

**WAIN ESTATES (PROPERTY) LIMITED (FORMERLY HIMOR (PROPERTY) LIMITED)
DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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Wain Estates (Property) Limited
Directors' Report and Financial Statements
For the Year Ended 30 September 2021

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**Wain Estates (Property) Limited
Company Information
For the Year Ended 30 September 2021**

Directors	Mr William Alnscough Mr Mark Booth Mr Paul Wigglesworth
Secretary	Mr Mark Booth
Company Number	05495450
Registered Office	Fontwell House Trident Business Park Birchwood Warrington WA3 6BX
Auditor	KPMG LLP 8 Princes Parade Liverpool L3 1QH

Wain Estates (Property) Limited
Directors' Report
Company No. 05495450
For the Year Ended 30 September 2021

The directors present their report and the financial statements for the year ended 30 September 2021

Principal Activity

The principal activity of the company is the acquisition and letting of commercial property.

Review of Business

In the year ended 30 September 2021 the company has continued to receive rental income from the sites owned, resulting in revenue for the year of £3,236,000 (15 month period ended 2020: £4,842,000). During the year the Company sold a property, generating a significant profit on disposal. Following the disposal a remaining parcel of land attached to the property was transferred to stock, as this is only held for resale.

On 6th April 2021, the company acquired 100% of the share capital of Swinton Park Golf and Country Club 2017 Limited.

The results of the company are in line with expectations and the full results can be seen in the profit and loss account is set out on page 6.

The company was impacted by the Covid-19 pandemic and the United Kingdom's tier system, implemented in December 2020. This mainly affected the retail element of the portfolio as non-essential shops were ordered to close affecting rents invoiced and collected. However, the industrial element of the portfolio was more resilient, performing well through this period.

Wain Estates (Property) Limited is a 100% owned subsidiary of Wain Estates Limited (formerly HIMOR Limited). The entire share capital of Wain Estates Limited is owned by Wain Group Limited, a company registered in the UK.

Principal risks and uncertainties

The principal risk of the company is a significant downturn in the economy impacting on the demand for commercial space and therefore the success of the Company. The risk of continued restrictions on businesses being allowed to open and operate normally could also be of risk should this impact on their ability to pay rent and other charges.

The company has a monthly board meeting. Performance is monitored against a detailed budget and revised forecasts are updated regularly. This meeting includes a managing director's report, a development and property report, a finance report, consideration of other operational issues and a marketing report.

Research and development

The company does not undertake any research and development.

Financial Instruments

The company's financial instruments comprise share capital and items arising from operations (trade debtors and trade creditors).

Dividends

The profit before taxation of the company amounted to £6,984,000 (period ended 2020: £1,180,000). During the year a dividend was paid of £1,417,420 (period ended 2020: £6,992,000).

Directors

The directors who held office during the period were as follows:

Mr William Ainscough

Mr Mark Booth

Mr Paul Wigglesworth

Political and Charitable Donations

The company made no political donations nor incurred any political expenditure during the current or prior year.

Key performance indicators

The company focuses on return on capital employed. For rented properties the company focuses on key rental statistics such as occupancy and passing rent together with site profitability.

Employees

The Company is an equal opportunities employer, which means that it is committed to a policy of treating all its employees and job applicants equally. The Company does not discriminate against any employee or job applicant on grounds of (including, but not limited to) their race or colour, nationality, national or ethnic origin, sex, marital status, religion, age, sexual orientation or disability.

**Wain Estates (Property) Limited
Directors' Report (continued)
For the Year Ended 30 September 2021**

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 company and of the profit or loss of the company for that period. In preparing the 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Disclosure of Information to Auditors

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the group's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information.

Auditors

KPMG LLP will not seek re-appointment after their present term of office expires.

By order of the board


Mr William F Ainscough

Date 10 June 2022

Wain Estates (Property) Limited
Auditor's Report
For the Year Ended 30 September 2021

Independent Auditor's Report to the members of Wain Estates (Property) Limited

Opinion

We have audited the financial statements of Wain Estates (Property) Limited ("the Company") for the year ended 30th September 2021 which comprise the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30th September 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Wain Estates group of companies' policies and procedures to prevent and detect fraud that apply to this group company as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.
- Reading board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition due to the nature of the revenue stream being collection of rental income.

