

Company registration number 02852063 (England and Wales)

**KITEWOOD ESTATES LIMITED**  
**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2022**

PARENT COMPANY ACCOUNTS

SUBSIDIARY CE NAME: OCTAVE HOMES LTD.

SUBSIDIARY CE NO: 07199140.

THURSDAY



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COMPANIES HOUSE

# KITEWOOD ESTATES LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr J Faith Mr P O Van Reyk Mr D Faith Ms R M Van Reyk Mr S Millgate Mr A N Meredith	(Appointed 4 November 2021)
<b>Secretary</b>	Mrs S T Nicklen	
<b>Company number</b>	02852063	
<b>Registered office</b>	7 Dacre Street London England SW1H 0DJ	
<b>Auditor</b>	HJS (Reading) Limited 3 Richfield Place Richfield Avenue Reading Berkshire RG1 8EQ	

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# KITEWOOD ESTATES LIMITED

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# KITEWOOD ESTATES LIMITED

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# KITEWOOD ESTATES LIMITED

## CHAIRMAN'S STATEMENT

**FOR THE YEAR ENDED 30 APRIL 2022**

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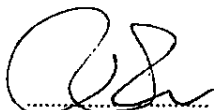
I am pleased to report that we continue to invest in strategic land and have been successful in our promotion of a number of large schemes through planning, and into development. These continue to provide the bedrock to the business going forward.

Whilst the year under review saw a slight dip in turnover this reflects a change of mix, although we have maintained our positive post tax returns for the year.

The 'planning process' continues to be challenging and is taking longer to secure the right consents, despite this, our conversion success rate remains consistent.

With the continuing macro-economic pressures feeding into price inflation and higher bank interest rates, we remain vigilant against this backdrop, by adopting policies to maintain our cash buffers in the short to medium term.

As usual I thank our specialist team of staff and consultants, whom together with our external funders, make it possible for the Group operations to continue to develop and grow.



John Faith  
Chairman

Date: 9<sup>th</sup> January 2023

# KITEWOOD ESTATES LIMITED

## CHIEF EXECUTIVE'S REVIEW

### FOR THE YEAR ENDED 30 APRIL 2022

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The challenging times facing the wider economy and more directly the Housebuilding sector continue. In 2021/22 we were through the worst of Covid-19, only for the impact of Ukraine War to create inflationary pressures on fuel and core materials, leading to increasing costs and financing rates. We expect this to continue in 2022/23.

Consequently, we have reduced our exposure to the number of sites in build and focused on a core strategy of driving through planning gain within our portfolio.

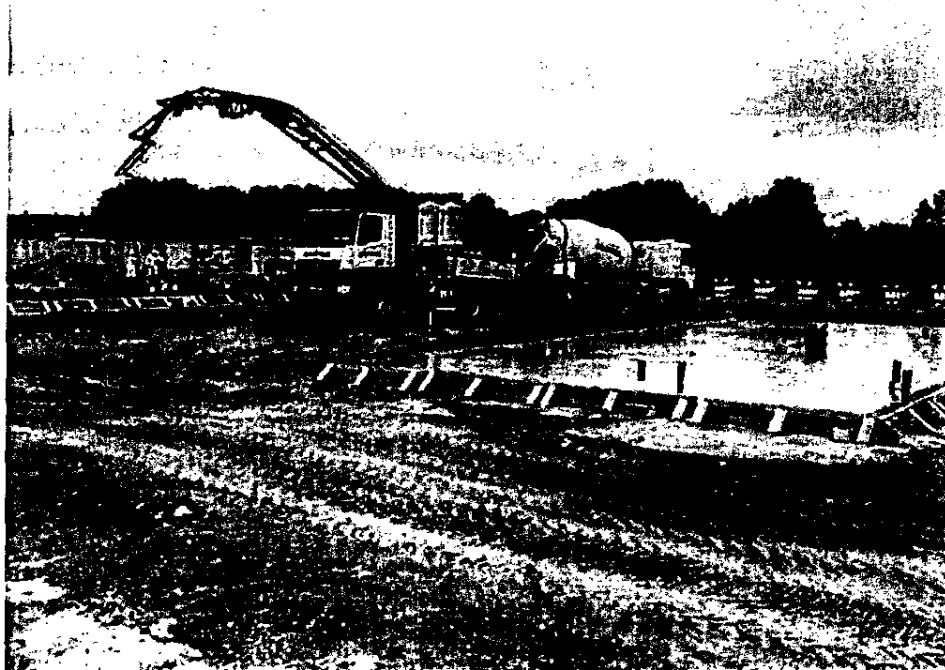
Our investment in both consented and pipeline sites stands at

- 2,869 residential plots
- 666,090 sq. ft. commercial space

I am pleased to highlight activity on a selection of our sites by operational division.

#### Residential Development – In construction/built

**Grasmere Garden, Chestfield, Kent (phase 1: 140 plots build start)**



# KITEWOOD ESTATES LIMITED

## CHIEF EXECUTIVE'S REVIEW

**FOR THE YEAR ENDED 30 APRIL 2022**

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### **Residential Development – In construction/built**

#### **Grasmere Garden, Chestfield, Kent (phase 1: 140 plots build start)**

- On and off site infrastructure works underway on wider 300 unit scheme
- Show home opening expected January 2023
- 98 private units and supporting infrastructure
- JCT build commenced on 42 affordable units for Moat Housing Association

#### **Dittons Fields, Polegate, East Sussex [48]**

- Additional 2 units gained on planning re-submission
- Principal site build and sale complete
- Completed plot sales: 26 units in the year at an average selling price of £ 334,734

#### **Puffin Road, Hillborough, Kent [40 plots]**

- Scheme promoted and planning secured by Kitewood
- Site forward sold under a JCT to Orbit Housing
- Build completion on track for Autumn 2022 hand over

#### **Osborne Gardens, Hillborough, Kent [179 plots]**

- A scheme for 125 private and 54 affordable housing plots
- Secured and promoted through planning by Kitewood
- Combined GDV in excess £ 57 million
- Pre-start conditions clearance underway., with anticipated start Summer 2023

#### **Other Projects**

- The company received a strong offer for its interest in the land at Sangate, Folkestone and decided to divest its interest.
- The company received on going management project fees from a scheme in the Northern Sector, Edgware, London

