

Registered number: 03686681

NURTON DEVELOPMENTS LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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**NURTON DEVELOPMENTS LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	D G Bradshaw K G Bradshaw P D J Bradshaw T C Bradshaw K G Simkins
<b>Company secretary</b>	P D J Bradshaw
<b>Registered number</b>	03686681
<b>Registered office</b>	11 Waterloo Street Birmingham West Midlands B2 5TB
<b>Independent auditor</b>	Cooper Parry Group Limited Chartered Accountants & Statutory Auditor One Central Boulevard Blythe Valley Business Park Solihull West Midlands B90 8BG

## NURTON DEVELOPMENTS LIMITED

### CONTENTS

	Page
Group strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5 - 8
Consolidated profit and loss account	9
Consolidated balance sheet	10
Company balance sheet	11
Consolidated statement of changes in equity	12
Company statement of changes in equity	13
Consolidated Statement of cash flows	14
Analysis of net debt	15
Notes to the financial statements	16 - 37

## **NURTON DEVELOPMENTS LIMITED**

### **GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021**

#### **Introduction**

The principal activity of the group is that of property development.

#### **Business review**

The Board is delighted that it has so far weathered the adverse economic conditions since March 2019 and is able to report annual results that saw profits of £3,723,186 and a return to net assets of £4,038,452.

During the year, the Group continued to be active in a range of Real Estate sectors and this selective and focused diversification has been the driver for the healthy results for the year.

In particular, the Group's activity within the Residential Strategic Land Sector enabled it to realise a significant profit on a one off land sale, which is included in the 31 March 2021 results. The strategic investment in Equation Properties Limited (a logistics developer) during 2019 is already bearing fruit and the Group's results for 31 March 2021 include turnover and profits from its successful activities during the year.

Joint ventures and partnerships remain a focus for the group and profits were recognised in the consolidated profit and loss account during the year in respect of the 50% share of the Branston Locks joint venture, which is primarily a large residential strategic land site, but also has an industrial/logistics element. Since the year end the joint venture has completed land sales, is under contract for a number of further residential land sales, as well as having commenced construction for four warehouses. As a result of this, we anticipate further profits to be recognised in the next financial year.

The financial plans for the Group remain to continue grow the existing portfolio of assets and investments, but it remains in an excellent position to take advantage of the opportunities that are present, and will become present, in the market.

Risk management is a high priority. Processes are designed to identify, mitigate and manage risk. The Board are ultimately responsible for risk management. The Directors manage each development/investment on an individual basis.

#### **Principal risks and uncertainties**

One of the key risks in property trading and development is the speed in which market conditions can change. To manage this risk the directors strive to only buy and/or develop an interest in properties that are in high demand. They also closely monitor costs and changes in the market such that action can be taken quickly if necessary.

#### Interest rate risk

The group hedges its interest rate risk on some bank loans by swapping its variable rate debt into a fixed rate by the use of interest rate swaps.

#### Credit risk

Cash investments and the interest rate swap arrangements relating to certain of the bank loans are with institutions of a suitable credit quality.

#### **Financial key performance indicators**

Maximising returns and minimising risks are the key performance measures for the business. The group's directors believe that any further performance indicators are not necessary or appropriate for an understanding of the performance or position of the business.

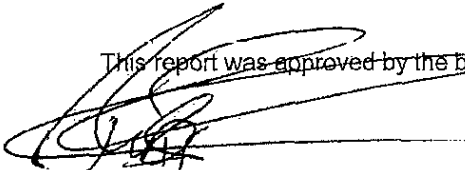
NURTON DEVELOPMENTS LIMITED

GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

Coronavirus

At the date of signing these accounts, Coronavirus represents both a risk to the business and its people. The group is taking active measures to ensure its people remain safe and healthy. Measures include additional education on cleanliness, self-isolation, social distancing and the ability to work from home or in roster patterns where necessary. There are daily business continuity and health and safety meetings to ensure compliance with the measures introduced.

This report was approved by the board and signed on its behalf by:



P D J Bradshaw  
Director

Date: 17 December 2021

## **NURTON DEVELOPMENTS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021**

The directors present their report and the financial statements for the year ended 31 March 2021. As permitted by the Companies Act 2006, certain items that are required to be included in the directors' report are included in the strategic report.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the group strategic report, the directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Directors**

The directors who served during the year are disclosed on the company information page.

#### **Coronavirus**

At the date of signing these financial statements, the directors have considered the effect on the group with the information available to it, and do not believe it will affect the group's ability to continue to trade for the foreseeable future. As with most businesses there will be short term practical difficulties which we have addressed and are managing. However, there are also positive signs from our clients to continue to operate normally, together with winning new potential commercial opportunities where we are well placed. See note 1.4 for further details.

#### **Disclosure of information to auditor**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the Group's auditor is aware of that information.