We also identified a fraud risk related to the valuation of the year end investment property due to the risk of bias in accounting estimates and judgements.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of the Company-wide fraud risk management controls.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journal entries posted to unexpected account pairings.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards) and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

**Wain Estates (Property) Limited
Auditor's Report (continued)
For the Year Ended 30 September 2021**

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery, employment law, property and planning law, building regulations and certain aspects of company legislation recognising the financial and regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Will Baker (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
8 Princes Parade
Liverpool
L3 1QH

10 June 2022

Wain Estates (Property) Limited
Profit and Loss Account
For the Year Ended 30 September 2021

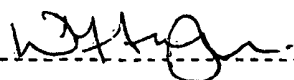
		Year ended 30 September 2021	15 month period ended 30 September 2020
	Notes	£000	£000
TURNOVER	2	3,236	4,842
Cost of sales		(1,255)	(1,658)
GROSS PROFIT		1,981	3,184
Administrative expenses		(1,262)	(1,911)
Profit on disposal of investment property		4,572	374
Profit/(loss) on revaluation of investment property		2,717	(117)
Amounts written off investments	11	(882)	-
OPERATING PROFIT		7,126	1,530
Other interest receivable and similar income	6	152	-
Interest payable and similar charges	7	(294)	(350)
PROFIT BEFORE TAXATION		6,984	1,180
Tax on Profit	8	(643)	(285)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD		6,341	895

The notes on pages 9 to 16 form part of these financial statements.

Wain Estates (Property) Limited
Balance Sheet
As at 30 September 2021

	Notes	£000	30 September 2021 £000	£000	30 September 2020 £000
FIXED ASSETS					
Tangible assets	9		33		247
Investment properties	10		10,750		29,400
Investments	11		<u>2,161</u>		<u>5</u>
			12,944		29,652
CURRENT ASSETS					
Stock	12	6,000		-	
Debtors (includes £22,680,000 due after more than 1 year 2020: £17,584,000)	13	27,086		19,285	
Cash at bank and in hand		<u>4,367</u>		<u>1,957</u>	
		37,453		21,242	
Creditors: Amounts Falling Due Within One Year	14	<u>(20,319)</u>		<u>(21,330)</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>17,134</u>		<u>(88)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			30,078		29,564
Creditors: Amounts Falling Due After More Than One Year	15		-		(3,625)
PROVISIONS FOR LIABILITIES					
Deferred taxation	16		<u>(270)</u>		<u>(1,055)</u>
NET ASSETS			<u>29,808</u>		<u>24,884</u>
CAPITAL AND RESERVES					
Called up share capital	17		3,400		3,400
Profit and loss account			<u>26,408</u>		<u>21,484</u>
SHAREHOLDERS' FUNDS			<u>29,808</u>		<u>24,884</u>

On behalf of the board



Mr William F Ainscough
Director

Date 10 June 2022

Company Registration Number – 05495450

The notes on pages 9 to 16 form part of these financial statements.

Wain Estates (Property) Limited
Statement of Changes In Equity
For the Year Ended 30 September 2021

	Share Capital	Profit and Loss Account	Total
	£000	£000	£000
As at 1 July 2019	3,400	27,581	30,981
Profit for period and total comprehensive income	-	895	895
Transactions with owners recorded directly in equity			
Dividends paid	-	(6,992)	(6,992)
As at 30 September 2020 and 1 October 2020	3,400	21,484	24,884
Profit for the year and total comprehensive income	-	6,341	6,341
Transactions with owners recorded directly in equity			
Dividends paid	-	(1,417)	(1,417)
As at 30 September 2021	3,400	26,408	29,808

The notes on pages 9 to 16 form part of these financial statements.

Wain Estates (Property) Limited
Notes to the Financial Statements
For the Year Ended 30 September 2021

1. Accounting Policies

Wain Estates (Property) Limited (the "company") is a company limited by shares and incorporated and domiciled in England and Wales in the UK.