## **KITEWOOD ESTATES LIMITED**

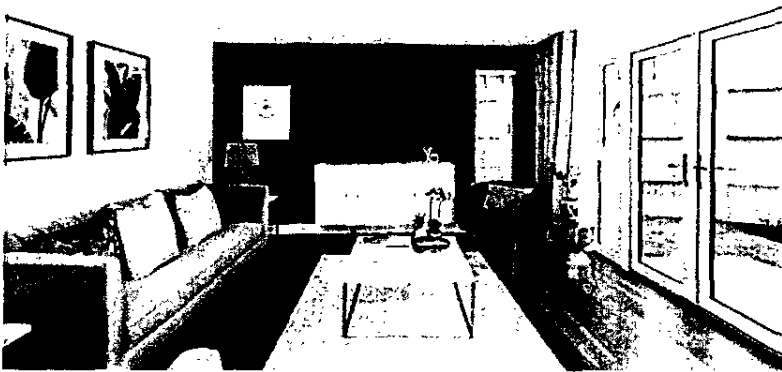
### **CHIEF EXECUTIVE'S REVIEW**

***FOR THE YEAR ENDED 30 APRIL 2022***

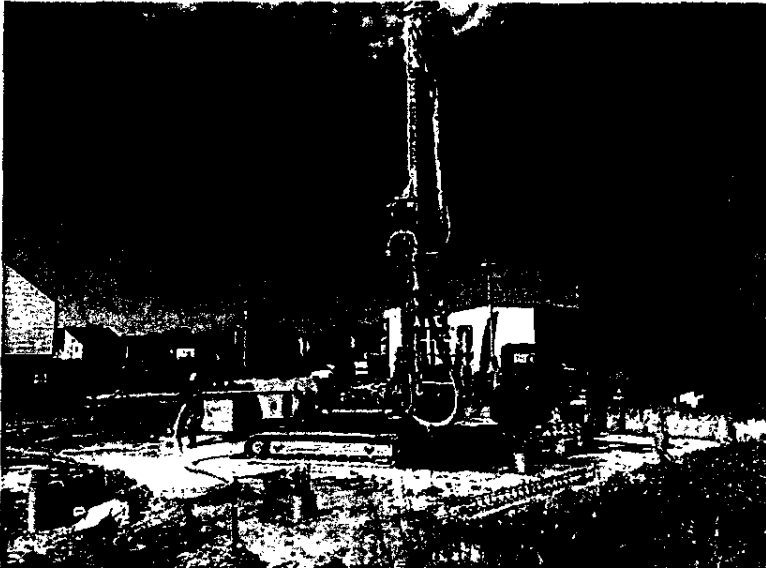
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#### **Residential Development – In construction/built**

**Dittons Fields, Polegate, East Sussex (internal)**



**Dittons Fields, Polegate, East Sussex (extra plots in construction)**





## **KITEWOOD ESTATES LIMITED**

### **CHIEF EXECUTIVE'S REVIEW**

***FOR THE YEAR ENDED 30 APRIL 2022***

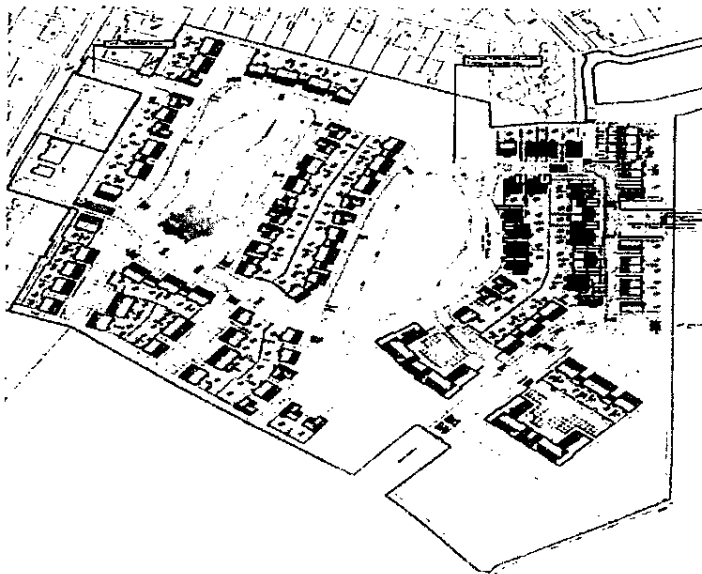
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#### **Residential Development – In construction/built**

**Puffin Road, Hillborough, Kent**



**Osborne Gardens, Hillborough, Kent**



## **KITEWOOD ESTATES LIMITED**

### **CHIEF EXECUTIVE'S REVIEW**

**FOR THE YEAR ENDED 30 APRIL 2022**

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#### **Residential Development – Consented**

##### **Chestfield, Kent [Phase 2 160 plots + employment space]**

- We are progressing clearance of reserved matters on Phase 2 bringing forward a further 160 residential units, and 37,700 sq. ft of commercial/employment space.

##### **Grasmere Gardens, Chestfield, Kent**



##### **Creekside, Deptford, London [393 plots and commercial space]**

- Trinity Laban educational & arts centre issues resolved
- Clearance of reserved matters and the execution of the s106 is imminent
- Full planning consent and GLA approval - anticipated Autumn 2022
- The potential development GDV for the scheme is £184m

## **KITEWOOD ESTATES LIMITED**

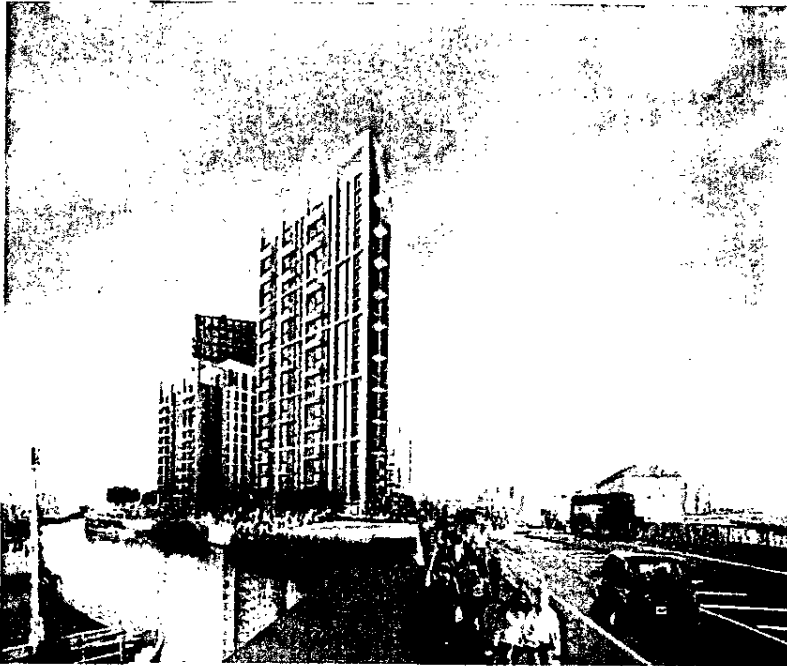
### **CHIEF EXECUTIVE'S REVIEW**

**FOR THE YEAR ENDED 30 APRIL 2022**

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#### **Residential Development – Consented**

**Creekside, Lewisham, London**



#### **Residential and Commercial Development – In planning & strategic (extract)**

##### **Dunsfold, Surrey**

- A scheme for 21 houses with a GDV of £ 9 million
- Anticipated grant on planning appeal spring 2023

##### **Gillingham, Kent**

- Scheme for 54 houses with a combined GDV of £20 million
- Outline planning application now submitted for determination by December 2022

