

WELLAND HOUSE LTD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

Bessler Hendrie LLP
Chartered Accountants
Statutory Auditor
Ashbourne House
The Guildway
Old Portsmouth Road
Guildford
Surrey
GU3 1LR

CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3

WELLAND HOUSE LTD

COMPANY INFORMATION
for the year ended 31 March 2022

DIRECTORS: G F Potton
O M H Bonavero

REGISTERED OFFICE: Ashbourne House
The Guildway
Old Portsmouth Road
Guildford
Surrey
GU3 1LR

REGISTERED NUMBER: 11278863 (England and Wales)

AUDITORS: Bessler Hendrie LLP
Chartered Accountants
Statutory Auditor
Ashbourne House
The Guildway
Old Portsmouth Road
Guildford
Surrey
GU3 1LR

BALANCE SHEET
31 March 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	4	61,265	-
CURRENT ASSETS			
Stocks	5	382,355	2,147,386
Debtors	6	<u>481,140</u>	<u>1,333,693</u>
		863,495	3,481,079
CREDITORS			
Amounts falling due within one year	7	<u>(101,127)</u>	<u>(3,003,381)</u>
NET CURRENT ASSETS		<u>762,368</u>	<u>477,698</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>823,633</u>	<u>477,698</u>
CAPITAL AND RESERVES			
Called up share capital	8	1,002	1,002
Retained earnings		<u>822,631</u>	<u>476,696</u>
SHAREHOLDERS' FUNDS		<u>823,633</u>	<u>477,698</u>

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

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

The financial statements were approved by the Board of Directors and authorised for issue on 27 July 2022 and were signed on its behalf by:

G F Potton - Director

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022**

1. STATUTORY INFORMATION

Welland House Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

For commercial reasons, the company reporting date was extended to 31 March 2021 in the prior year. Therefore, the comparative amounts in the financial statements this year, including the related notes, are not entirely comparable.

Going concern

The directors have reviewed the immediate parent entity's strategic plans and are satisfied that sufficient funds are available to the company to meet liabilities as they fall due. On this basis they continue to adopt the going concern basis in the preparation of the financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from residential property sales is recognised at the completion date.

Tangible fixed assets

The Ground leases have been granted for a period of 150 years. The value has been calculated using a discounted cash flow of the annual rent expected over the period of the lease.

Depreciation is provided over the period of the lease.

Stocks

Stock and work-in-progress is valued at the lower of cost (including direct costs, directly attributable overheads and finance costs) and net realisable value. Where a development is in progress, net realisable value is assessed by considering the expected future revenues and the total costs to complete the development.

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022**2. ACCOUNTING POLICIES - continued****Deferred tax**

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

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

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

Financial instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are initially measured at transaction price (including transaction cost). The company has no financial assets measured at fair value through profit or loss. All subsequent remeasurement of financial assets and liabilities are recognised at amortised cost using the effective interest rate method.

The company has no non-basic financial instruments.

Customer care

The company undertakes to make good, by repair or replacement, manufacturing defects that become apparent within two years from the date of sale. These costs are recognised in the period in which they arise.

3. EMPLOYEES AND DIRECTORS

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

4. TANGIBLE FIXED ASSETS

	Ground leases £
COST	
Additions	<u>61,265</u>
At 31 March 2022	<u>61,265</u>
NET BOOK VALUE	
At 31 March 2022	<u><u>61,265</u></u>

5. STOCKS

	2022 £	2021 £
Work-in-progress	<u>382,355</u>	<u>2,147,386</u>

Finance costs of £126,945 were included in work-in-progress (WIP) during the year. As at 31 March 2022, total finance costs included in WIP amounted to £818,130 (2021: £691,185). For properties that have been sold the relevant portion of these costs has been recognised in costs of sales, calculated by reference to sales proceeds realised.

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022****6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Amounts owed by group undertakings	475,730	1,329,605
Other debtors	5,410	4,088
	<u>481,140</u>	<u>1,333,693</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts	-	1,312,158
Trade creditors	279	9,905
Amounts owed to group undertakings	-	1,544,799
Taxation and social security	81,146	111,511
Other creditors	19,702	25,008
	<u>101,127</u>	<u>3,003,381</u>

Bank loans in the comparative year comprise of amounts due to Close Brothers Limited. The loans were secured by way of a fixed and floating charge over the land being developed by Welland House Limited and any other properties and undertakings of the company. The loan was subject to interest at 6.5% per annum and was repaid in full during the year.

Included in amounts owed to group undertakings in the prior year was an amount of £1,268,304 due to Sigma Homes Limited that was repayable on demand and subject to interest at SONIA on drawdown plus 9.5% per annum. This balance was fully repaid during the year. Sigma Homes Limited had incurred borrowings from third parties totalling £1,268,304 in the prior year that was subject to the same interest rate. This was also fully repaid during the year. The company and Sigma Homes Limited had provided security by way of a fixed charge in respect of these amounts over any properties and undertakings of the company.

Also, included in amounts owed to group undertaking in the prior year was an amount of £276,495 due to Sigma Homes Limited which was repayable on demand and subject to interest at SONIA on drawdown plus 9.5% per annum. This balance was fully repaid during the year. Sigma Homes Limited had incurred borrowings from Y and A Bonavero totalling £276,495 in the prior year that was subject to interest at the same rate. This was also fully repaid during the year. The company and Sigma Homes Limited had provided security by way of fixed charge in respect of these amounts over any properties and undertakings of the company. This fixed charge is also registered with the parent entity Sigma Homes Limited. Y and A Bonavero are family members of O M H Bonavero, a company director.

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value	2022	2021
			£	£
2	A Ordinary	£1	2	2
10,000	B Ordinary	10p	1,000	1,000
			<u>1,002</u>	<u>1,002</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022

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

The Report of the Auditors was unqualified.

Peter Nicholls (Senior Statutory Auditor)
for and on behalf of Bessler Hendrie LLP

10. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group, where permissible.

11. ULTIMATE CONTROLLING PARTY

SCOP 2003 Investments Limited, registered in the Isle of Man, became the ultimate controlling party during the accounting period.

12. IMMEDIATE PARENT COMPANY

The immediate parent company is Sigma Homes Limited, a company registered in England and Wales. The consolidated financial statements for Sigma Homes Limited can be obtained from the immediate parent's registered office: Ashbourne House, The Guildway, Old Portsmouth Road, Guildford, Surrey, GU3 1LR.

