

HANOVER HOUSING DEVELOPMENTS LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022



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Board and Advisers

Directors

Jane Ashcroft CBE (resigned 31 July 2022)
Sarah Jones
Mark Curran (resigned 18 December 2021)
Chris Munday (resigned 30 April 2021)
Kathryn Smith
Robert Martin
Simon Glucina (resigned 7 April 2021)

Company Secretary

Michelle Holt

External Auditors

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 0PA

Registered Office

The Heals Building
Suites A & B
Third Floor
22-24 Torrington Place
London
WC1E 7HJ

Bankers

Lloyds Banking Group PLC
25 Gresham Street
London
EC2V 7HN

Strategic Report

The directors present their strategic report on the company for the year ended 31 March 2022.

Principal activities

Hanover Housing Developments Limited is a company limited by shares and exists to support the work of Anchor Hanover Group. It delivers on this objective through the development of social housing for Anchor Hanover Group on sites that are either originally owned by Anchor Hanover Group or have been bought specifically to enable development of housing. The trade ceased during the year following the sale of the remaining trade and assets to other group companies.

The company is a wholly owned subsidiary of Anchor Hanover Group a company registered with the Mutuals Public Register of the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014.

Recognising its primary purpose of supporting the work of Anchor Hanover Group it does this by delivering developments directly to Anchor Hanover Group and the company also delivers other property to generate surpluses mainly through the sale of housing on the open market.

The Board of Hanover Housing Developments is appointed by Anchor Hanover Group and the directors and Board members act in their capacity mindful of their direct responsibilities to Hanover Housing Developments.

Where they consider it appropriate the directors and Board share the risk of building speculative elements of developments with other key commercial developers. This is highlighted below on specific development sites.

Hanover Housing Developments carries no direct overheads and under a legal Service Level Agreement all staff and overheads are provided by resources of Anchor Hanover Group through an agreed recharge of costs.

Hanover Housing Development Board consider the rewards achieved in the form of taxable profits annually and throughout its history have agreed to use the benefits of Gift Aid to return surpluses to its charitable parent company, Anchor Hanover Group.

The company is funded through Anchor Hanover Group subscribing for shares issued by the company.

Review of the business

An Operating profit of £5.6m has been reported in the financial year to 31 March 2022 (2021: £7.4m).

The total value of stock held by the company at the year-end was £nil (2021: £11.5m).

The business is reliant on the continued support of its parent company Anchor Hanover Group with the subscription to its issued share capital. At year end that investment amounted to £1 (2021: £1).

Strategic Report (continued)

During the year, the remaining trade and assets of the company were transferred to Anchor Lifestyle Developments Limited. Following this sale, in July 2021 a final gift aid donation of £19.2m was made to Anchor Hanover Group. The company is now dormant and an application for the company to be struck off will be made during the year ended 31 March 2023.

As at 31 March 2022 the company had

	2022	2021
Cash & Investments	-	£5.3m
Creditors due in less than one year	-	£4.1m
Net Current assets	-	£13.5m
Surplus in year	-	£7.5m

Key performance indicators

Anchor Hanover does not set KPI's at subsidiary level. Refer to Anchor Hanover Group's consolidated financial statements for additional information on how Anchor Hanover Group measures and monitors performance. Copies of Anchor Hanover Group's consolidated financial statements are obtainable from the Company Secretary at: Anchor Hanover Group, The Heals Building, Suites A & B, Third Floor, 22-24 Torrington Place, London, WC1E 7HJ.


Principal risks and uncertainties

Since the company has ceased to trade, the risks have significantly reduced. The company's principle exposure to risk whilst trading was in respect of a change in market conditions which had effect on the market value of residential property and the availability and costs of materials and labour.

There are several risks in the external environment that are contributing to significant challenges for all providers. This includes; effects that have resulted from the UK's exit from the European Union, increased fuel costs, macroeconomic impacts on the global economy linked to the Ukraine crisis, and high inflation levels in the UK.

The development portfolio and future expectations for the market were reviewed regularly and future development plans were amended accordingly.

By Order of the Board



Sarah Jones
Director

15 December 2022

Directors' Report

Review of the business

A review of the business is provided within the Strategic Report.

Directors

The directors at 31 March 2022 and who held office during the period are detailed in the Board and Advisers section.

Health and safety

The company is committed to providing a safe and healthy environment for those affected by its activities.

Donations

The company has made £nil (2021: £nil) charitable or political donations or incurred any political expenditure during the year.

Post year end events

There were no post year end events that require disclosure in the Financial Statements.

Dividends / gift aid

A final gift aid donation was paid to Anchor Hanover Group of £19,158,000 (2021: £53,757,000).