# KITEWOOD ESTATES LIMITED

## CHIEF EXECUTIVE'S REVIEW

FOR THE YEAR ENDED 30 APRIL 2022

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### Residential and Commercial Development – In planning & strategic (extract)

#### Headcorn, Kent

- A scheme for up to 75 dwellings is now being promoted through the area Masterplan

#### Herne Bay, Kent [5.6 hectares]

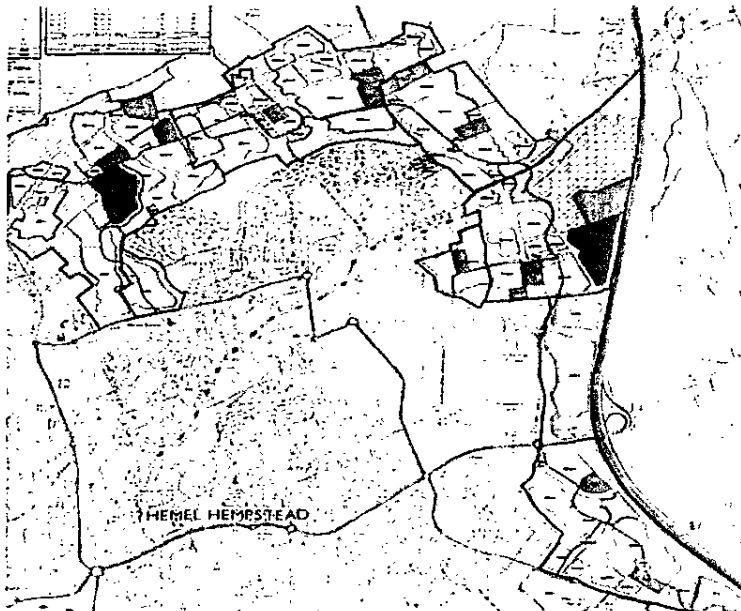
- Our land holding comprises allocated commercial space.
- We have pre-sold 1.6 hectares to end use commercial trades, and detailed planning applications on each are underway, and have strong commercial interest over the remaining site
- Pre-application discussions to facilitate 67 residential dwellings is also underway

#### Hillborough, Kent [300 plots + employment space]

- We have an option to secure under a buyback arrangement 300 plots and 335,000 sq. ft of employment space
- Planning is still being progressed

#### Holtsmere, St Albans [50 acres]

- Part of a consortium to develop a new Garden Community Town bordering Hemel Hempstead providing 11,000 homes & employment uses
- Long term strategic investment to provide Kitewood with 500 units
- The consortium is in-conjunction with the LA setting out a Framework for the Masterplan in the anticipation of the emerging Local Plan



## **KITEWOOD ESTATES LIMITED**

### **CHIEF EXECUTIVE'S REVIEW**

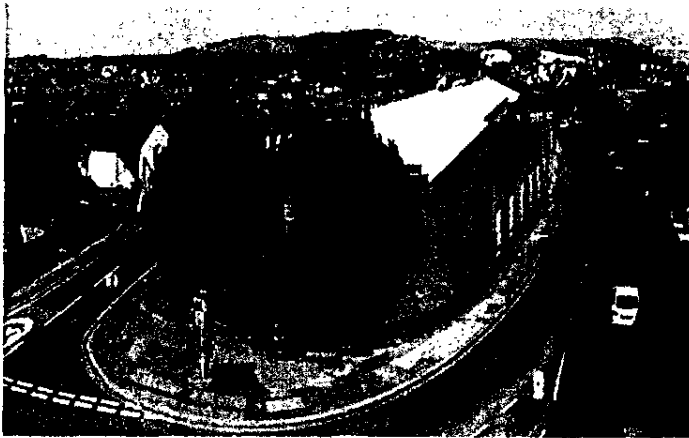
***FOR THE YEAR ENDED 30 APRIL 2022***

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#### **Residential and Commercial Development – In planning & strategic (extract)**

##### **Lewes, East Sussex**

- A scheme for 20 houses and 8 apartments in Lewes town centre
- The s106 agreement is in final form
- Our application should be determined by December 2022
- Anticipated scheme GDV is £14.5 million



##### **London Borough of Bromley**

- Planning re-submitted to allay original concerns on mass and overlooking
- The revised scheme: for 54 one- and two-bedroom flats together with 8,691 sq. ft of office space. The anticipated gross development value being in the region of £24 million.
- Determination expected December 2022

# KITEWOOD ESTATES LIMITED

## CHIEF EXECUTIVE'S REVIEW

FOR THE YEAR ENDED 30 APRIL 2022

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### Residential and Commercial Development – In planning & strategic (extract)

#### New Haw, Surrey

- Promotion of site for 220 units through local consultation, to include in 2022 emerging Local Plan
- The anticipated gross development value being in the region of £80 million.
- Anticipated consent in 2025

#### Petworth, West Sussex

- An allocated site for 46 plots, with anticipated GDV of £16 million
- Planning submitted with determination expected December 2022

#### Sydenham, London

- Brownfield land, site assembly for 180 plots, with anticipated GDV of £ 70 million
- Planning determination target for Autumn 2023



#### Totton, Hampshire

- Scheme for 40 houses with a combined GDV of £16 million
- Planning application being prepared for Spring 2023 committee

#### Woodhill Farm, Deal, Kent

- Draft allocation in Local strategic plan for 90 units with GDV of £ 36 million
- Planning application prepared for submission in Winter 2022

# KITEWOOD ESTATES LIMITED

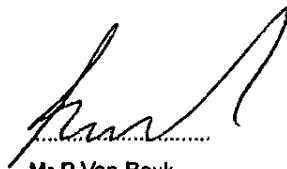
## CHIEF EXECUTIVE'S REVIEW

*FOR THE YEAR ENDED 30 APRIL 2022*

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### Residential and Commercial Development – In planning & strategic (extract)

Altira Business Park, Herne Bay, Kent



Mr P Van Reyk

Chief Executive Officer

9<sup>th</sup> January 2023

# KITEWOOD ESTATES LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 30 APRIL 2022**

The directors present the strategic report for the year ended 30 April 2022.

### Fair review of the business

The group's turnover amounted to £18.27m (2021 £22.19m). The underlying numbers however reflect a change in the mix of activity with increased volume's of new home and land sales, with a drop in JV profits as pre-existing schemes come to an end.

The group continues to invest in new opportunities including new sites in the Home counties and Southern England.

The group has continued with a strong level of investment in both sites under construction and securing further land at a discount to open market value. Through its policy of acquiring sites at below market value, the business is well placed to continue with its strong performance over the long term through securing planning consents.

£'m	2022	2021
Turnover	18.27	22.19
Retained earnings	1.56	1.67
Land & work in progress	13.24	11.50
Net asset value	23.50	21.98

Despite ongoing macro economic and pandemic effects the Directors remain positive in continuing to supplement the group's reserves and finance the ongoing future developments, should remain.