#### **Post balance sheet events**

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

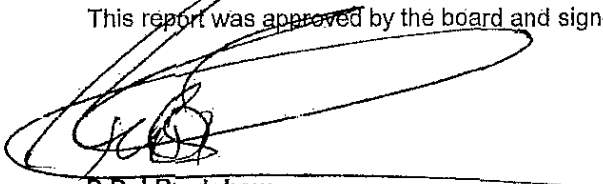
NURTON DEVELOPMENTS LIMITED

DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

**Auditor**

The auditor, Cooper Parry Group Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



P D J Bradshaw  
Director

Date: 17 December 2021

## **NURTON DEVELOPMENTS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NURTON DEVELOPMENTS LIMITED**

#### **Opinion**

We have audited the financial statements of Nurton Developments Limited (the 'parent company') and its subsidiaries (the 'Group') for the year ended 31 March 2021, which comprise the group statement of comprehensive income, the group and company Balance sheets, the group statement of cash flows, the group and company statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 March 2021 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent company'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 directors with respect to going concern are described in the relevant sections of this report.



## **NURTON DEVELOPMENTS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NURTON 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 within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives 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.*

#### **Opinion 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 Group 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 Group strategic report and the 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 Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

#### **Responsibilities of directors**

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

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent 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 Group or the parent company or to cease operations, or have no realistic alternative but to do so.

## NURTON DEVELOPMENTS LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NURTON DEVELOPMENTS LIMITED (CONTINUED)

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

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

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:

Our assessment focussed on key laws and regulations the company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the property development industry;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.
- we assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
  - o making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
  - o considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.
- To address the risk of fraud through management bias and override of controls, we:
  - o tested journal entries to identify unusual transactions;
  - o assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias, in particular the director's assessment of the valuation of stock;
  - o investigated the rationale behind significant or unusual transactions
  - o reviewing nominal accounts of certain nominal codes for indication of any management override.
- In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
  - o agreeing financial statement disclosures to underlying supporting documentation;
  - o enquiring of management as to actual and potential litigation and claims;
  - o reviewing correspondence with HMRC and associated parties

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

A further description of our responsibilities for the audit of the financial statements is located on the Financial  
Page 7

NURTON DEVELOPMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NURTON DEVELOPMENTS LIMITED  
(CONTINUED)

Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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.



Paul Rowley (Senior statutory auditor)

for and on behalf of  
**Cooper Parry Group Limited**

Chartered Accountants  
Senior statutory auditor

One Central Boulevard  
Blythe Valley Business Park  
Solihull  
West Midlands  
B90 8BG

Date: 17 December 2021

**NURTON DEVELOPMENTS LIMITED**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
Turnover	3	27,402,263	428,600
Cost of sales		<u>(21,849,845)</u>	<u>(595,200)</u>
<b>Gross profit/(loss)</b>		5,552,418	(166,600)
Administrative expenses		(3,238,895)	(3,320,118)
Other operating income	4	<u>2,631,568</u>	<u>2,223,284</u>
<b>Operating profit/(loss)</b>	5	4,945,091	(1,263,434)
Share of profit of joint ventures	14	839,945	1,299,570
Share of profit of associates	14	<u>34,501</u>	<u>-</u>
<b>Total operating profit</b>		5,819,537	36,136
Interest receivable and similar income	9	6,442	5,366
Interest payable and expenses	10	<u>(1,690,381)</u>	<u>(1,922,084)</u>
<b>Profit/(loss) before taxation</b>		4,135,598	(1,880,582)
Tax on profit/(loss)	11	<u>(412,412)</u>	<u>-</u>
<b>Profit/(loss) for the financial year</b>		<u><u>3,723,186</u></u>	<u><u>(1,880,582)</u></u>
Non-controlling interests		<u><u>456,840</u></u>	<u><u>(630,731)</u></u>

The notes on pages 16 to 37 form part of these financial statements.

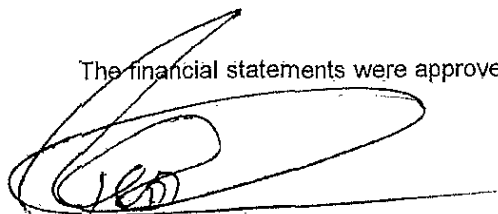
NURTON DEVELOPMENTS LIMITED  
REGISTERED NUMBER: 03686681

CONSOLIDATED BALANCE SHEET  
AS AT 31 MARCH 2021

	Note	2021 £	As restated 2020 £
<b>Fixed assets</b>			
Intangible assets	12	2,820,500	3,155,609
Tangible assets	13	4,110,002	4,110,132
Other fixed asset investments	14	902,510	902,500
Investment in joint ventures	14	(5,432,031)	(5,662,359)
Investments in associates	14	34,501	-
		<u>2,435,482</u>	<u>2,505,882</u>
<b>Current assets</b>			
Stocks	15	9,636,479	9,810,510
Debtors: amounts falling due within one year	16	28,110,545	20,993,281
Cash at bank and in hand	17	74,200	95,739
		<u>37,821,224</u>	<u>30,899,530</u>
Creditors: amounts falling due within one year	18	(8,228,099)	(12,141,208)
<b>Net current assets</b>		<u>29,593,125</u>	<u>18,758,322</u>
<b>Total assets less current liabilities</b>		<u>32,028,607</u>	<u>21,264,204</u>
Creditors: amounts falling due after more than one year	19	(27,990,155)	(21,469,523)
<b>Net assets/(liabilities)</b>		<u><u>4,038,452</u></u>	<u><u>(205,319)</u></u>
<b>Capital and reserves</b>			
Called up share capital	21	1,000	1,000
Share premium account	22	8,184	8,184
Capital redemption reserve	22	26	26
Other reserves	22	2,982,276	2,461,691
Profit and loss account	22	1,553,197	(1,713,149)
<b>Equity attributable to owners of the parent company</b>		<u>4,544,683</u>	<u>757,752</u>
Non-controlling interests		(506,231)	(963,071)
		<u><u>4,038,452</u></u>	<u><u>(205,319)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

17 December 2021



P D J Bradshaw  
Director

The notes on pages 16 to 37 form part of these financial statements.