Going concern - financial statement prepared on a basis other than going concern

The sale of the remaining trade, assets and liabilities of the Company to other companies in the Anchor Hanover Group completed during the year and the Company ceased to trade and is now dormant. Accordingly, the Directors have prepared the financial statements on a basis other than going concern. No adjustments have been made to the financial statements as a result of ceasing to apply the going concern basis.

Directors' Report (continued)

Auditor

BDO LLP has expressed its willingness to continue in office as auditor to the Company. BDO LLP will be reappointed as auditor of the Company in accordance with the Company's constitution and relevant legislation.

Disclosure of information to auditor

Each director has taken appropriate steps to identify relevant audit information and establish that the company's auditor is aware of that information. The directors confirm, as far as they are aware, that there is no relevant audit information of which the company's auditor is unaware.

Statement of Directors' responsibilities

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

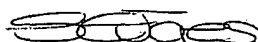
Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) FRS 102 *The Financial Reporting Standard 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 of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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. As explained in note 3.2 to the financial statements, the directors do not believe the going concern basis to be appropriate and, in consequence, these financial statements have been prepared on a basis other than going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By Order of the Board



Sarah Jones
Director

15 December 2022

Independent auditor's report to the members of Hanover Housing Developments Limited

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its result 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.

We have audited the financial statements of Hanover Housing Developments Limited ("the Company") for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income and Statement of Financial Position Statement of Changes in Equity and notes to the financial statements, 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Emphasis of matter – basis of preparation other than going concern

We draw attention to Note 3.2 of the financial statements which explains that during the year the Company has sold its remaining trade, assets and liabilities to other companies in the Anchor Hanover Group and the Company has now ceased operations. Therefore, the Directors do not consider it to be appropriate to adopt the going concern basis of accounting when preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 3.2. Our opinion is not modified in respect of this matter.

Independent auditor's report to the members of Hanover Housing Developments Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Independent auditor's report to the members of Hanover Housing Developments Limited (continued)

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, 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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding and accumulated knowledge of the Company and the sector in which it operates we consider the risks of acts by the Company which were contrary to applicable laws and regulations, including fraud and whether such actions or non-compliance might have a material effect on the financial statements. These included but were not limited to those that relate to the form and content of the financial statements, such as the Company accounting policies, tax legislation, the financial reporting framework and the UK Companies Act 2006. All team members were briefed to ensure they were aware of any relevant regulations in relation to their work.

Independent auditor's report to the members of Hanover Housing Developments Limited (continued)

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to posting inappropriate journal entries and management bias in accounting estimates. Our audit procedures included, but were not limited to:

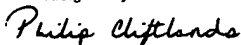
- Agreement of the financial statement disclosures to underlying supporting documentation;
- Identifying and testing journal entries and in particular a review of manual journals to revenue and to amounts owed to and by group undertakings;
- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations; and
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available 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.

DocuSigned by:

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Philip Cliftlands (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Gatwick, UK
16 December 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Hanover Housing Developments Limited – Year ended 31 March 2022

Statement of Comprehensive Income

for the year ended 31 March 2022

	Note	2022	2021
		£'000	£'000
Turnover	5	17,126	30,196
Cost of sales	6	(11,500)	(19,712)
Gross profit		5,626	10,484
Operating costs	7	-	(47)
Administrative expenses	8	(1)	(2,441)
Impairment	9	-	(592)
Disposal of assets		-	(22)
Operating profit		5,625	7,382
Interest receivable & similar income	10	-	150
Profit on ordinary activities before taxation		5,625	7,532
Tax charge	11	-	-
Total comprehensive income for the year		5,625	7,532

The accompanying accounting policies and notes on pages 16 to 24 form an integral part of these financial statements.

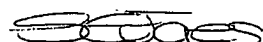
Statement of Financial Position

As at year ended 31 March 2022

	Note	2022	2021
		£'000	£'000
Current assets			
Stock and work in progress:			
Housing properties WIP	13	-	11,473
Debtors	14	-	832
Cash & Cash Equivalents	15	-	5,333
		<u>-</u>	<u>17,638</u>
Creditors: amounts falling due within one year	16	<u>-</u>	<u>(4,105)</u>
Net current assets			13,533
Total assets less current liabilities		<u><u>-</u></u>	<u><u>13,533</u></u>
Capital and reserves			
Share capital	17	-	-
Revenue reserves	18	-	13,533
Total assets less current liabilities		<u><u>-</u></u>	<u><u>13,533</u></u>

These financial statements were approved by the Board of Directors on 15 December 2022.