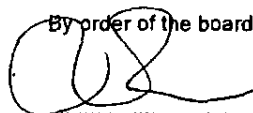
### Principal risks and uncertainties

The group maintains a strategy to mitigate key risks and uncertainties common within its Industry Sector. The directors continually undertake an assessment of the main operational, financial and compliance risks to which the group may become exposed.

The main activities are the development of, and investment in, freehold property and the perceived financial risks are:

- a) Consumer confidence and macro-economic issues: Constant re-appraisal of the group's re-investment and development programmes in real time.
- b) Lack of liquidity: Maintenance of a strong positive cashflow policy
- c) A conservative borrowing structure in respect of investment properties at a level of gearing to provide adequate margin of revenues over interest on related borrowings.

By order of the board



Mr J Faith

Director

9 January 2023



# KITEWOOD ESTATES LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 30 APRIL 2022

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The directors present their annual report and financial statements for the year ended 30 April 2022.

#### Principal activities

The principal activities of the group during the year were those of land and property owning, management and development of commercial, residential, affordable and key worker accommodation.

#### Results and dividends

The results for the year are set out on page 19.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J Faith

Mr P O Van Reyk

Mr D Faith

Ms R M Van Reyk

Mr S Millgate

Mr A N Meredith

(Appointed 4 November 2021)

#### Post reporting date events

The directors have considered the recent COVID-19 pandemic, together with economic inflationary pressures and recent Bank of England interest rate rises on its business activities. In particular in regard to :

- Trading activity
- Asset value
- Going concern

The results for the period to 30th April 2022 have, in the main, been unaffected by the issues and the directors continue to monitor the financial impact and make appropriate strategic decisions thereon given the nature and long term plans of the business.

Consequently, the directors do not presently consider any going concern issues.

#### Market value of land and buildings

The overall property interests in the group have an aggregate value of £29.87m (2021: £26.35m) which is £6.5m (2021: £5.1m) in excess of attributable cost values.

#### Future developments

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's Strategic Report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' Report. It has done so in respect of future developments.

#### Auditor

HJS (Reading) Limited were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the group is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

**KITEWOOD ESTATES LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2022**

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By order of the board



Mrs S T Nicklen

**Secretary**

Date: 9<sup>th</sup> January 2023

## **KITEWOOD ESTATES LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

**FOR THE YEAR ENDED 30 APRIL 2022**

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The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and company, 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 and then apply them consistently;
- make judgements and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# KITEWOOD ESTATES LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF KITEWOOD ESTATES LIMITED

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#### Opinion

We have audited the financial statements of Kitewood Estates Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 April 2022 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including 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 the parent company's affairs as at 30 April 2022 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 and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and 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.

#### 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

# KITEWOOD ESTATES LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF KITEWOOD ESTATES LIMITED

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### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and 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 their environment obtained in the course of the audit, we have not identified material misstatements in the 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, 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 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 parent 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and parent company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (UK GAAP and the Companies Act 2006) and the relevant tax compliance regulations in the UK.

We understood how the group and parent company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assess the susceptibility of the group and parent company's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the group and parent company has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

## KITEWOOD ESTATES LIMITED

### INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF KITEWOOD ESTATES LIMITED

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We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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.



**Mark H Rogers FCCA (Senior Statutory Auditor)**  
**For and on behalf of HJS (Reading) Limited**  
**Chartered Accountants and Statutory Auditor**  
3 Richfield Place  
Richfield Avenue  
Reading  
Berkshire  
RG1 8EQ

*17/1/23*  
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# KITEWOOD ESTATES LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2022

	Notes	2022 £	2021 £
Turnover	3	18,270,110	22,192,846
Cost of sales		(14,081,718)	(19,333,664)
<b>Gross profit</b>		<b>4,188,392</b>	<b>2,859,182</b>
Administrative expenses		(2,923,775)	(2,250,352)
Other operating (expenses)/income		(4,728)	12,714
Bad debt write-off		3,469	(10,533)
Impairment		2,018	-
<b>Operating profit</b>	<b>4</b>	<b>1,265,376</b>	<b>611,011</b>
Share of results of associates and joint ventures		(2,693)	125,732
Interest receivable and similar income	7	148,777	145,491
Interest payable and similar expenses	8	(829,932)	(913,090)
Fair value gains and losses on investment properties	12	1,786,000	1,549,942
Fair value gains and losses on other investments		(63,112)	-
<b>Profit before taxation</b>		<b>2,304,416</b>	<b>1,519,086</b>
Tax on profit	10	(749,278)	148,797
<b>Profit for the financial year</b>	<b>27</b>	<b>1,555,138</b>	<b>1,667,883</b>

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

# KITEWOOD ESTATES LIMITED

## GROUP BALANCE SHEET

AS AT 30 APRIL 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Goodwill	13	5,759,483		5,759,483	
Tangible assets	11	13,345		15,708	
Investment properties	12	10,879,694		9,093,694	
Investments	14	364,791		250,091	
		<u>17,017,313</u>		<u>15,118,976</u>	
<b>Current assets</b>					
Stocks	18	13,235,710		11,501,820	
Debtors falling due after more than one year	19	3,515,778		3,525,000	
Debtors falling due within one year	19	1,492,880		2,657,260	
Cash at bank and in hand		10,745,841		8,463,495	
		<u>28,990,209</u>		<u>26,147,575</u>	
<b>Creditors: amounts falling due within one year</b>	21	<u>(20,844,578)</u>		<u>(18,308,303)</u>	
<b>Net current assets</b>		<u>8,145,631</u>		<u>7,839,272</u>	
<b>Total assets less current liabilities</b>		<u>25,162,944</u>		<u>22,958,248</u>	
<b>Provisions for liabilities</b>					
Deferred tax liability	22	1,626,348		976,790	
		<u>(1,626,348)</u>		<u>(976,790)</u>	
<b>Net assets</b>		<u>23,536,596</u>		<u>21,981,458</u>	
<b>Capital and reserves</b>					
Called up share capital	24	36,248		36,248	
Capital redemption reserve	25	5,625		5,625	
Other reserves	26	4,831,717		4,164,208	
Profit and loss reserves	27	18,678,374		17,790,745	
<b>Equity attributable to owners of the parent company</b>		<u>23,551,964</u>		<u>21,996,826</u>	
<b>Non-controlling interests</b>		<u>(15,368)</u>		<u>(15,368)</u>	
		<u>23,536,596</u>		<u>21,981,458</u>	



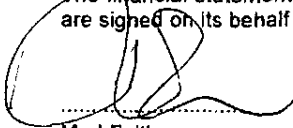
**KITEWOOD ESTATES LIMITED**

**GROUP BALANCE SHEET (CONTINUED)**

**AS AT 30 APRIL 2022**

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The financial statements were approved by the board of directors and authorised for issue on 5th January 2023 and are signed on its behalf by:



Mr J Faith  
Director

# KITEWOOD ESTATES LIMITED

## COMPANY BALANCE SHEET

AS AT 30 APRIL 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	11		13,345		15,708
Investments	14		366,346		241,358
			<u>379,691</u>		<u>257,066</u>
<b>Current assets</b>					
Stocks	18	2,426,699		2,912,894	
Debtors falling due after more than one year	19	3,515,778		3,500,000	
Debtors falling due within one year	19	20,682,075		16,902,758	
Cash at bank and in hand		9,050,359		7,936,102	
		<u>35,674,911</u>		<u>31,251,754</u>	
<b>Creditors: amounts falling due within one year</b>	21	<u>(20,329,472)</u>		<u>(15,705,609)</u>	
<b>Net current assets</b>			<u>15,345,439</u>		<u>15,546,145</u>
<b>Net assets</b>			<u>15,725,130</u>		<u>15,803,211</u>
<b>Capital and reserves</b>					
Called up share capital	24		36,248		36,248
Capital redemption reserve	25		5,625		5,625
Other reserves	26		(47,334)		-
Profit and loss reserves	27		15,730,591		15,761,338
<b>Total equity</b>			<u>15,725,130</u>		<u>15,803,211</u>

# **KITEWOOD ESTATES LIMITED**

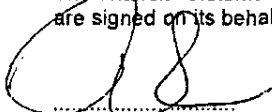
## **COMPANY BALANCE SHEET (CONTINUED)**

**AS AT 30 APRIL 2022**

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As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £78,081 (2021 - £2,682,554 profit).

The financial statements were approved by the board of directors and authorised for issue on 9<sup>th</sup> June 2023 and are signed on its behalf by:



Mr J Faith  
Director

Company Registration No. 02852063

# KITEWOOD ESTATES LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2022

	Share capital £	Capital redemption reserve £	Other reserves £	Profit and loss reserves £	Total controlling interest £	Non- controlling interest £	Total £
Balance at 1 May 2020	36,248	5,625	5,002,430	15,284,640	20,328,943	(15,368)	20,313,575
Year ended 30 April 2021:							
Profit and total comprehensive income for the year	-	-	-	1,667,883	1,667,883	-	1,667,883
Transfers	-	-	(838,222)	838,222	-	-	-
Balance at 30 April 2021	36,248	5,625	4,164,208	17,790,745	21,996,826	(15,368)	21,981,458
Year ended 30 April 2022:							
Profit and total comprehensive income for the year	-	-	-	1,555,138	1,555,138	-	1,555,138
Transfers	-	-	667,509	(667,509)	-	-	-
Balance at 30 April 2022	36,248	5,625	4,831,717	18,678,374	23,551,964	(15,368)	23,536,596

# KITEWOOD ESTATES LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2022

	Share capital £	Capital redemption reserve £	Other reserves £	Profit and loss reserves £	Total £
<b>Balance at 1 May 2020</b>	36,248	5,625	-	13,078,784	13,120,657
<b>Year ended 30 April 2021:</b>					
Profit and total comprehensive income for the year	-	-	-	2,682,554	2,682,554
<b>Balance at 30 April 2021</b>	36,248	5,625	-	15,761,338	15,803,211
<b>Year ended 30 April 2022:</b>					
Loss and total comprehensive income for the year	-	-	-	(78,081)	(78,081)
Transfers	-	-	(47,334)	47,334	-
<b>Balance at 30 April 2022</b>	36,248	5,625	(47,334)	15,730,591	15,725,130

# KITEWOOD ESTATES LIMITED

## GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 APRIL 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	32	1,508,082		9,221,563	
Interest paid		(829,932)		(913,090)	
Income taxes paid		(6,364)		-	
<b>Net cash inflow from operating activities</b>		<b>671,786</b>		<b>8,308,473</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		-	(3,547)		
Additional consideration on investment property		-	(275)		
Proceeds from associates		(2,693)	81,651		
Proceeds on disposal of joint ventures		10,088	124,497		
Repayment of loan to joint venture		-	145,833		
Purchase of other investments		(124,788)	(240,002)		
Proceeds from other investments and loans		(63,112)	-		
Interest received		148,777	145,491		
<b>Net cash (used in)/generated from investing activities</b>		<b>(31,728)</b>		<b>253,648</b>	
<b>Financing activities</b>					
Repayment of bank loans		1,638,571	(5,125,078)		
<b>Net cash generated from/(used in) financing activities</b>		<b>1,638,571</b>		<b>(5,125,078)</b>	
<b>Net increase in cash and cash equivalents</b>		<b>2,278,629</b>		<b>3,437,043</b>	
Cash and cash equivalents at beginning of year		8,463,495		5,026,452	
<b>Cash and cash equivalents at end of year</b>		<b>10,742,124</b>		<b>8,463,495</b>	
<b>Relating to:</b>					
Cash at bank and in hand		10,745,841		8,463,495	
Bank overdrafts included in creditors payable within one year		(3,717)		-	

# KITEWOOD ESTATES LIMITED

## COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations		(3,272,534)		(3,407,429)	
Interest paid		(73,883)		(75,703)	
<b>Net cash outflow from operating activities</b>		<b>(3,346,417)</b>		<b>(3,483,132)</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		-		(3,547)	
Proceeds on disposal of subsidiaries	(200)			(386)	
Receipts from associates		-		81,651	
Receipts from joint ventures		-		145,933	
Proceeds on disposal of investments	(187,900)			(240,002)	
Interest received		148,774		145,376	
Dividends received		4,500,000		7,000,000	
<b>Net cash generated from investing activities</b>		<b>4,460,674</b>		<b>7,129,025</b>	
<b>Net increase in cash and cash equivalents</b>		<b>1,114,257</b>		<b>3,645,893</b>	
Cash and cash equivalents at beginning of year		7,936,102		4,290,209	
<b>Cash and cash equivalents at end of year</b>		<b>9,050,359</b>		<b>7,936,102</b>	

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2022

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### 1 Accounting policies

#### Company information

Kitewood Estates Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 7 Dacre Street, London, England, SW1H 0DJ.

The group consists of Kitewood Estates Limited and all of its subsidiaries.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Kitewood Estates Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 30 April 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

#### 1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.



# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

### 1 Accounting policies

(Continued)

#### 1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

For developments contracted prior to the development commencing, where the outcome of the contract can be reliably estimated, revenues and costs are recognised according to the stage of completion.

For developments not contracted prior to the development commencing revenue is recognised at the point in time when all the risks and rewards of ownership are passed to the customer being the date of legal completion.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

#### 1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 Years. Amortisation begins to be recognised only when the asset it relates to comes into use.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	15% on reducing balance basis
--------------------------------	-------------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

#### 1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

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### 1 Accounting policies

(Continued)

#### 1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

Other investments are Cryptocurrencies which are initially measured at cost and subsequently carried at fair value. Changes in fair value are recognised in the Statement of Comprehensive Income. Valuations are derived from current market information.

#### 1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

---

### 1 Accounting policies

(Continued)

#### 1.12 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

---

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

### 1.13 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

### 1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

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### 1 Accounting policies

(Continued)

#### 1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.17 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### Realisable value of work in progress

The work in progress is included in the financial statements at the lower of cost and net realisable value. The realisable value will be impacted by the ability to obtain planning permission on each development. The directors for each site have to make a judgement if planning permission will be obtained.