**NURTON DEVELOPMENTS LIMITED**  
**REGISTERED NUMBER: 03686681**

**COMPANY BALANCE SHEET**  
**AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	35,494	35,293
Investments	14	303,716	303,706
		<u>339,210</u>	<u>338,999</u>
<b>Current assets</b>			
Stocks	15	144,065	-
Debtors: amounts falling due within one year	16	43,636,713	38,370,415
Cash at bank and in hand		9,131	66
		<u>43,789,909</u>	<u>38,370,481</u>
Creditors: amounts falling due within one year	18	(5,855,703)	(7,624,534)
<b>Net current assets</b>		<u>37,934,206</u>	<u>30,745,947</u>
<b>Total assets less current liabilities</b>		<u>38,273,416</u>	<u>31,084,946</u>
Creditors: amounts falling due after more than one year	19	(23,584,667)	(19,129,529)
<b>Net assets</b>		<u><u>14,688,749</u></u>	<u><u>11,955,417</u></u>
<b>Capital and reserves</b>			
Called up share capital	21	1,000	1,000
Share premium account	22	8,184	8,184
Capital redemption reserve	22	26	26
Other reserves	22	2,982,276	2,461,691
Profit and loss account	22	11,697,263	9,484,516
		<u><u>14,688,749</u></u>	<u><u>11,955,417</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**P D J Bradshaw**  
Director

Date: 17 December 2021

The notes on pages 16 to 37 form part of these financial statements.

**NURTON DEVELOPMENTS LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2021**

	Share capital £	Share premium account £	Capital redemption reserve £	Other reserves £	Profit and loss account £	Equity attributable to owners of parent company £	Non- controlling interests £	Total equity £
<b>At 1 April 2019</b>	1,000	8,184	26	1,775,163	(465,201)	1,319,172	-	1,319,172
Loss for the year	-	-	-	-	(1,249,851)	(1,249,851)	(630,731)	(1,880,582)
Taxation in respect of items of other comprehensive income	-	-	-	-	1,903	1,903	-	1,903
Non-controlling interest at acquisition	-	-	-	-	-	-	(332,340)	(332,340)
Movement in preference shares	-	-	-	686,528	-	686,528	-	686,528
<b>At 1 April 2020</b>	1,000	8,184	26	2,461,691	(1,713,149)	757,752	(963,071)	(205,319)
Profit for the year	-	-	-	-	3,266,346	3,266,346	456,840	3,723,186
Movement in preference shares	-	-	-	520,585	-	520,585	-	520,585
<b>At 31 March 2021</b>	1,000	8,184	26	2,982,276	1,553,197	4,544,683	(506,231)	4,038,452

The notes on pages 16 to 37 form part of these financial statements.

**NURTON DEVELOPMENTS LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2021**

	Share capital £	Share premium account £	Capital redemption reserve £	Other reserves £	Profit and loss account £	Total equity £
<b>At 1 April 2019</b>	1,000	8,184	26	1,775,163	8,057,308	9,841,681
Profit for the year	-	-	-	-	1,425,305	1,425,305
Taxation in respect of items of other comprehensive income	-	-	-	-	1,903	1,903
Movement in preference shares	-	-	-	686,528	-	686,528
<b>At 1 April 2020</b>	1,000	8,184	26	2,461,691	9,484,516	11,955,417
Profit for the year	-	-	-	-	2,212,747	2,212,747
Movement in preference shares	-	-	-	520,585	-	520,585
<b>At 31 March 2021</b>	1,000	8,184	26	2,982,276	11,697,263	14,688,749

The notes on pages 16 to 37 form part of these financial statements.