On the 4th January 2021 the company changed its year end from 30 June to 30 September. As a result, the financial statements are drawn up for the 12 months ended 30 September 2021 and the comparatives are for a period of 15 months ended 30 September 2020.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The company's ultimate parent undertaking, Wain Group Limited, includes the company in its consolidated financial statements. The consolidated financial statements of Wain Group Limited are prepared in accordance with FRS 102 and are available to the public and may be obtained from the address given in note 20. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash flow statement and related notes; and
- Key management personnel compensation.

As the consolidated financial statements of ultimate parent undertaking include the equivalent disclosures, the company has also taken the exemptions under FRS 102 available in respect of the following disclosure:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are disclosed in note 21.

Measurement convention

The financial statements are prepared on the historical cost basis except that investment property is measured at fair value.

Going concern

The directors have prepared the financial statements using the going concern basis of preparation for the following reasons.

The Company's business activities, together with factors which the directors consider are likely to affect its development, financial performance and financial position are set out in the Directors' Report.

The company is a member of the Wain Estates group of companies headed by Wain Estates Limited which in turn is also a subsidiary of the Wain Group. The Wain Estates Group manages its funding requirements and cashflow management on a group wide basis. As a member of the Wain Estates Group, the Company meets its day-to-day working capital requirements through Wain Estates Group operating cash flows and borrowings provided to the Wain Estates Group by a loan from shareholders.

The Wain Estates Group has maintained adequate cash headroom throughout the period. The Group finished the 12 months to 30 September 2021 with a strong cash and net asset position. At the 30 September 2021 there are significant cash reserves and no bank facility was required.

The Wain Estates business was impacted by the continuing Covid-19 pandemic and the United Kingdom's national lockdown in January 2021. This mainly affected the retail part of the Group's property portfolio as non-essential shops were again ordered to close. However, the industrial element of the portfolio continued to be more resilient and performed very well through this unprecedented period.

Despite the significant impact the Covid-19 pandemic has had on the UK economy as a whole, conditions remain positive in the industrial sector where the majority of the Wain Estates Group rents are generated. There is still a general undersupply in the UK, and this coupled with strong demand means the outlook remains encouraging.

Wain Estates Group has prepared a financial forecast for the next 18 months based on the best available information at the time of approving these financial statements which reflects the current trading environment, "the base case", with a severe but plausible downside sensitised forecast of monthly forecasting adjusted to take into account the potential impacts of further regional or national lockdowns, "the sensitised case". In both the base case and the sensitised case the Wain Estates Group is able to demonstrate its ability to meet all its liabilities as they fall due.

The Company does rely on loans from the Wain Estates Group of companies and has received confirmation from Wain Estates Limited that sufficient funding will continue to be made available to enable the company to meet its liabilities as they fall due for payment for at least the next twelve months from the date of approval of these financial statements. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Accordingly, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements, and consequently they consider that it is appropriate to adopt the going concern basis of preparation.

Revenue

Revenue represents the rental income and other income associated with letting property receivable in the year (excluding value added tax) derived from the provision of land and property to customers during the period. Rental income is recognised in accordance with FRS 102 with any rent incentives spread over the lease term.

Other interest receivable and similar income

Other interest receivable and similar income represents interest receivable in the year on balances that the company has lent or deposited.

Wain Estates (Property) Limited
Notes to the Financial Statements (continued)
For the Year Ended 30 September 2021

Accounting Policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

Fixtures and fittings:	20% on cost
Plant and machinery	20% on cost
Motor vehicles:	25% on cost
Computer equipment:	33% on cost

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. The company have considered the Triennial Review of FRS 102 and whilst previously investment properties were recorded initially at cost they will now be recorded at fair value.

- i. investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and
- ii. no depreciation is provided in respect of investment properties applying the fair value model.

Expenses

Interest payable

Interest payable and similar charges include interest payable on bank loans and overdrafts. Interest payable is recognised in profit and loss as it accrues.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account 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 tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For non-depreciable assets that are measured using the revaluation model, or investment property that is measured at fair value, deferred tax is provided at the rates and allowances applicable to the sale of the asset/property. Deferred tax balances are not discounted.