#### Classification of cryptocurrencies

The group holds various cryptocurrencies. FRS102 makes no reference to such assets and the Financial Reporting Council (FRC) has not issued any guidance on accounting issues relating to cryptocurrencies.

Cryptocurrency is not recognised as 'currency' or a form of legal tender in the UK. The price of cryptocurrencies has been highly volatile, they have no rights to contractual cash flows, and the company do not use them during the ordinary course of operations. Management have therefore considered the most appropriate basis to classify such assets is in investments as they are holding them for long-term capital appreciation.

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

### 2 Judgements and key sources of estimation uncertainty

(Continued)

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Investment properties

The directors consider the main area of judgement and key source of estimation uncertainty is the valuation of investment properties. The open market value basis is adopted by management in determining the assets fair value with their property interests being held for rental income. Valuations have been performed by both external valuers and by management who are RICS qualified.

#### Revenue recognition

To ensure that contract revenues and costs can be reliably measured in respect of the stage of completion of a development the Group budget and continually monitor the realisable value of a site and estimated costs to complete.

In determining the recoverability of contract costs management consider budgeted costs to the year end date then consider the total expected costs to the completion of the contract. In instances where management determine it is probable that contract costs will exceed total contract revenue, the expected loss shall be recognised as an expense in the Statement of comprehensive income.

### 3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2022 £	2021 £
<b>Turnover analysed by class of business</b>		
Sale of land and buildings	18,270,110	22,192,846

	2022 £	2021 £
<b>Other revenue</b>		
Interest income	148,777	145,491

### 4 Operating profit

	2022 £	2021 £
Operating profit for the year is stated after charging:		
Depreciation of owned tangible fixed assets	2,363	9,626
Operating lease charges	105,879	57,162

### 5 Auditor's remuneration

	2022 £	2021 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	32,100	30,000

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

### 6 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	333,747	317,787
Company pension contributions to defined contribution schemes	1,321	1,314
Sums paid to third parties for directors' services	1,255,858	1,246,188
	<u>1,590,926</u>	<u>1,565,289</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2021 - 1).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2022 £	2021 £
Remuneration for qualifying services	<u>1,305,858</u>	<u>1,296,188</u>

### 7 Interest receivable and similar income

	2022 £	2021 £
<b>Interest income</b>		
Interest on bank deposits	156	1,991
Other interest income	148,621	143,500
Total income	<u>148,777</u>	<u>145,491</u>

Interest income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>156</u>	<u>1,991</u>
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### 8 Interest payable and similar expenses

	2022 £	2021 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	<u>829,932</u>	<u>913,090</u>

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

### 9 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
Admin staff	4	4	4	4
Management staff	7	7	7	7
Direct cost staff	4	3	4	3
	<u>15</u>	<u>14</u>	<u>15</u>	<u>14</u>

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	1,586,825	1,355,492	1,586,825	1,355,492
Social security costs	213,517	172,412	213,517	172,412
Pension costs	14,112	11,999	14,112	11,999
	<u>1,814,454</u>	<u>1,539,903</u>	<u>1,814,454</u>	<u>1,539,903</u>

### 10 Taxation

	2022 £	2021 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	120,020	10,886
Adjustments in respect of prior periods	(4,522)	(21,281)
Total current tax	<u>115,498</u>	<u>(10,395)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	561,422	(138,402)
Changes in tax rates	72,358	-
Total deferred tax	<u>633,780</u>	<u>(138,402)</u>
Total tax charge/(credit)	<u>749,278</u>	<u>(148,797)</u>



# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

### 10 Taxation

(Continued)

The actual charge/(credit) for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	2,304,416	1,519,086
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	437,839	288,626
Tax effect of expenses that are not deductible in determining taxable profit	853	252,842
Gains not taxable	(79,344)	(557,796)
Tax effect of utilisation of tax losses not previously recognised	-	(5,076)
Adjustments in respect of prior years	(6,422)	(21,281)
Effect of change in corporation tax rate	386,536	-
Other adjustments	1,900	(47,894)
Utilisation of deferred tax asset	-	(58,218)
Consolidation adjustments not taxable	7,916	-
Taxation charge/(credit)	749,278	(148,797)

#### Change in tax rate

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25% and this became substantively enacted as part of the Finance Bill 2021 on 24 May 2021. Deferred tax has been calculated at this rate.

### 11 Tangible fixed assets

Group	Fixtures, fittings & equipment £
<b>Cost</b>	
At 1 May 2021 and 30 April 2022	124,696
<b>Depreciation and impairment</b>	
At 1 May 2021	108,988
Depreciation charged in the year	2,363
At 30 April 2022	111,351
<b>Carrying amount</b>	
At 30 April 2022	13,345
At 30 April 2021	15,708

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

11 Tangible fixed assets		(Continued)
Company		Fixtures, fittings & equipment £
<b>Cost</b>		
At 1 May 2021 and 30 April 2022		124,696
<b>Depreciation and impairment</b>		
At 1 May 2021		108,988
Depreciation charged in the year		2,363
At 30 April 2022		111,351
<b>Carrying amount</b>		
At 30 April 2022		13,345
At 30 April 2021		15,708
12 Investment property		
	Group 2022 £	Company 2022 £
<b>Fair value</b>		
At 1 May 2021 and 30 April 2022	9,093,694	-
Net gains or losses through fair value adjustments	1,786,000	-
At 30 April 2022	10,879,694	-

Investment property comprises of property interests held for their rental income, and capital appreciation. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 30 April 2022 by Mr J S Faith who is a director and RICS qualified. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Cost	3,377,696	3,377,696	-	-
Accumulated depreciation	-	-	-	-
Carrying amount	3,377,696	3,377,696	-	-

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

### 13 Intangible fixed assets

Group		Goodwill
		£
<b>Cost</b>		
At 1 May 2021 and 30 April 2022		5,759,483
<b>Amortisation and impairment</b>		
At 1 May 2021 and 30 April 2022		-
<b>Carrying amount</b>		
At 30 April 2022		5,759,483
At 30 April 2021		5,759,483

### Company

The company had no intangible fixed assets at 30 April 2022 or 30 April 2021.