**NURTON DEVELOPMENTS LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	As restated 2020 £
<b>Cash flows from operating activities</b>		
Profit/(loss) for the financial year	3,723,186	(1,880,582)
<b>Adjustments for:</b>		
Amortisation of intangible assets	335,109	195,480
Depreciation of tangible assets	15,061	23,191
Interest paid	1,690,381	1,922,084
Interest received	(6,442)	(5,366)
Taxation charge	412,412	-
Decrease/(increase) in stocks	174,031	(204,495)
(Increase) in debtors	(5,927,712)	(91,177)
Increase in creditors	4,467,430	4,531,978
Decrease in amounts owed to participating interests	(2,384,981)	(474,883)
Share of operating profit in joint venture and associated undertakings	(264,829)	(463,604)
<b>Net cash generated from operating activities</b>	<u>2,233,646</u>	<u>3,552,626</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(14,931)	(20,697)
Purchase of unlisted and other investments	(10)	(600,000)
Interest received	6,442	5,370
Net cash acquired with subsidiary	-	24,687
Purchase of subsidiary undertaking	-	(452,830)
Settlement of former third party indebtedness on acquisition	-	(1,901,239)
<b>Net cash from investing activities</b>	<u>(8,499)</u>	<u>(2,944,709)</u>
<b>Cash flows from financing activities</b>		
Receipt of loans	-	3,377,564
Repayment of loans	(198,968)	(2,936,732)
Interest paid	(1,187,943)	(1,922,084)
<b>Net cash used in financing activities</b>	<u>(1,386,911)</u>	<u>(1,481,252)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	838,236	(873,335)
Cash and cash equivalents at beginning of year	(764,036)	109,299
<b>Cash and cash equivalents at the end of year</b>	<u><u>74,200</u></u>	<u><u>(764,036)</u></u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	74,200	95,739
Bank overdrafts	-	(859,775)
	<u><u>74,200</u></u>	<u><u>(764,036)</u></u>

NURTON DEVELOPMENTS LIMITED

CONSOLIDATED ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 MARCH 2021

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	95,739	(21,539)	74,200
Bank overdrafts	(859,775)	859,775	-
Debt due after 1 year	(2,339,994)	164,700	(2,175,294)
Debt due within 1 year	(7,249,906)	34,268	(7,215,638)
	<u>(10,353,936)</u>	<u>1,037,204</u>	<u>(9,316,732)</u>

The notes on pages 16 to 37 form part of these financial statements.

## NURTON DEVELOPMENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

Nurton Developments Limited is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is shown on the company information page.

The financial statements are prepared in Sterling (£) which is the functional currency of the company. The financial statements are for the year ended 31 March 2021 (2020: 31 March 2020).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the group's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The following principal accounting policies have been applied:

##### 1.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated profit and loss account from the date on which control is obtained. They are deconsolidated from the date control ceases.

##### 1.3 Disclosure exemptions

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Profit and Loss in these financial statements.

As permitted by FRS102 section 1.12, the group has taken advantage of the disclosure exemption available for aggregate remuneration of key management personnel and related party transactions in relation to wholly owned group companies.

## **NURTON DEVELOPMENTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **1. Accounting policies (continued)**

##### **1.4 Coronavirus and going concern**

At the time of signing these accounts, the directors have considered the effect of the Coronavirus on the going concern position, and consider that this does indicate that the group will continue to trade for a period of at least 12 months from the date of signing these accounts due to the banking facilities available to it and the UK Government support available to businesses during this difficult time.

The financial forecasts prepared by the directors show that the group will be able to operate within the facilities available to it.

The company and group meet their property development cash flow requirements through various bank facilities secured on the property developments and certain cross guarantees within the group.

The group has received an undertaking from the directors that they will continue to provide financial and other support to the group for at least twelve months from the date of approval of these financial statements. As with any group placing reliance on other individuals for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

On that basis, the directors have prepared these financial statements on a going concern basis.

##### **1.5 Turnover**

Turnover represents the proceeds of property developments sold, before deduction of related expenditure. Disposals of properties are recognised when unconditional contracts of sale have been exchanged. Turnover excludes value added tax.

##### **1.6 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### **1.7 Interest income**

Interest income is recognised in the consolidated profit and loss account using the effective interest method.

##### **1.8 Finance costs**

Finance costs are charged to the consolidated profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

##### **1.9 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

## NURTON DEVELOPMENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 1. Accounting policies (continued)

##### 1.10 Pensions

###### Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

##### 1.11 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

##### 1.12 Intangible assets

###### Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the consolidated profit and loss account over its useful economic life.

## NURTON DEVELOPMENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 1. Accounting policies (continued)

##### 1.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Freehold property is not depreciated as the directors believe that as such property is maintained to a high standard for trading purposes, the residual value of the property is not lower than its cost and accordingly, there is no depreciation to charge.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Improvements to leasehold property	-	25%
Motor vehicles	-	25%
Fixtures and fittings	-	25%
Office equipment	-	25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

##### 1.14 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings and joint ventures are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The consolidated profit and loss account includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the consolidated balance sheet, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

## NURTON DEVELOPMENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 1. Accounting policies (continued)

##### 1.15 Stocks

Stock and work in progress are stated at the lower of cost and net realisable value. Cost includes all direct expenditure incurred on the development of sites. This will normally comprise the cost of land, associated professional charges, labour, materials and site overheads. Net realisable value is based on the estimated revenue less the costs to be incurred in completing, if appropriate, and selling the remaining properties on each development. The assessment of net realisable value is based on the open market basis. Work in progress is valued at the lower of cost and estimated net realisable value and is disclosed after deduction of provisions for known and expected losses.

##### 1.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

## NURTON DEVELOPMENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 1. Accounting policies (continued)

##### 1.17 Financial instruments

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the consolidated statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Investment in preference and ordinary shares

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit or loss. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognised in profit or loss. Other investments are measured at cost less impairment in profit or loss.

