered.

Emissions from purchased electricity are based on metered in kWh.

Emissions from combustion of fuel for transport purposes are based on recorded litres of fuel purchased.

In each case the 2019 UK Government GHG conversion factors for company reporting have been used to calculate kg CO2 equivalent.

DIRECTORS AND THEIR INTERESTS

Mr C.A. Hamilton was appointed to the Board on 14 June 2022. Mr. L.G. Fraquelli resigned on 22 August 2022. All the other directors stated above have held office throughout the year.

Mr. C.H. Gallagher and Mr. S. D. Holbrook retire by rotation from the Board at the Annual General Meeting and, being eligible, offer themselves for re-election.

The directors who held office at the end of the financial period had, at no time, any beneficial interest in the shares of the Company or any group company except for the following: Mr. C. H. Gallagher and Mr C.A. Hamilton were directors of the intermediate holding company, Abbey Limited, and their interests in the shares of Abbey Limited are disclosed in that company's directors' report.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, 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 International Financial Reporting Standards. The financial statements are required by law to give a true and fair view of the state of affairs of the Group and 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;
- make adjustments and estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to 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.

GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 1 and 2. The position of the Company, its cash flows and liquidity position are detailed on pages 10 and 11. The Company has adequate financial resources and the directors believe that the Company is well placed to manage its business risks successfully, despite the current uncertain economic outlook. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were members of the board at the time of approving the directors' report are listed under Company information above. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditors are unaware; and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

A resolution to reappoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the board

D. J. Dawson
Director

13 July 2023



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBEY DEVELOPMENTS LIMITED

Opinion

We have audited the financial statements of Abbey Developments Limited for the year ended 30 April 2023 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 31, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accountings standards.

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 30 April 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; 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 a period of twelve months to July 2024.

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.

Continued / ...



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBEY DEVELOPMENTS LIMITED (Continued)

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 with 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 there is 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or 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
- 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.

Continued / ...



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBEY DEVELOPMENTS LIMITED (Continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on pages 3 and 4, 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.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are UK adopted international accounting standards, Companies Act 2006 and relevant tax compliance regulations in the UK.
- We understood how Abbey Developments Limited is complying with those frameworks by making enquiries of management and those charged with governance. We corroborated our enquiries through reading the board minutes of the Company and we noted that there was no contradictory evidence.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by enquiry of management, those charged with governance and others within the entity, as to whether they have knowledge of any actual or suspected fraud. Where this risk was considered higher, we performed audit procedures to address the fraud risk. These procedures included testing manual journal entries and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Continued / ...



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBEY DEVELOPMENTS LIMITED
(Continued)**

- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved reading board minutes to identify any non-compliance with laws and regulations and enquiries of management and those charged with governance.

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.

A handwritten signature in black ink, which appears to read 'Ernst & Young'.

Aine Reidy (Senior statutory auditor)

for and on behalf of Ernst & Young Chartered Accountants and Statutory Audit Firm

Dublin

13 July 2023

ABBAY DEVELOPMENTS LIMITED

INCOME STATEMENT FOR THE YEAR ENDED 30 APRIL 2023

	Note	2023 £	2022 £
REVENUE - continuing operations	5	296,736,076	175,187,813
COST OF SALES			
- Operating		(247,492,558)	(118,669,413)
GROSS PROFIT		49,243,518	56,518,400
ADMINISTRATIVE EXPENSES		(7,576,315)	(6,940,077)
FAIR VALUE INCREASE IN INVESTMENT PROPERTIES	14	-	194,000
OTHER OPERATING INCOME	6	510,988	524,801
OPERATING PROFIT - continuing operations	6	42,178,191	50,297,124
Finance Income	9	1,148,426	309,025
Finance costs	10	(10,724,616)	-
PROFIT BEFORE TAXATION		32,602,001	50,606,149
Income tax expense	11	(6,995,070)	(9,491,288)
Profit attributable to equity shareholders of the company		25,606,931	41,114,861

ABBAY DEVELOPMENTS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2023**

	2023 £	2022 £
Profit attributable to equity shareholders of the company	25,606,931	41,114,861
Total comprehensive income for the year, net of tax, attributable to equity shareholders of the parent	25,606,931	41,114,861