### 14 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	15	-	-	1,555	1,355
Investments in associates	16	1	1	1	1
Investments in joint ventures	17	-	10,088	-	-
Other investments		364,790	240,002	364,790	240,002
		<u>364,791</u>	<u>250,091</u>	<u>366,346</u>	<u>241,358</u>

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

### 14 Fixed asset investments

(Continued)

#### Movements in fixed asset investments Group

	Shares in associates and joint ventures £	Other investments £	Total £
<b>Cost or valuation</b>			
At 1 May 2021	10,089	240,002	250,091
Additions	-	187,900	187,900
Valuation changes	-	(63,112)	(63,112)
Disposals	(10,088)	-	(10,088)
At 30 April 2022	1	364,790	364,791
<b>Carrying amount</b>			
At 30 April 2022	1	364,790	364,791
At 30 April 2021	10,089	240,002	250,091

#### Movements in fixed asset investments Company

	Shares in subsidiaries and associates £	Other investments £	Total £
<b>Cost or valuation</b>			
At 1 May 2021	1,356	240,002	241,358
Additions	200	187,900	188,100
Valuation changes	-	(63,112)	(63,112)
At 30 April 2022	1,556	364,790	366,346
<b>Carrying amount</b>			
At 30 April 2022	1,556	364,790	366,346
At 30 April 2021	1,356	240,002	241,358

### 15 Subsidiaries

Details of the company's subsidiaries at 30 April 2022 are as follows:

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

### 15 Subsidiaries

(Continued)

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
Altira Business Park 1 Limited	A	Ordinary	-	100.00
Alton Heights Limited	A	Ordinary	-	100.00
Arlington Road Limited	A	Ordinary	-	100.00
Bentrick Projects Limited	A	Ordinary	100.00	-
Cascade Egham Limited	A	Ordinary	-	100.00
Chestfield Heights Limited	A	Ordinary	-	100.00
Creekside Village Developments Limited	A	Ordinary	100.00	-
Crowncoast Limited	A	Ordinary	75.00	-
Global Court Limited	A	Ordinary	-	100.00
Kitewood Bromley Limited	A	Ordinary	100.00	-
Kingshall Heights Limited	A	Ordinary	100.00	-
Kitewood (Charlwood) Limited	A	Ordinary	100.00	-
Kitewood (Churchill) Limited	A	Ordinary	100.00	-
Kitewood (Clarendon) Limited	A	Ordinary	100.00	-
Kitewood (Congleton Development) Limited	A	Ordinary	100.00	-
Kitewood (Congleton Mill) Limited	A	Ordinary	100.00	-
Kitewood (Fairclough Farm) Limited	A	Ordinary	100.00	-
Kitewood (Sandgate) Limited	A	Ordinary	100.00	-
Kitewood (Staveley) Limited	A	Ordinary	100.00	-
Kitewood (Sydenham) Limited	A	Ordinary	100.00	-
Kitewood Development Projects Ltd	A	Ordinary	100.00	-
Kitewood Homes Limited	A	Ordinary	100.00	-
Kitewood Investments Limited	A	Ordinary	100.00	-
Kitewood Limited	A	Ordinary	100.00	-
Kitewood Projects Limited	A	Ordinary	100.00	-
Kitewood (Lewes) Limited	A	Ordinary	100.00	-
Kitewood Securities Limited	A	Ordinary	100.00	-
May Street Developments Limited	A	Ordinary	100.00	-
Neville Way Limited	A	Ordinary	100.00	-
Kitewood (Grasmere Gardens) Limited	A	Ordinary	-	100.00
Octave Homes Limited	A	Ordinary	100.00	-
Orange Lane Limited	A	Ordinary	-	100.00
Padcroft Works Limited	A	Ordinary	-	100.00
Polegate Land Limited	A	Ordinary	100.00	-
Tavistock Projects Limited	A	Ordinary	100.00	-
Kitewood (Astley Heights) Limited	A	Ordinary	100.00	-
Kitewood (Holtsmere) Limited	A	Ordinary	100.00	-
Holtsmere End Farm Limited	A	Ordinary	100.00	-
Altira Business Park 3 Limited	A	Ordinary	100.00	-
Kitewood (New Haw) Limited	A	Ordinary	100.00	-
Kitewood (Dunsfold) Limited	A	Ordinary	100.00	-
Kitewood (Petworth) Limited	A	Ordinary	100.00	-
Kitewood Congleton LLP	A	Ordinary	100.00	-
Kitewood (Braggs Lane) LLP	A	Ordinary	100.00	-
Altira Business Park 4 Limited	A	Ordinary	100.00	-

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2022

#### 15 Subsidiaries

(Continued)

Name of undertaking	Registered office	Class of shares held	% Held Direct Indirect
Kitewood (Osborne Gardens) Limited	A	Ordinary	100.00 -

Registered office addresses (all UK unless otherwise indicated):

A 7 Dacre Street, London, SW1H 0DJ

The following companies have taken exemption from audit under the Companies Act 2006, Section 479A:

Company name	Company No.
Altira Business Park 1 Ltd	05900438
Altira Business Park 3 Limited	13145232
Altira Business Park 4 Limited	13733813
Alton Heights Ltd	06514629
Bentinck Projects Ltd	07296100
Chestfield Heights Ltd	06577149
Creekside Village Development Limited	07296013
Crowncoast Ltd	04396503
Global Court Ltd	05908369
Holtsmere End Farm Limited	03425883
Kingshall Heights Ltd	07296101
Kitewood Ltd	04113740
Kitewood (Charlwood) Ltd	07988473
Kitewood (Clarendon) Ltd	06728984
Kitewood (Congleton Development) Limited	09967117
Kitewood (Fairclough Farm) Ltd	09962274
Kitewood (Holtsmere) Limited	12410803
Kitewood Homes Ltd	03321832
Kitewood (New Haw) Limited	12971329
Kitewood Projects Ltd	03759193
Kitewood Securities Ltd	06798931
Kitewood (Staveley) Ltd	08168839
Kitewood (Sydenham) Ltd	06266568
May Street Development Ltd	06066044
Neville way Ltd	07162885
Octave Homes Ltd	07199140
Orange Lane Ltd	06049305
Padcroft Works Ltd	05634135

#### 16 Associates

Details of associates at 30 April 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Kitewood (Creekside) Limited	3rd Floor Sterling House, Langston Road, Loughton, Essex, IG10 3TS	Ordinary	25

#### 17 Joint ventures

Details of joint ventures at 30 April 2022 are as follows:

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

### 17 Joint ventures (Continued)

Name of undertaking	Registered office	Interest held	% Held Direct
Altira Park JV LLP	50 New Bond Street, London, W1S 1BJ	Ordinary	50

### 18 Stocks

	Group 2022 £	2021 £	Company 2022 £	2021 £
Work in progress	13,235,710	11,501,820	2,426,699	2,912,894

### 19 Debtors

	Group 2022 £	2021 £	Company 2022 £	2021 £
<b>Amounts falling due within one year:</b>				
Trade debtors	106,084	106,269	320,806	105,269
Amounts owed by group undertakings	-	-	18,227,698	14,138,004
Other debtors	646,755	2,035,351	1,394,191	1,484,606
Prepayments and accrued income	740,041	515,640	739,380	1,174,879
	<u>1,492,880</u>	<u>2,657,260</u>	<u>20,682,075</u>	<u>16,902,758</u>

#### Amounts falling due after more than one year:

Other debtors	3,500,000	3,525,000	3,500,000	3,500,000
Deferred tax asset (note 22)	15,778	-	15,778	-
	<u>3,515,778</u>	<u>3,525,000</u>	<u>3,515,778</u>	<u>3,500,000</u>