##### 1.18 Prior year reclassification

Certain balances in the comparative balance sheet at 31 March 2020 have been reclassified. The investment in the new company, Nurton Developments (Newater) Limited, was treated at 31 March 2020 as a subsidiary undertaking of Nurton Developments Limited. Following a reduction of the investment in the share capital of Nurton Developments (Newater) Limited to 25% on 31 March 2020, the investment has been treated as an associated undertaking and the prior year balance sheet has been reclassified. The impact of this adjustment at 31 March 2020 has been to reduce stock by £4,986,000, trade debtors by £145,040, other debtors by £18,960, amounts owed to related undertakings by £3,962,500 and to increase amounts owed by related undertakings by £1,287,500. This adjustment has no impact on net assets or profit and loss at 31 March 2020.



## NURTON DEVELOPMENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 2. Judgements in applying accounting policies and key sources of estimation uncertainty

The group makes estimates and assumptions concerning the future. The directors are also required to exercise judgement in the process of applying the group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

In preparing these financial statements, the directors have made the following judgements:

##### **Recoverability of trade debtors**

Trade and other debtors are recognised to the extent that they are judged recoverable. The directors review is performed to estimate the level of reserves required for irrecoverable debt. Provisions are made specifically against invoices where recoverability is uncertain.

*The directors make allowances for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. The directors specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of debtors and the charge in the consolidated profit and loss account.*

##### **Provisions**

A provision is recognised when the group has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Whether a present obligation is probable or not requires judgement. *The nature and type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.*

##### **Taxation**

There are many transactions and calculations for which the ultimate tax determination is uncertain. The group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due.

The directors' estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

##### **Impairment of stock**

At each reporting date, the carrying value of stock held is compared with its recoverable amount. The estimates used in arriving at the recoverable amount are reviewed internally and approved by the Board, as detailed in the accounting policies. If the carrying value is more, an impairment is recognised.

**NURTON DEVELOPMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**3. Turnover**

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	27,402,263	428,600

**4. Other operating income**

	2021 £	2020 £
Other operating income	655,047	344,442
Net rents receivable	1,020,919	1,016,365
Related party interest receivable	955,602	862,477
	<u>2,631,568</u>	<u>2,223,284</u>

**5. Operating profit/(loss)**

The operating profit/(loss) is stated after charging:

	2021 £	2020 £
Amortisation of intangible assets	335,109	195,480
Depreciation of tangible fixed assets	15,061	23,191
Rents receivable in respect of operating leases and service charge income	<u>(796,423)</u>	<u>(1,017,741)</u>

**6. Auditor's remuneration**

	2021 £	2020 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>78,800</u>	<u>73,000</u>

# NURTON DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 7. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	1,267,331	890,400	608,736	553,709
Social security costs	151,190	111,227	66,079	71,138
Cost of defined contribution scheme	37,409	176,434	13,219	152,244
	<u>1,455,930</u>	<u>1,178,061</u>	<u>688,034</u>	<u>777,091</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	2020 No.
Directors	6	6
Admin	7	7
	<u>13</u>	<u>13</u>

### 8. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	226,726	320,726
Company contributions to defined contribution pension schemes	<u>2,626</u>	<u>140,000</u>

During the year retirement benefits were accruing to no directors (2020 - NIL) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £120,000 (2020 - £120,000).

### 9. Interest receivable

	2021 £	2020 £
Bank interest receivable	<u>6,442</u>	<u>5,366</u>

**NURTON DEVELOPMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**10. Interest payable and similar expenses**

	2021 £	2020 £
Bank interest payable	401,320	500,885
Related party interest payable	177,006	132,845
Joint venture interest payable	609,617	835,966
Unwinding discount on preference share liability	502,438	452,388
	<u>1,690,381</u>	<u>1,922,084</u>

**11. Taxation**

	2021 £	2020 £
<b>Corporation tax</b>		
Current tax on profits for the year	412,412	-
	<u>412,412</u>	<u>-</u>
<b>Total current tax</b>	<u>412,412</u>	<u>-</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2020 -higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit/(loss) on ordinary activities before tax	4,135,598	(1,880,582)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	785,764	(357,311)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	208,877	129,637
Adjustments to tax charge in respect of prior periods	-	(19,817)
Deferred tax not recognised	-	247,491
Utilisation of deferred tax assets not previously recognised	(582,229)	-
<b>Total tax charge for the year</b>	<u>412,412</u>	<u>-</u>

No additional deferred tax asset has been recognised in respect of the losses due to uncertainty over the timing of future taxable profits. Accordingly, there is an unrecognised deferred tax asset of £1,189,860 (2020: £1,858,307)

NURTON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

12. Intangible assets

Group

	Goodwill £
<b>Cost</b>	
At 1 April 2020	3,351,089
At 31 March 2021	<u>3,351,089</u>
<b>Amortisation</b>	
At 1 April 2020	195,480
Charge for the year	335,109
At 31 March 2021	<u>530,589</u>
<b>Net book value</b>	
At 31 March 2021	<u>2,820,500</u>
At 31 March 2020	<u>3,155,609</u>