Signed on behalf of the Board of Directors:



Sarah Jones
Director

The accompanying accounting policies and notes on pages 16 to 24 form an integral part of these financial statements.

Company registration No. 06856299

Statement of Changes in Equity

For the year ended 31 March 2022

	Share capital*	Revenue reserves	Total
	£'000	£'000	£'000
1 April 2020	53,757	6,001	59,758
Shares issued/ (redeemed) in year	(53,757)	53,757	-
Profit during the year	-	7,532	7,532
Gift Aid	-	(53,757)	(53,757)
31 March 2021	-	13,533	13,533
Shares issued/ (redeemed) in year	-	-	-
Profit during the year	-	5,625	5,625
Gift Aid	-	(19,158)	(19,162)
31 March 2022	-	-	-

* Hanover Housing Developments Limited has issued share capital of £1 (2021: £1).

The notes on pages 16 to 24 form part of these Financial Statements.

Notes to the financial statements for the year ended 31 March 2022

1. General information

Hanover Housing Developments Limited ("the company") develops retirement housing properties for sale.

The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is: The Heals Building, Suites A & B, Third Floor, 22-24 Torrington Place, London, WC1E 7HJ.

2. Statement of compliance

The individual financial statements of the company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Accounting policies

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the company's financial statements.

i.) Basis of preparation

The financial statements have been prepared on a basis other than a going concern basis, in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom due to the expected cessation of trade during the year.

ii.) Going concern - financial statement prepared on a basis other than going concern

The sale of the remaining trade, assets and liabilities of the Company to other companies in the Anchor Hanover Group completed during the year and the Company ceased to trade and is now dormant. Accordingly the Directors have prepared the financial statements on a basis other than going concern. No adjustments have been made to the financial statements as a result of ceasing to apply the going concern basis.

Notes to the financial statements for the year ended 31 March 2022 (continued)

iii.) Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Recognition and allocation of construction cost on properties under development

Development costs of properties are recorded as properties under development during the construction stage and will be transferred to completed properties held for sale upon completion. An apportionment of these costs will be recognised in the statement of profit or loss upon the recognition of the sale of the properties. Before the final settlement of the development costs and other costs relating to the sale of the properties, these costs are accrued by the Company based on management's best estimate.

When developing properties, the Company may divide the development projects into phases. Specific costs directly related to the development of a particular phase are recorded as the cost of such phase. Common costs are allocated to individual phases based on the estimated saleable area of the entire development project.

Assets held for sale

Stock includes properties for sale. In addition, the Company holds work in progress on schemes where properties are being developed for sale. The value of each asset is assessed for impairment by review against its selling price less costs to complete and sell and each scheme in progress against expected proceeds less costs to be incurred. There was no impairment charge taken in the year.

iv.) Exemptions

FRS 102 allows a qualifying entity certain disclosure exemptions. The company has taken advantage of the following:

- No cashflow statement has been presented for the company;
- Disclosures in respect of the company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the company as their remuneration is included in the totals of the group as a whole; and
- Related party transactions entered into between two or more members of the group.

Notes to the financial statements for the year ended 31 March 2022 (continued)

v.) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the company and value added taxes.

The company sells retirement leasehold properties. Revenue is recognised in the accounting period in which property sales legally complete. Deposits and reservation fees are held in current liabilities until the relevant property sale legally completes.

vi.) Financial instruments

Financial instruments which meet the criteria of a basic financial instrument as defined in section 11 of FRS 102 are accounted for under an amortised historical cost model.

vii.) Stock

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Inventories are recognised as an expense in the period in which the related revenue is recognised.

viii.) Debtors

Short term debtors are measured at transaction price, less any impairment estimate of the amount required to settle the obligation at the reporting date.

ix.) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs and are measured subsequently at amortised cost using the effective interest method.

x.) Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Notes to the financial statements for the year ended 31 March 2022 (continued)

xi.) Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

xii.) Taxation

Tax on the surplus or deficit for the year comprises current and deferred tax. Tax is recognised in the income and expenditure reserve except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

xiii.) Dividends / Gift aid

The donation from the company to its charitable parent is treated as a distribution from shareholders' funds. The donation is recognised in the period in which it is declared or the legal obligation to pay it arises.

4. Directors' emoluments

The directors of the company, in the current year, were paid by Anchor Hanover Group for their services to the Group as a whole. It is not possible to identify the proportion of their time which is spent directly on the affairs of the company and, as such, no allocation has been made to this company (2021: same).

5. Turnover

	2022 £'000	2021 £'000
Sale of properties - outright sale	3,171	27,411
Sale of properties - shared ownership	-	-
Sale of properties - to other Group entities	13,955	2,785
	<u>17,126</u>	<u>30,196</u>

All sales arise in the UK.