<b>Total debtors</b>	<u>5,008,658</u>	<u>6,182,260</u>	<u>24,197,853</u>	<u>20,402,758</u>
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### 20 Financial instruments

	Group 2022 £	2021 £	Company 2022 £	2021 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	4,559,865	5,504,043	23,790,186	19,751,025
Equity instruments measured at cost less impairment	<u>364,790</u>	<u>240,002</u>	<u>364,790</u>	<u>240,002</u>
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	<u>20,715,614</u>	<u>18,286,028</u>	<u>20,320,648</u>	<u>15,694,220</u>

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

### 21 Creditors: amounts falling due within one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans and overdrafts	12,312,229	10,669,941	-	-	-
Trade creditors	892,256	1,126,479	1,018,598	1,006,505	9,810,223
Amounts owed to group undertakings	-	-	12,750,554	-	-
Corporation tax payable	120,020	10,886	-	-	-
Other taxation and social security	8,944	11,389	8,824	11,389	-
Other creditors	3,504,109	2,852,774	3,016,653	2,403,136	-
Accruals and deferred income	4,007,020	3,636,834	3,534,843	2,474,356	-
		<u>20,844,578</u>	<u>18,308,303</u>	<u>20,329,472</u>	<u>15,705,609</u>

The bank loan is secured via a fixed charge over the land being developed as well as a fixed and floating charge over the assets of the company.

### 22 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2022 £	Liabilities 2021 £	Assets 2022 £	Assets 2021 £
<b>Group</b>				
Investment property revaluations	1,626,348	976,790	-	-
Cryptocurrency revaluations	-	-	15,778	-
	<u>1,626,348</u>	<u>976,790</u>	<u>15,778</u>	<u>-</u>
	Liabilities 2022 £	Liabilities 2021 £	Assets 2022 £	Assets 2021 £
<b>Company</b>				
Cryptocurrency revaluations	-	-	15,778	-
	<u>-</u>	<u>-</u>	<u>15,778</u>	<u>-</u>
			<b>Group 2022 £</b>	<b>Company 2022 £</b>
<b>Movements in the year:</b>				
Liability at 1 May 2021			976,790	-
Charge/(credit) to profit or loss			633,780	(15,778)
Liability/(Asset) at 30 April 2022			<u>1,610,570</u>	<u>(15,778)</u>



# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

### 23 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	14,112	11,999

A defined contribution pension schemes is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 24 Share capital

	Group and company	
	2022	2021
Ordinary share capital	£	£
Issued and fully paid		
33,747 Ordinary A of £1 each	33,747	33,747
2,500 Ordinary B of £1 each	2,500	2,500
1 Ordinary C of £1 each	1	1
	<u>36,248</u>	<u>36,248</u>

None of the classes of shares include the right to fixed income. All classes of shares have the right to participate in the profits of the company however the A and C shares are the only ones which have the right to participate in the capital and give the right to vote at any general meeting of the company.

### 25 Capital redemption reserve

The capital redemption reserve contains the nominal value of own shares that have been acquired by the company and cancelled.

### 26 Other reserves

Other reserves represent the excess of valuation on investment properties over their historic cost, net of any deferred tax.

### 27 Profit and loss reserves

Profit and loss reserves represent cumulative profits or losses, net of dividends paid and other adjustments.

### 28 Financial commitments, guarantees and contingent liabilities

A third party has purchased a latent interest in the rights of a trade contractor used by the Group over 5 years ago. The third party purchased the interest for £5,000 direct from the liquidator, giving rise to Letters of Claim against the Group. The Group fully believe these are spurious claims by a Specialist No Win/No fee company, and which are fully disputed. The Group has taken legal advice, and whilst it is possible, but not probable, that any such claims might succeed in part, accordingly no provision for liability has been made in the financial statements.

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

### 29 Operating lease commitments

#### Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Within one year	-	84,896	-	84,896
Between two and five years	-	176,867	-	176,867
	<u>-</u>	<u>261,763</u>	<u>-</u>	<u>261,763</u>

### 30 Related party transactions

#### Remuneration of key management personnel

The directors consider the key management personnel to be the same as the directors of this company and therefore you can find the amount disclosed under the directors remuneration note.

#### Transactions with related parties

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2022 £	2021 £
<b>Group</b>		
Associated companies	<u>3,446,466</u>	<u>3,170,213</u>
<b>Company</b>		
Associated companies	<u>3,007,498</u>	<u>2,732,820</u>

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2022 Balance £	2022 Provision £	2022 Net £	2021 Balance £	2021 Provision £	2021 Net £
<b>Group</b>						
Associated companies	<u>2,957,634</u>	<u>1,503,386</u>	<u>1,454,248</u>	<u>3,577,733</u>	<u>2,221,561</u>	<u>1,356,172</u>
<b>Company</b>						
Associated companies	<u>5,892,604</u>	<u>1,463,386</u>	<u>4,429,218</u>	<u>6,184,450</u>	<u>1,853,278</u>	<u>4,331,172</u>

# KITEWOOD ESTATES LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

### 30 Related party transactions

(Continued)

#### Other information

In the proceeding year Kitewood Estates Limited was party to a cross guarantee over the assets of the group in relation to bank loans totalling £4 million in a related company. This loan has been fully discharged and the related cross guarantee has been cancelled in full.

The above companies are considered related parties by virtue of common control.

### 31 Controlling party

There is no single ultimate controlling party of the company.

### 32 Cash generated from group operations

	2022 £	2021 £
Profit for the year after tax	1,555,138	1,667,883
<b>Adjustments for:</b>		
Share of results of associates and joint ventures	2,693	(125,732)
Taxation charged/(credited)	749,278	(148,797)
Finance costs	829,932	913,090
Investment income	(148,777)	(145,491)
Fair value loss on foreign exchange contracts	63,112	-
Fair value gain on investment properties	(1,786,000)	(1,549,942)
Depreciation and impairment of tangible fixed assets	2,363	9,626
<b>Movements in working capital:</b>		
(Increase)/decrease in stocks	(1,733,890)	8,988,485
Decrease/(increase) in debtors	1,189,380	(866,449)
Increase in creditors	784,853	478,890
<b>Cash generated from operations</b>	<b>1,508,082</b>	<b>9,221,563</b>

## KITEWOOD ESTATES LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

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**33 Analysis of changes in net debt - group**

	<b>2022</b>
	<b>£</b>
<b>Opening net funds/(debt)</b>	
Cash and cash equivalents	8,463,495
Loans	(10,669,941)
	<u>(2,206,446)</u>
<b>Changes in net debt arising from:</b>	
Cash flows of the entity	640,058
	<u>(1,566,388)</u>
<b>Closing net funds/(debt) as analysed below</b>	
	<u>(1,566,388)</u>
<b>Closing net funds/(debt)</b>	
Cash and cash equivalents	10,742,124
Loans	(12,308,512)
	<u>(1,566,388)</u>