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.

Classification of financial instruments issued by the company

In accordance with FRS 102.22, financial instruments issued by the company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less impairment.

Stock

Stock comprises property assets purchased by the company for future sale. Stock is initially recorded at cost and subsequently reported at the lower of cost and net realisable value. If stock is valued using net realisable value this is based on the estimated selling price less costs required to complete the disposal.

Wain Estates (Property) Limited
Notes to the Financial Statements (continued)
For the Year Ended 30 September 2021

2. Turnover by Principal Activities

Revenue is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

	Year Ended 30 September 2021	15 month period ended 30 September 2020
	£000	£000
Rent	1,831	2,971
Insurance, service charges, utilities and other income from investment property	1,405	1,871
	<u>3,236</u>	<u>4,842</u>

3. Operating Profit and Auditor Remuneration

The operating profit is stated after charging:

	Year ended 30 September 2021	15 month period ended 30 September 2020
	£000	£000
Bad debts	38	30
Directors' remuneration	232	503
Audit fees	65	45
Depreciation of tangible fixed assets	69	106
Auditors remuneration:		
Audit of these financial statements	18	20
Audit of other group companies	47	25
Amounts receivable by the auditor and their associates in respect of:		
Other services related to taxation	18	18

4. Average Number of Employees

The company has 14 employees (2020:16), all in administrative roles.

	Year ended 30 September 2021	15 month ended 30 September 2020
	£000	£000
Wages and salaries	707	1,201
Social security costs	73	136
Contributions to defined contribution plans	88	100
	<u>868</u>	<u>1,437</u>

5. Directors' remuneration

	Year ended 30 September 2021	15 month period ended 30 September 2020
	£000	£000
Directors' remuneration	203	466
Pension	29	37
	<u>232</u>	<u>503</u>

Directors remuneration of £232,220 (2020: £503,259) was paid by Wain Estates (Property) Limited during the period. All other directors' remuneration was paid by Wain Estates (Carrington) Limited in the current period. It is not practical to determine how much of this remuneration is in respect of services performed on behalf of other group companies and therefore it is Wain Estates (Property) Limited and Wain Estates (Carrington) Limited that bear this cost. The highest paid director was paid £3,010,000 (2020: £220,000).

6. Other Interest Receivable and Similar Income

	Year ended 30 September 2021	15 month period ended 30 September 2020
	£000	£000
Interest on loan to subsidiary, HP (Valley Rd) Limited	152	-

Wain Estates (Property) Limited
Notes to the Financial Statements (continued)
For the Year Ended 30 September 2021

7. Interest Payable

	Year ended 30 September 2021	15 month period ended 30 September 2020
	£000	£000
Bank loans and overdrafts	294	350
	<u>294</u>	<u>350</u>

8. Taxation

	Tax Rate %		Year ended 30 September 2021	15 month period ended 30 September 2020
	30 September 2021	30 September 2020	£000	£000
Current Tax				
UK Corporation Tax	19.0	19.0	1,393	163
Prior period adjustment			35	-
Total Current Tax Charge			1,428	163
Deferred taxation – Changes in tax rates			(27)	-
Deferred taxation – Origination and reversal of timing differences			(758)	12
Effect of tax rate changes on opening balance			-	110
Total deferred tax			(785)	122
Total tax charge for the period			643	285
			Year ended 30 September 2021	15 month period ended 30 September 2020
			£000	£000
Profit before tax			6,984	1,180
Breakdown of Tax Charge is:				
Tax on profit at 19% (UK standard rate)			1,327	224
Expenses not deductible for tax purposes			6	26
Fixed assets differences			-	(51)
Prior period adjustment			35	-
Difference in tax rates			(27)	110
Group relief			(518)	-
Disposal of investment property			80	-
Revenue exempt from taxation			-	(24)
Chargeable gains			-	1
Additional tax deduction for land remediation expenditure			-	(1)
Deferred tax not provided			(428)	-
Impairment of investment			168	-
Total tax charge for the period			643	285

Factors affecting the future tax charge

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly. The deferred tax liability at 30 September 2021 has been calculated based on these rates, reflecting the expected timing of reversal of the related timing differences (2020: 19%).