STATEMENT OF CHANGES IN EQUITY

Year Ended 30 April 2023

		Issued Capital £	Revaluation Reserve £	Retained Earnings £	Total £
Attributable to equity holders At 1 May 2022		5,000,000	161,604	48,560,707	53,722,311
Profit for the year		-	-	25,606,931	25,606,931
Total comprehensive income, net of tax, attributable to equity shareholders		-	-	25,606,931	25,606,931
Equity dividends paid	12	-	-	(65,000,000)	(65,000,000)
At 30 April 2023		5,000,000	161,604	9,167,638	14,329,242

STATEMENT OF CHANGES IN EQUITY

Year Ended 30 April 2021

		Issued Capital £	Revaluation Reserve £	Retained Earnings £	Total £
Attributable to equity holders At 1 May 2021		5,000,000	161,604	210,776,965	215,938,569
Profit for the year		-	-	41,114,861	41,114,861
Total comprehensive income, net of tax, attributable to equity shareholders		-	-	41,114,861	41,114,861
Equity dividends paid	12	-	-	(203,331,119)	(203,331,119)
At 30 April 2022		5,000,000	161,604	48,560,707	53,722,311

ABBEEY DEVELOPMENTS LIMITED
Company number: 0348843

BALANCE SHEET AS AT 30 APRIL 2023

	Note	2023 £	2022 £
ASSETS			
<i>Non-current assets</i>			
Plant and Equipment	13	75,721	69,437
Investment property	14	995,000	995,000
Investments	15	3	3
Deferred taxation	18	(1,267)	620
		<u>1,069,457</u>	<u>1,065,060</u>
CURRENT ASSETS			
Trade and other receivables	16	8,388,236	4,662,518
Inventories	17	55,389,648	190,891,845
Income tax receivable	20	1,473,030	886,279
Cash and cash equivalents		<u>18,207,863</u>	<u>73,903,684</u>
		<u>83,458,777</u>	<u>270,344,326</u>
LIABILITIES			
<i>Current liabilities</i>			
Trade and other payables	19	(69,309,092)	(216,602,215)
Provisions	21	(427,946)	(499,170)
		<u>(69,737,038)</u>	<u>(217,101,385)</u>
NET CURRENT ASSETS		<u>13,721,739</u>	<u>53,242,941</u>
<i>Non-current liabilities</i>			
Provisions	21	(461,954)	(585,690)
		<u>(461,954)</u>	<u>(585,690)</u>
TOTAL LIABILITIES		<u>(70,198,992)</u>	<u>(217,687,075)</u>
NET ASSETS		<u>14,329,242</u>	<u>53,722,311</u>
EQUITY			
<i>Equity attributable to equity holders of the company</i>			
Issued capital	22	5,000,000	5,000,000
Property revaluation reserve	23	161,604	161,604
Retained earnings	24	9,167,638	48,560,707
		<u>14,329,242</u>	<u>53,722,311</u>
TOTAL EQUITY		<u>14,329,242</u>	<u>53,722,311</u>
TOTAL EQUITY AND LIABILITIES		<u>84,528,234</u>	<u>271,409,386</u>

D. J. Dawson
Director

13 July 2023

ABBEEY DEVELOPMENTS LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2023**

		2023	2022
		£	£
Cash flows from operating activities			
Profit before taxation		<u>32,602,001</u>	<u>50,606,149</u>
Adjustments to reconcile profit before tax to net cash flows			
Non cash:			
Depreciation and amortisation		19,292	35,272
Fair value adjustment in investment properties	6	-	(194,000)
Profit on disposal of property, plant and equipment	6	(4,968)	(11,104)
Finance income	9	(1,148,426)	(309,025)
Finance costs	10	10,724,616	-
Working capital adjustments:			
Decrease in inventories	17	133,232,609	444,960
(Decrease)/Increase in trade and other receivables	16	49,239,074	(1,109,255)
Decrease in trade and other payables	19	(198,183,287)	157,838,538
Income taxes paid		<u>(7,579,934)</u>	<u>(10,422,733)</u>
Net cash inflow from operating activities		18,900,977	196,878,802
Cash flows from investing activities			
Purchase of property, plant and equipment	13	(30,358)	(14,278)
Sale of property, plant and equipment		9,750	24,350
Equity dividends paid	12	(65,000,000)	(203,331,119)
Finance income	9	1,148,426	309,025
Finance costs	10	<u>(10,724,616)</u>	<u>-</u>
Net cash outflow from investing activities		(74,596,798)	(203,012,022)
Net cash (decrease) / increase in cash and cash equivalents			
		(55,695,821)	(6,133,220)
Cash and cash equivalents at start of period		<u>73,903,684</u>	<u>80,036,904</u>
Cash and cash equivalents at end of period		18,207,863	73,903,684