NURTON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

13. Tangible fixed assets

Group

	Freehold land and buildings £	Improvements to leasehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>						
At 1 April 2020	5,176,744	14,334	36,079	136,903	39,915	5,403,975
Additions	-	-	-	13,432	1,499	14,931
At 31 March 2021	5,176,744	14,334	36,079	150,335	41,414	5,418,906
<b>Depreciation</b>						
At 1 April 2020	1,104,440	14,334	16,260	121,332	37,477	1,293,843
Charge for the year	-	-	6,605	6,626	1,830	15,061
At 31 March 2021	1,104,440	14,334	22,865	127,958	39,307	1,308,904
<b>Net book value</b>						
At 31 March 2021	4,072,304	-	13,214	22,377	2,107	4,110,002
At 31 March 2020	4,072,304	-	19,819	15,571	2,438	4,110,132

**NURTON DEVELOPMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**13. Tangible fixed assets (continued)**

**Company**

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>				
At 1 April 2020	14,334	36,079	136,803	187,216
Additions	-	-	13,432	13,432
At 31 March 2021	14,334	36,079	150,235	200,648
<b>Depreciation</b>				
At 1 April 2020	14,334	16,260	121,329	151,923
Charge for the year	-	6,605	6,626	13,231
At 31 March 2021	14,334	22,865	127,955	165,154
<b>Net book value</b>				
At 31 March 2021	-	13,214	22,280	35,494
At 31 March 2020	-	19,819	15,474	35,293

**NURTON DEVELOPMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**14. Fixed asset investments**

**Group**

	Investments in associates £	Other fixed asset investments £	Investment in joint ventures £	Total £
<b>Cost or valuation</b>				
At 1 April 2020	-	902,500	(5,662,359)	(4,759,859)
Additions	-	10	-	10
Joint venture interest payable	-	-	(609,617)	(609,617)
Share of profit	34,501	-	839,945	874,446
At 31 March 2021	<u>34,501</u>	<u>902,510</u>	<u>(5,432,031)</u>	<u>(4,495,020)</u>

Included within other fixed asset investments is £600,000 which represents a 5% holding in an unlisted investment company.

Also included within other fixed asset investments is £302,500 which represents a 7.5% holding in an unlisted property development business.

**Company**

	Investments in subsidiary companies £	Other fixed asset investments £	Investment in joint ventures £	Total £
<b>Cost or valuation</b>				
At 1 April 2020	1,205	302,500	1	303,706
Additions	-	10	-	10
At 31 March 2021	<u>1,205</u>	<u>302,510</u>	<u>1</u>	<u>303,716</u>



## NURTON DEVELOPMENTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 14. Fixed asset investments (continued)

The company has interests in the share capital of the following companies, which are all included in the consolidation, as listed below:

Name	Registered office	Principal activity	Class of shares	Holding
Seabelle Limited	Dormant	United Kingdom	Ordinary	100%
Broadsword 2000 Limited	Dormant	United Kingdom	Ordinary	100%
Beryland Limited	Dormant	United Kingdom	Ordinary	100%
Blue Leda Limited	Property development	United Kingdom	Ordinary	100%
Nurton Residential Limited	Property development	United Kingdom	Ordinary	100%
U3 Residential Limited	Property development	United Kingdom	Ordinary	100%
U3 Residential Walsall Limited	Property development	United Kingdom	Ordinary	100%
Nurton Developments (Hilton) Limited	Property development	United Kingdom	Ordinary	100%
Nurton Developments (Waterloo) Limited	Property development	United Kingdom	Ordinary	100%
Nurton Developments (Quintus) Limited	Property development	United Kingdom	Ordinary	50%
Nurton Developments (Brockenhurst) Limited	Property development	United Kingdom	Ordinary	100%
Nurton Developments (Didcot) Limited	Property development	United Kingdom	Ordinary	100%
Nurton Developments (Lapworth) Limited	Property development	United Kingdom	Ordinary	100%
Nurton Developments (Loes Farm) Limited	Property development	United Kingdom	Ordinary	100%
Nurton Equation Limited	Property development	United Kingdom	Ordinary	75%
Equation Properties Limited	Property development	United Kingdom	Ordinary	75%
Nurton Developments (Shifnal) Limited	Property development	United Kingdom	Ordinary	100%
Nurton Developments (Newater) Limited	Property development	United Kingdom	Ordinary	25%

The registered address of all subsidiaries above, is 11 Waterloo Street, Birmingham B2 5TB.

\*\* For the year ended 31 March 2021, all of the above entities, excluding Nurton Developments (Quintus) Limited, Nurton Developments (Newater) Limited, Nurton Equation Limited, Equation Properties Limited and Blue Leda Limited, were entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Equation Properties Limited is an indirect subsidiary of Nurton Developments Limited and a direct wholly owned subsidiary of Nurton Equation Limited.

# NURTON DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 14. Fixed asset investments (continued)

#### Participating interests

Nurton Developments Limited has investments in the following companies:

Nurton Developments (Quintus) Limited  
Nurton Developments (Newater) Limited

The Group and Wittington Investments (Developments) Limited each own 50% of the issued share capital of Nurton Developments (Quintus) Limited, with the aim of joint development of property in the residential and commercial sector.