Wain Estates (Property) Limited
Notes to the Financial Statements (continued)
For the Year Ended 30 September 2021

9. Tangible Assets

	Plant & Machinery £000	Motor Vehicles £000	Fixtures & Fittings £000	Computer Equipment £000	Total £000
Cost					
As at 1 October 2020	378	5	33	37	453
Additions	3	-	-	22	25
Disposals	(376)	(5)	(15)	(2)	(398)
As at 30 September 2021	5	-	18	57	80
Depreciation					
As at 1 October 2020	155	5	21	25	206
Charge for the period	54	-	4	11	69
Eliminated on Disposal	(207)	(5)	(15)	(1)	(228)
As at 30 September 2021	2	-	10	35	47
Net Book Value					
As at 30 September 2021	3	-	8	22	33
As at 30 September 2020	223	-	12	12	247

10. Investment Properties

	Investment Properties £000
Valuation	
As at 1 October 2020	29,400
Additions	733
Disposals	(16,100)
Revaluation	2,717
Transfer to stock	(6,000)
As at 30 September 2021	10,750

No item of investment property was valued by an external independent valuer during the current year or the period ended 30 September 2020. The Directors have valued the portfolio at each year/period end using their knowledge and experience of the property market and one of the Directors is RICS qualified. The valuations, which are supported by market evidence, are prepared by considering the aggregate of the net annual rents receivable from the properties and where relevant associated costs.

Any gain or loss arising from a change in fair value is recognised in profit or loss. Rental income from investment property is accounted for as described in the turnover accounting policy.

Investment properties are held at fair value at 30 September 2021:

Wain Estates (Property) Limited
Notes to the Financial Statements (continued)
For the Year Ended 30 September 2021

11. Investments

	Unlisted £000
Cost	
As at 1 October 2020	5
Additions	3,038
As at 30 September 2021	3,043
Provision	
As at 1 October 2020	-
Impairment in year	(882)
As at 30 September 2021	(882)
Net Book Value	
As at 30 September 2020	2,161
As at 1 October 2020	5

On 6th April 2021, the company acquired 100% of the share capital of Swinton Park Golf and Country Club 2017 Limited. The initial consideration was settled via cash. The Directors assessed the value of the investment at 30 September 2021 and recorded an impairment in its value of £881,915 following a comprehensive review of the assets and liabilities of the Swinton Park Golf and Country Club 2017 Limited business.

Ownership

HP (Valley Road) Limited (75% ordinary shares owned by the company)
Budworth Properties Limited (100% ordinary shares owned by HP (Valley Road) Limited)
Swinton Park Golf and Country Club 2017 Limited (100% ordinary shares owned by the company)

Aggregate capital and reserves	30 September 2021 £000	30 September 2020 £000
HP (Valley Road) Limited	4,422	1
Budworth Properties Limited	-	3
Swinton Park Golf and Country Club 2017 Limited	408	901

Profit for the year	30 September 2021 £000	30 September 2020 £000
HP (Valley Road) Limited	4,421	-
Budworth Properties Limited	-	-
Swinton Park Golf and Country Club 2017 Limited	(493)	(248)

12. Stock	30 September 2021 £000	30 September 2020 £000
Stock – land held for resale	6,000	-
	6,000	-

Wain Estates (Property) Limited
Notes to the Financial Statements (continued)
For the Year Ended 30 September 2021

13. Debtors

	30 September 2021	30 September 2020
	£000	£000
Due within one year		
Trade debtors	91	201
Prepayments and accrued income	374	387
Other debtors	-	99
Amounts owed by group undertakings	26,821	18,598
	<u>27,086</u>	<u>19,285</u>

The amounts owed by group undertakings are intercompany loans due from Wain Estates Limited and its subsidiaries and includes £22,680,000 due after more than 1 year (2020: £17,584,000). These balances are repayable on demand and no interest is charged.