ABBEEY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2023

1 AUTHORISATION OF FINANCIAL STATEMENTS

The Financial Statements of Abbey Developments Limited for the year ended 30 April 2023 were authorised for issue in accordance with a resolution of directors on 13 July 2023. Abbey Developments Limited is a limited company incorporated in England and Wales.

2 ADOPTION OF NEW AND REVISED UK ADOPTED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

In the current year, the Company has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRC) of the IASB that are relevant to its operations. Adoption of these revised standards and interpretations did not have any effect on the financial performance or financial position of the Company in the current or prior periods.

3 STATEMENT OF COMPLIANCE

The financial statements of Abbey Developments Limited (the "Company") have been prepared in accordance with UK adopted International Financial Standards ("IFRS"), in conformity with the requirements of the Companies Act 2006, as they apply to the financial statements of the Company for the year ended 30 April 2023.

4 BASIS OF PREPARATION

The Company financial statements have been prepared on the historical cost basis except for investment properties which have been measured at fair value. The accounting policies which follow set out these policies which apply in preparing the financial statements for the year ended 30 April 2023.

Abbey Developments Limited (the Company) has its functional and presentation currency as sterling.

The financial statements have been prepared on a going concern basis as the directors have reasonable expectations that the Company has adequate resources to continue in operational existence for a period of twelve months from signing of these financial statements.

5 ACCOUNTING POLICIES

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration receivable. Revenue represents the value of goods and services supplied to external customers. The following criteria must also be met before revenue is recognised.

During the year the Company sold 429 units (2022: 509 units) with turnover of £158,542,114 (2022: £175,187,813) generating an operating profit of £49,243,518 (2022: profit £50,297,124).

During the financial year the Company sold 1,369 land plots from fellow subsidiary, Abbey Investments Limited, for a total consideration of £138,193,960. This purchase was funded by a loan of £138,193,960 from Gallagher Holdings Limited, a group company.

Housing

Revenue on housing developments and the respective profits are recognised when the property is structurally complete and legally transferred to the purchaser.

Property rental

Revenue is recognised on a straight line basis over the period of the lease term, net of value added tax.

Interest income

Revenue is recognised as interest accrues in the period.

Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value in respect of inventory property is assessed with reference to market prices at the reporting date, less estimated costs to complete including overheads and selling costs.

Building land and roads

Building land and roads is stated at the lower of cost and net realisable value less an appropriate proportion relating to plots sold in the case of estates in the course of development.

The Company assesses at each balance sheet date whether building land and roads is impaired in accordance with IAS 2 "Inventories". If any impairment has occurred then the write down is recognised as an expense in the Income Statement.

Work in progress

The cost of uncompleted and unsold new properties comprises direct labour and material costs. No profits are taken until houses are conveyed on legal completion to third parties.

Raw materials

The cost of raw materials comprises net invoice price on an average cost basis.

Trade and other receivables

Trade receivables are recognised and carried at the lower of their original invoiced value and recoverable amount.

Where the time value of money is material, receivables are carried at amortised cost. Provision is made when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Cash and cash equivalents

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

For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

ABBEE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2023 (continued)

ACCOUNTING POLICIES (continued)

Trade and other payables

Trade payables are stated at their fair value. Trade payables on extended terms are recorded at their fair value at the period end, with any discount to fair value amortised over the period of the credit term and charged to finance costs. Trade payables in respect of land are recognised at the point at which the contract is exchanged.

Taxes

Current income tax

Current income tax assets and liabilities for the year are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted for the financial year.

Deferred income tax

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- * in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- * deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax asset and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income tax relates to the same taxation authority and that authority permits the Company to make a single net payment. Income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise income tax is recognised in the income statement.

Foreign Currency

The Company's financial statements are presented in sterling, which is the Company's presentational and functional currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date with all differences taken to the income statement.