Notes to the financial statements for the year ended 31 March 2022 (continued)

6. Cost of sales

	2022 £'000	2021 £'000
Direct cost – outright sale	870	17,954
Direct cost - shared ownership	-	1,758
Direct cost – sales to other Group entities	10,630	-
	<u>11,500</u>	<u>19,712</u>

7. Operating costs

	2022 £'000	2021 £'000
Indirect costs of trading property sales - shared ownership	-	47

The company's audit fee of £10,500 was borne by Anchor Hanover Group and not recharged to the company (2021: £5,000).

8. Administrative expenses

	2022 £'000	2021 £'000
Intercompany overhead recharges	-	195
Other	1	2,246
	<u>1</u>	<u>2,441</u>

9. Impairment

	2022 £'000	2021 £'000
Impairment of stock	-	592

The Company took an impairment charge in 2021 relating to a single completed development site where the market value was less than the book value plus costs to sell.

Notes to the financial statements for the year ended 31 March 2022 (continued)

10. Interest Receivable

	2022 £'000	2021 £'000
Interest receivable from banks, building societies and other investments	-	150
	<u>-</u>	<u>150</u>

11. Taxation

The taxation charge comprises:

	2022 £'000	2021 £'000
<i>Current tax</i>		
UK Corporation tax at 19% (2021: 19%)	-	-

Reconciliation of effective tax rate

	2022 £'000	2021 £'000
Profit on ordinary activities before taxation	5,625	7,532
Tax using the UK corporation tax rate of 19% (2021: 19%)	1,069	1,431
Tax exempt revenues gift aid	(928)	(1,374)
Timing difference	-	(57)
Tax loss on disposals	(141)	-
Total tax charge included in Statement of Comprehensive Income	<u>-</u>	<u>-</u>

Factors affecting the tax charge for future periods

A UK corporation rate of 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. In the event of the company restarting trade this will increase the company's future current tax charge accordingly.

12. Employees

The company is party to a Service Level Agreement (SLA) with Anchor Hanover Group (AHG) on an arm's length basis. The SLA includes the provision of staff and directors in return for a fee.

The company had no employees during the period of these Financial Statements (2021: None).

Notes to the financial statements for the year ended 31 March 2022 (continued)

13. Stock and work in progress

	2022 £'000	2021 £'000
Properties under construction including land held for development/sale		
Properties under construction	-	-
Completed properties held for outright sale	-	11,473
	<u>-</u>	<u>11,473</u>

Properties developed and land held for development / sale are treated as current assets and are held at the lower of cost and net realisable value until sold.

Stock recognised in cost of sales as an expense was £11,473k (2021: £19,712k).

None of the stock is pledged as collateral against borrowing by the company (2021: £nil).

14. Debtors

	2022 £'000	2021 £'000
Amounts due from parent undertaking	-	828
Other debtors, prepayments & accrued income	-	4
	<u>-</u>	<u>832</u>

15. Cash and Cash Equivalents

	2022 £'000	2021 £'000
Cash in hand	-	47
Short term investments	-	5,286
	<u>-</u>	<u>5,333</u>

None of the cash is restricted.

16. Creditors: amounts falling due within 1 year

	2022 £'000	2021 £'000
Amounts owed to parent undertaking	-	-
Trade creditors	-	12
Accrued expenses	-	4,088
Other creditors including taxation	-	5
	<u>-</u>	<u>4,105</u>

Hanover Housing Developments Limited – Year ended 31 March 2022

Notes to the financial statements for the year ended 31 March 2022 (continued)

17. Share Capital

Issued and fully paid ordinary shares of £1 each:

	2022	2021
	£'000	£'000
As at 1 April	-	53,757
Cancelled during the year	-	(53,757)
As at 31 March	-	-

Hanover Housing Developments Limited has issued share capital of £1 (2021: £1).

All share capital is issued to Anchor Hanover Group, the ultimate parent undertaking.

18. Reserves

	2022	2021
	£'000	£'000
As at 1 April	13,533	6,001
Profit in the year	5,625	7,532
Gift aid distribution	(19,158)	(53,757)
Capital reduction	-	53,757
As at 31 March	-	13,533

19. Controlling parties

The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Anchor Hanover Group a Community Benefit Society registered in England and Wales. Copies of the Anchor Hanover Group consolidated financial statements can be obtained from the Company Secretary at: Anchor Hanover Group, The Heals Building, Suites A & B, Third Floor, 22-24 Torrington Place, London, WC1E 7HJ.

20. Post Year End Events

The company ceased to trade during the year and there are no post year end events that require disclosure in the financial statements.