The Group owns 25% and Hortus Investments Limited owns 75% of the issued share capital of Nurton Developments (Newater) Limited, with the aim of receiving rental income in the commercial sector.

Group share of net assets is analysed as follows:

	Current assets £000	Bank debt £000	Net assets / (liabilities) £000
Nurton Developments (Quintus) Limited	12,916	(4,855)	(5,432)
Nurton Developments (Newater) Limited	122	-	35

### 15. Stocks

	Group 2021 £	Group As restated 2020 £	Company 2021 £	Company As restated 2020 £
Development properties	9,636,479	9,810,510	144,065	-
	<u>9,636,479</u>	<u>9,810,510</u>	<u>144,065</u>	<u>-</u>

During the year, properties have been written down by £357,198 (2020: £533,000) in a subsidiary to reflect net realisable value.

The total carrying amount of stock pledged as security for liabilities in the year in the group amounted to £9,442,414 (2020: £9,760,510).

**NURTON DEVELOPMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**16. Debtors**

	Group 2021 £	Group As restated 2020 £	Company 2021 £	Company As restated 2020 £
Trade debtors	1,025,317	668,170	55,289	21,477
Amounts owed by group undertakings	-	-	19,682,753	18,322,856
Amounts owed by other participating interests	19,847,811	18,658,258	19,847,811	18,658,258
Other debtors	4,108,879	702,114	3,881,002	504,929
Prepayments and accrued income	3,128,538	964,739	169,858	862,895
	<u>28,110,545</u>	<u>20,993,281</u>	<u>43,636,713</u>	<u>38,370,415</u>

**17. Cash and cash equivalents**

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Cash at bank and in hand	74,200	95,739	9,131	66
Less: bank overdrafts	-	(859,775)	-	(859,775)
	<u>74,200</u>	<u>(764,036)</u>	<u>9,131</u>	<u>(859,709)</u>

**18. Creditors: Amounts falling due within one year**

	Group 2021 £	Group As restated 2020 £	Company 2021 £	Company As restated 2020 £
Bank overdrafts	-	859,775	-	859,775
Bank loans	4,985,444	7,249,906	3,700,000	3,700,000
Trade creditors	632,851	387,576	408,947	317,442
Amounts owed to group undertakings	-	-	-	16,597
Amounts owed to other participating interests	412,746	2,407,827	412,746	2,407,827
Corporation tax	412,412	-	217,093	-
Other taxation and social security	758,067	148,522	632,232	36,014
Other creditors	269,158	385,405	50,405	20,628
Accruals and deferred income	757,421	702,197	434,280	266,251
	<u>8,228,099</u>	<u>12,141,208</u>	<u>5,855,703</u>	<u>7,624,534</u>

# NURTON DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 19. Creditors: Amounts falling due after more than one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Bank loans	4,405,488	2,339,994	-	-
Other creditors	1,384,030	1,308,990	1,384,030	1,308,990
Preference share liability	22,200,637	17,820,539	22,200,637	17,820,539
	<u>27,990,155</u>	<u>21,469,523</u>	<u>23,584,667</u>	<u>19,129,529</u>

On 30 September 2011, 1,000,000 convertible preference shares of 10p each were issued for £5 each. These were issued on the conversion of £5,000,000 of the directors' loan.

On 30 September 2012, 300,000 convertible preference shares of 10p each were issued for £5 each. These were issued on the conversion of £1,500,000 of the directors' loan.

On 26 April 2013, 90,000 convertible preference shares of 10p each were issued for £5 each. These were issued on the conversion of £450,000 of the directors' loan.

On 12 September 2013, 100,000 convertible preference shares of 10p each were issued for £5 each. These were issued on the conversion of £500,000 of the directors' loan.

On 19 December 2013, 240,000 convertible preference shares of 10p each were issued for £5 each. These were issued on the conversion of £1,200,000 of the directors' loan.

On 16 June 2014, 120,000 convertible preference shares of 10p each were issued for £5 each. These were issued on the conversion of £600,000 of the directors' loan.

On 29 September 2014, 200,000 convertible preference shares of 10p each were issued for £5 each. These were issued on the conversion of £1,000,000 of the directors' loan.

On 30 September 2016, 1,000,000 convertible preference shares of 10p each were renewed for £5 each.

On 30 September 2017, 300,000 convertible preference shares of 10p each were issued for £5 each. These were issued on the conversion of £1,500,000 of the directors' loan.

On 10 April 2018, 400,000 convertible preference shares of 10p each were issued for £5 each. These were issued on the conversion of £2,000,000 of the directors' loan.

On 26 April 2018, 90,000 convertible preference shares of 10p each were renewed for £5 each.

On 12 September 2018, 100,000 convertible preference shares of 10p each were renewed for £5 each.

On 19 December 2018, 240,000 convertible preference shares of 10p each were renewed for £5 each.

On 9 January 2019, 329,600 convertible preference shares of 10p each were issued for £5 each. These were issued on the conversion of £1,648,000 of the directors' loan.