Plant and Equipment

Plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all plant and equipment on a straight line basis over the expected useful life as follows:

Plant and machinery	- 8 years
Motor vehicles	- 3 years
Fixtures and fittings	- 4 years
Computers	- 2 years

The carrying amount of plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable, and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the derecognition of the asset is included in the income statement in the period of derecognition.

Leases

The Company assess at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right use underlying assets.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of plant and machinery. It also applies the lease of low-value assets recognition exemptions to applicable assets. Lease payments on short-term leases and the leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

ABBEE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2023 (continued)

ACCOUNTING POLICIES (continued)

Impairment of non financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date whether there is any indication that previously recognised impairment losses may no longer exist or have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement unless the asset is carried at the revalued amount in which case the reversal is treated as a revaluation decrease. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Investment properties

Certain of the Company's surplus properties are classified as investment properties, being held for long-term investment and to earn rental income.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date. Gains or losses arising from the changes in fair value of investment properties are included in the income statement in the period in which they arise.

Investment properties are derecognised when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of retirement or disposal.

Pensions and other post retirement benefits

The Company funds pension benefits for eligible employees through participation in a group defined benefit scheme and through contributions to defined contribution and personal pension schemes. The assets of these schemes are held in trust funds separate from the Company's finances. The UK scheme was closed to new entrants on 1 January 2001 from which time membership to defined contribution plans are available.

The Company treats the scheme as a defined benefit plan sharing risks between entities.

Contributions to defined contribution plans are recognised in the income statement in the period in which they become payable.

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant related to an expense item, it is recognised as part of profit and loss and deducted in reporting the related expense.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation. Provisions are measured at the expected expenditure required to settle the obligation and are discounted to present value where the effect is material.

Where the Company expects some or all of the provisions to be reimbursed, the reimbursement is recognised as a separate asset but only when recovery is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Accounting Judgements and Estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year.

In the process of applying the Company's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Inventory valuation

The Company measures inventories at the lower of cost and net realisable value. Inventories include development land and roads, work in progress and completed units for sale along with raw materials.

The Company assesses at each reporting date whether there is an indication that inventories may be impaired. If any such indication exists, or when annual impairment testing for inventories are required, the Company makes an estimate of the inventories recoverable amount. Where the carrying amount of inventory exceeds its recoverable amount, the inventory is considered impaired and is written down to its recoverable amount in determining net realisable value, an appropriate assessment is made based on external valuations and the expected overall return on development sites.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or have decreased. If such indication exists, the previously recognised impairment loss is reversed.

In determining the value of work in progress the Company applies a standard costing process for cost of sales. The Company estimates the development cost for sites and the length of time for the construction process with variances recognised in the income statement.

ABBEY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2023 (continued)

New Standards and Interpretations Not Applied

IASB and the IFRS Interpretations Committee have issued the following standards and interpretations with an effective date after the date of these financial statements:

International Accounting Standards (IAS / IFRSs)	Effective Date
IFRS 17 - Insurance Contracts	1 January 2024

The Directors do not anticipate that the adoption of the remaining standards and interpretations will have a material impact on the company's financial statements in the period of initial application.

* The effective dates stated here are those given in the original IASB/IFRIC standards and interpretations. As the Company has elected to prepare their financial statements in accordance with UK adopted IFRS as adopted by the United Kingdom, the application of new standards and interpretations will be subject to them having been endorsed by the EU via the EU endorsement mechanism. In the majority of cases this will result in an effective date consistent with that given in the original standard or interpretation but the need for endorsement restricts the Company's discretion to early adopt standards. It is expected that for a number of the standards above, EU adoption will not be in line with IASB adoption.

6 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2023 £	2022 £
The profit on ordinary activities before taxation is arrived at after charging / (crediting):		
Management charge payable to parent undertaking	1,881,738	1,270,730
Depreciation	19,292	35,272
Fair value adjustment in investment properties	-	(194,000)
Profit on disposal of plant and equipment	(4,968)	(11,104)
Operating lease rentals:		
Rent of land and buildings	149,070	140,553
Hire of plant and machinery	519,015	689,442
Auditors' remuneration - audit fees	51,872	39,631
- taxation services	2,350	6,840
Income from ground rents	(510,988)	(524,801)
Foreign Exchange Loss	(481)	41,995

7 EMPLOYMENT (INCLUDING DIRECTORS' REMUNERATION)

	2023 £	2022 £
Wages and salaries	5,333,861	4,768,114
Social security costs	728,768	615,437
Pension costs	667,391	487,480
	6,730,020	5,871,031