14. Creditors: Amounts Falling Due Within One Year

	30 September 2021	30 September 2020
	£000	£000
Trade creditors	69	664
VAT	33	211
Corporation tax	1,462	111
Other creditors	385	417
Accruals and deferred income	867	1,025
Amounts owed to group undertakings	17,503	18,902
	<u>20,319</u>	<u>21,330</u>

The amounts due to group undertakings are intercompany loans owed to Wain Group Limited and its subsidiaries. These balances are repayable on demand, are not secured and no interest is charged.

15. Creditors: Amounts Falling Due After More Than One Year

	30 September 2021	30 September 2020
	£000	£000
Bank loans	-	3,625
	<u>-</u>	<u>3,625</u>

The £15m revolving credit facility with Lloyds Bank Plc was repaid in full and cancelled on 2 July 2021.

16. Deferred Taxation

The provision for deferred taxation represents timing differences between the recognition of items of income and expenditure for accounting and tax purposes. Deferred tax liabilities are attributable to the following;

	30 September 2021	30 September 2020
	£000	£000
Deferred tax in respect of fixed assets and investment property	270	1,055
Net tax liabilities	<u>270</u>	<u>1,055</u>

Wain Estates (Property) Limited
Notes to the Financial Statements (continued)
For the Year Ended 30 September 2021

17. Share Capital

	30 September 2021 £	30 September 2020 £
Allotted, called up and fully paid		
3,400,000 (2020: 3,400,000) ordinary shares of £1 each	<u>3,400,000</u>	<u>3,400,000</u>

18. Related Party Transactions

Wain Estates (Property) Limited is a wholly owned indirect subsidiary of Wain Group Limited and has taken advantage of the exemption in FRS 102.33.1A not to disclose details of transactions or balances with other wholly owned subsidiaries which form part of that group.

HP (Valley Road) Limited is a 75% subsidiary of the Company. On 16 February 2021 the company loaned HP (Valley Road) Limited £429,000 with the balance owed to the company at 30 September 2021 being £2,928,250. The balance is repayable when HP (Valley Rd) Limited has funds available to make repayment and interest is charged at 5% on the outstanding balance with £152,000 of interest receivable in the current year (2020:nil).

19. Post Balance Sheet Events

On 29th March 2022 the Company exchanged contracts for the sale of a parcel of land at Rectory Lane, Standish, for consideration of £3,650,000. The land sold comprised the entire stock balance held at 30th September 2021. The purchaser is Wain Homes (North West) Limited, a company within the same corporate group as Wain Estates (Property) Limited.

20. Ultimate Controlling Party

The company is a wholly owned subsidiary of its parent undertaking, Wain Estates Limited, a company registered in England and Wales with the same registered address as that noted on page 1. The entire share capital of Wain Estates Limited is owned by Wain Group Limited, a company registered in England and Wales whose registered address is Fontwell House, Trident Business Park, Birchwood, Warrington, WA3 6BX. The ultimate controlling parties are Mr W Ainscough and Mr W F Ainscough, the majority shareholders of Wain Group Limited.

The largest and smallest group in which the results of the company are consolidated is that headed by Wain Group Limited. The financial statements of Wain Group Limited are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff.

21. Accounting estimates and judgements

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

Intercompany loans

The Company has intercompany loans with its fellow subsidiaries and the Group allocates cash as required for operational purposes. Whilst balances may be due from or to different entities in the Group the Directors see no issue with the recoverability of these.

The company has an outstanding intercompany loan with a 75% subsidiary. The Directors consider that this will be recovered in full due to the assets held by the subsidiary and their resale value.

Investment property

One of the most significant judgements and estimates is the valuation of investment property which is held at fair value. These valuations have been assessed internally by the directors using their historical experience and knowledge as RICS Chartered Surveyors with previous property practice experience in valuation, investment and development sectors. Input from external valuation specialists is sought on a periodic basis. Property valuations are assessed on an ongoing basis to determine whether circumstances exist that could lead to a significant change in the fair value. No circumstances have been identified to suggest that this is the case.

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 if the revision only affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.