On 9 May 2019, 1,023,000 convertible preference shares of 10p each were issued for £5 each. These were issued on the conversion of £5,115,000 of the directors' loan.

On 10 April 2020, 389,600 convertible preference shares of 10p each were issued for £5 each. These were issued on the conversion of £1,948,000 of the directors' loan.

On 15 April 2020, 150,000 convertible preference shares of 10p each were issued for £5 each. These were issued on the conversion of £750,000 of the directors' loan.

# NURTON DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

On 28 August 2020, 340,000 convertible preference shares of 10p each were issued for £5 each. These were issued on the conversion of £1,700,000 of the directors' loan.

The convertible preference shares have the same rights and obligations as the ordinary shares with the exceptions that they do not carry voting rights, are redeemable from September 2021 at the request of the holder and are convertible to ordinary shares in the event of a listing of the company.

Included within other creditors are £3,987,074 (2020: £1,213,789) owed to directors of the company.

### 20. Loans

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
<b>Amounts falling due within one year</b>				
Bank loans	4,985,444	7,249,906	3,700,000	3,700,000
<b>Amounts falling due 1-2 years</b>				
Bank loans	4,405,488	2,339,994	-	-
	<u>9,390,932</u>	<u>9,589,900</u>	<u>3,700,000</u>	<u>3,700,000</u>

### 21. Share capital

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
1,000 Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

### 22. Reserves

#### Share premium account

The share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

#### Capital redemption reserve

The capital redemption reserve represents the nominal value of shares repurchased.

#### Other reserves

Other reserves represents the equity element of convertible preference shares issued.

#### Profit and loss account

The profit and loss account includes all current and prior periods retained profits and losses.

**NURTON DEVELOPMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**23. Contingent liabilities**

The borrowings of certain subsidiary and related undertakings are secured by way of cross guarantees given by the company. At the year-end, total borrowings secured by this way were £9,390,932 (2020: £10,449,675). However, such borrowings are also secured on the freehold and leasehold properties of the relevant subsidiaries which the directors consider to have a value in excess of the borrowings outstanding, therefore, it is not anticipated that any liability would arise under this cross guarantee.

**24. Pension commitments**

The group and company operate a defined contribution scheme. The pension cost charge for the year represents contributions payable by the group and company to the scheme and amounted to £10,593 (2020: £12,244).

# NURTON DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 25. Related party transactions

Included within transactions with Nurton Developments (Quintus) Limited is interest receivable on the joint venture balance of £398,969 (2020: £505,041) and a management charge receivable on the joint venture balance of £60,000 (2020: £258,750).

#### Company

During the year, the following are considered to be material related parties of the company:

GB Developments Limited	-	related through common shareholding
Flexibase Limited	-	related through common shareholding
Colmore Square LLP	-	related through common shareholding
Cardinal Square LLP	-	related through common shareholding
Ambleydale Limited	-	related through common shareholding
Birchfield Developments Limited	-	related through common shareholding
Nurton Developments (Quintus) Limited	-	related through common shareholding
Nurton Developments (Newater) Limited	-	related through common shareholding
Nurton Investments Limited	-	related through common shareholding
Apricot RAM Limited	-	related through common shareholding
CLB Ashby Limited	-	related through common shareholding
Nurton Developments (Hockley Heath) Lin	-	related through common shareholding

The following material related party transactions occurred during the year:

	Net transactions to/(from)		Debtor/(creditor)	
	2021	2020	2021	2020
	£	£	£	£
GB Developments Limited	(452,668)	(274,596)	4,297,960	3,673,234
Flexibase Limited	51,157	46,726	768,483	777,456
Colmore Square LLP	-	(547,734)	(799,653)	(1,948,285)
Cardinal Square LLP	9,070	10,857	975,492	1,302,417
Ambleydale Limited	(1,556)	(1,526)	155,757	154,201
Birchfield Developments Limited	-	-	(194,645)	(194,658)
Nurton Developments (Quintus) Limited	797,938	505,041	11,642,724	11,243,755
Nurton Developments (Newater) Limited	-	-	1,321,085	-
Nurton Investments Limited	-	-	(218,101)	(244,848)
Apricot RAM Limited	50	50	3,498	3,498
CLB Ashby Limited	-	(195,000)	554,409	(20,035)
Nurton Developments (Hockley Heath) Limited	-	-	112,079	103,631

Included within transactions with GB Developments Limited is interest receivable of £452,668 (2020: £274,596) and a management charge of £Nil (2020: £Nil) on the inter-company balance.

Included within transactions with Flexibase Limited is interest receivable of £51,157 (2020: £46,726) on the inter-company balance.

Included within transactions with Cardinal Square LLP is interest payable of £9,070 (2020: £10,857) on the inter-company balance and a management charge received of £Nil (2020: £Nil).

Included within transactions with Colmore Square LLP is an interest payable on the inter-company balance of £Nil (2020: £68,359) and a management charge receivable on the inter-company balance of £Nil (2020: £Nil).

Included within transactions with Nurton Investments Limited is interest receivable on the inter-company balance of £27,040 (2020: £23,730).

NURTON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

26. Ultimate controlling party

There is no ultimate controlling party.