The average monthly number of persons directly employed by the Company during the year, excluding subcontractors engaged on the Company's development sites, including directors was:

	2023 No.	2022 No.
	79	72

8 REMUNERATION OF DIRECTORS

	2023 £	2022 £
Emoluments in respect of qualifying services	1,254,857	1,108,337
Pension contributions	59,301	59,301
Retirement benefit expense	17,708	62,503
	1,331,866	1,230,141

The number of directors to whom retirement benefits are accruing in respect of qualifying services under defined benefit scheme is Nil (2022: Nil) and under defined contribution schemes is 3 (2022: 3).

The amounts in respect of the highest paid director were:

	2023 £	2022 £
Emoluments in respect of qualifying services	426,739	520,252
Retirement benefit expense	-	62,500
	426,739	582,752

The accrued pension of the highest paid director at 30 April 2023 was nil (2022: nil).

ABBEY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2023 (continued)

9	FINANCE INCOME	2023 £	2022 £
	Bank	1,128,908	69,867
	Loans to parent undertaking	-	239,158
	Other	19,518	-
	Total interest receivable	1,148,426	309,025
10	FINANCE COST	2023 £	2022 £
	Interest on Loans from parent undertaking	8,824,297	-
	Interest on Loan from Gallagher Holdings Limited	1,897,953	-
	Other	2,366	-
		10,724,616	-
11	TAXATION		
	(a) Tax charged to the income statement	2023 £	2022 £
	UK corporation tax at 19.49% (2022: 19%)	6,993,183	9,451,134
	Total current corporation tax	6,993,183	9,451,134
	Deferred tax:		
	Originating and reversal of temporary differences (Note 18)	1,887	40,154
	Tax charge to the Income statement	6,995,070	9,491,288
	(b) Factors affecting current tax charge		
	The following table relates to applicable United Kingdom statutory tax rate to the effective tax rate of the Company, obtained by computing the tax charge of the profit on ordinary activities before taxation:		
		2023 £	2022 £
	Profit on ordinary activities before taxation	32,602,001	50,606,149
	Profit on ordinary activities multiplied by the standard rate of corporation tax in the United Kingdom of 19.49% (2022: 19%)	6,354,130	9,615,168
	Effects of:		
	- Income not chargeable and expenditure not deductible for tax purposes	(1,203)	(4,139)
	- Depreciation in excess of Capital allowances	640,256	42,424
	- Group Relief	-	(202,319)
	Total current corporation tax	6,993,183	9,451,134
12	DIVIDENDS	2023 £	2022 £
	On ordinary Equity Shares		
	Paid ordinary dividend 1,300.00 pence per issued ordinary share (2022: 4,066.62238)	(65,000,000)	(203,331,119)

ABBEEY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2023 (continued)

13 PLANT AND EQUIPMENT

	Plant and Machinery £	Motor Vehicles £	Fixtures and Fittings £	Computers £	Total £
Cost					
At 1 May 2021	33,342	101,948	347,814	155,865	638,969
Additions	-	-	12,280	1,998	14,278
Disposals	-	(51,394)	-	-	(51,394)
At 1 May 2022	33,342	50,554	360,094	157,863	601,853
Additions	-	-	9,523	20,835	30,358
Disposals	-	(28,633)	-	-	(28,633)
At 30 April 2023	33,342	21,921	369,617	178,698	603,578
Depreciation					
At 1 May 2021	30,008	69,894	312,407	122,981	535,290
Provided during the year	-	10,681	2,101	22,492	35,272
Disposals	-	(38,148)	-	-	(38,148)
At 1 May 2022	30,008	42,427	314,508	145,473	532,416
Provided during the year	-	1,152	4,451	13,689	19,292
Disposals	-	(23,851)	-	-	(23,851)
At 30 April 2023	30,008	19,728	318,959	159,162	527,857
Net Book Value					
At 30 April 2023	3,334	2,193	50,658	19,536	75,721
At 30 April 2022	3,334	8,127	45,586	12,390	69,437

14 INVESTMENT PROPERTIES

	2022 £	2021 £
Fair value		
1 May	995,000	801,000
Fair value adjustment	-	194,000
At 30 April	995,000	995,000

Fair value of the properties were determined by using market comparable information. Valuations performed by the valuer are based on active market prices, adjusted for the difference in nature, location or condition of the specific property. As at the date of revaluation of 30 April 2023, the properties' fair values are based on valuations performed by Glenny, Chartered Surveyors, an accredited independent valuer. The Directors have considered the valuation of the properties as at 30 April 2023 and are satisfied that the valuation as presented above represents the fair value of these properties at year end.

ABBEEY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2023 (continued)

15 INVESTMENTS

	Investment in Subsidiary Undertakings £	
Cost		
At 1 May 2022 and 30 April 2023		3
	2023	2022
	£	£
Investment in subsidiary undertakings at original cost:		
At beginning and end of year	3	3
Loans to subsidiary undertakings:		
At beginning and end of year	206,261	206,261
Total cost of shares and loans	206,264	206,264
Provisions:		
At beginning and end of year	(206,261)	(206,261)
Net book value		
At 30 April 2022 and 30 April 2023	3	3

The Company owns directly 100% of the issued ordinary share capital of the following companies, both of which are incorporated in Great Britain:

Company	Nature of business	Registered office
Abbey New Homes Limited)) Abbey House, 2 Southgate Road,
) Dormant company) Potters Bar, Hertfordshire,
Abbey Homesteads Limited)) EN6 5DU

Group accounts are not prepared as the Company is a wholly owned subsidiary of a company incorporated in Great Britain, Abbey Group Limited.

16 TRADE AND OTHER RECEIVABLES

	2023	2022
	£	£
<i>Amounts falling due within one year</i>		
Trade receivables	825,770	2,308,557
Amounts owed by group undertakings	500,000	500,000
Amounts owed by parent undertaking	4,857,874	-
Value added tax	758,496	1,188,264
Other receivables	1,284,981	572,806
Prepayments and accrued income	161,115	92,891
	8,388,236	4,662,518

Amounts owed by group undertakings, are unsecured and receivable on demand

17 INVENTORIES

	2023	2022
	£	£
Building land	1,853,063	137,726,522
Roads	12,898,690	14,136,246
Work in progress - residential housing developments including finished new houses unsold	39,305,120	37,969,013
Raw materials	1,332,775	1,060,064
	55,389,648	190,891,845

During the year, the Company sold 1,369 land plots to a fellow subsidiary, Abbey Investments Limited, for a total consideration of £138,193,960.

ABBEEY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2023 (continued)

18 DEFERRED TAXATION

	2023 £ Accelerated Capital Allowances	2023 £ Investment Properties	2023 £ Total	2022 £ Total
At 1 May	67,428	(66,808)	620	40,774
Recognised in income statement	(1,887)		(1,887)	(40,154)
At 30 April	65,541	(66,808)	(1,267)	620

19 TRADE AND OTHER PAYABLES

	2023 £	2022 £
<i>Amounts falling due within one year</i>		
Trade creditors	16,685,834	17,542,332
Amounts owed by group undertakings	500,000	500,000
Amounts owed by parent undertaking	48,106,918	181,536,743
Amounts outstanding on land purchased	-	11,751,281
PAYE	252,181	157,458
Social Welfare tax	111,477	112,073
Accruals and deferred income	3,652,682	5,002,328
	69,309,092	216,602,215

Amounts owed by group undertakings, are unsecured and receivable on demand

20 INCOME TAX (RECEIVABLE) / PAYABLE

	2023 £	2022 £
Income tax (receivable) / payable	(1,473,030)	(886,279)

21 PROVISIONS

	2023 £	2022 £
<i>Maintenance provisions</i>		
At May	1,084,860	832,250
Arising during year	498,850	641,340
Utilised	(395,577)	(1,028,344)
Released during year	(298,233)	639,614
At 30 April	889,900	1,084,860
<i>Analysed as:</i>		
Current liabilities	427,946	499,170
Non-current liabilities	461,954	585,690
	889,900	1,084,860

The maintenance provision represents the best estimate of the company's liability under warranties given to purchasers for repair and maintenance work on houses sold based on past experience of required repairs. The warranties given to purchasers are provided at the point of legal completion and are released over the warranty period. It is anticipated that the majority of these costs will be in the next financial year, or released as the liability for the warranty is discharged.

22 ISSUED CAPITAL

	Authorised, allotted and fully paid 2023 No.	2022 No.
Ordinary shares of £1 each	5,000,000	5,000,000

	Authorised, allotted and fully paid 2023 £	2022 £
Ordinary shares of £1 each	5,000,000	5,000,000

23 PROPERTY REVALUATION RESERVE

	2023 £	2022 £
The property revaluation reserve comprises: <i>Investment Properties (note 14)</i>		
At 1 May and 30 April	161,604	161,604

NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2023 (continued)

24 RETAINED EARNINGS

	2023 £	2022 £
Retained earnings at beginning of year	48,560,707	210,776,965
Profit retained for the financial year	25,606,931	41,114,861
Equity dividends paid	(65,000,000)	(203,331,119)
At 30 April	9,167,638	48,560,707

25 FAIR VALUE HIERARCHY

The Company uses the following hierarchy for determining and disclosing the fair value on investment properties by valuation technique:

Level 1: quoted (unadjusted) prices in active markets;
Level 2: significant observable inputs;
Level 3: significant un-observable inputs;

	2023 £	2022 £
<i>Investment properties (refer note 13)</i>		
Commercial properties	995,000	995,000

26 FINANCIAL RISK MANAGEMENT

The Company's principal financial assets and liabilities comprise cash, short term deposits and various items such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Company's operations.

The main risks arising from the Company's financial instruments are interest rate risks.

Interest rate risk

The Company's exposure to the risk on interest rate changes in the market relates to the Company's customers ability to raise finance to purchase development sites.

27 PENSION

During the year ended 30 April 2023, the Company participated in a funded group scheme - The Abbey Group Limited Pension and Life Assurance Scheme (the Scheme) - a defined benefit scheme. Pension costs are assessed in accordance with the advice of a professionally qualified actuary. This pension scheme was closed to new entrants on 1 January 2001. With effect from 1 May 2006 pensionable salaries were frozen and the scheme also contracted back into SERPS.

Defined Benefit Scheme

The Company participates in a group defined benefit pension scheme. Accordingly, the Company treats the scheme as a defined benefit plan sharing risks between entities. During the year the company contributed £910,784 (2022: £342,335) to the scheme. When valued on the basis of a defined benefit plan as set out in IAS 19r, the overall scheme shows a net balance sheet surplus of £8,912,000 (2022: surplus £5,087,000)

Defined Contribution Schemes

The Company operates a number of defined contribution schemes to which the company has contributed £151,607 during the year to 30 April 2023 (2022: £145,144) and charged in full to the income statement. There were no contributions unpaid or paid in advance at the end of the financial year (2022: Nil).

28 RELATED PARTY TRANSACTIONS

Abbey Group Limited is the Company's immediate Parent Company and Abbey Limited is the Company's intermediate Parent Company. Abbey Developments Limited is a fellow wholly owned subsidiary of Abbey Group Limited.

During the year, M&J Engineers Limited made sales, during the normal course of business to the Company totalling £NIL (2022: £858,461). At the year end a balance of £NIL (2022: £NIL) was due to M&J Engineers Limited, which is included in Trade and Other Payables.

During the year the Company sold 1,369 land plots from fellow subsidiary, Abbey Investments Limited, for a total consideration of £138,193,960.

During the year the Company entered into transactions, in the ordinary course of business, with related companies as follows:

	2023 £	2022 £
<i>M&J Engineers Limited</i>		
Cost of sales	-	858,461
<i>Charles Wilson Engineers</i>		
Cost of sales	903,069	-
<i>Abbey Group Limited</i>		
Rent	149,070	140,553
Finance (income)	-	(139,158)
Management charge	1,881,738	1,270,730
<i>Abbey Investments Limited</i>		
Land Sale	138,193,960	-

29 SUBSEQUENT EVENTS

There have been no significant events affecting the company since the year end.

30 ULTIMATE PARENT UNDERTAKING

The Directors consider that the immediate parent undertaking of the Company is Scarecrow Holdings Limited and the ultimate parent undertaking to be Shrewsbury Holdings Limited, a company incorporated in Jersey. The Directors further consider that the smallest group in which the Company is consolidated is Gallagher Investments limited, an intermediate parent company. Copies of the accounts of Gallagher Investments Limited, which is the largest group in which the Company is consolidated, can be obtained from its registered office at Pendragon House, 65 London Road, St. Albans, Hertfordshire, AL1 1LJ England.

31 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 13 July 2023.