

STRADA DEVELOPMENTS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Company number: SC235707



STRADA DEVELOPMENTS LIMITED

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STRADA DEVELOPMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their annual report and the audited financial statements of Strada Developments Limited ("the Company") for the year ended 31 December 2020.

Principal activities and future developments

Strada Developments Limited is a joint venture between Taylor Wimpey UK Limited and Avant Homes (Scotland) Limited (formerly Bett Homes Limited). The purpose of the joint venture was the development of a 646 homes project. The sale of all the homes has now been legally completed, with the last completion taken in December 2014. Current and future activities are in respect of meeting obligations arising from the project and collecting amounts due in relation to shared equity on homes legally completed.

The nature of the Company's activities are not expected to change in 2021.

Dividend

The Company paid a dividend of £nil (2019: £900,000) to its shareholders. The dividend per share was £nil (2019: £900).

Directors

The following Directors held office during the year and subsequently:

Catriona Douglas

Giles Sharp

Gavin Hamilton

Colin Lewis (Resigned 14 May 2021)

Scott Varley (Appointed 14 May 2021)

No Director was materially interested during the year in any contract which was significant in relation to the business of the Company.

Going concern

The Directors of the Company have made the necessary enquiries, including reviewing forecasts of the business and available resources for a period of at least 12 months from the date of signing these financial statements. Following their review, the Directors are of the view that there is reasonable expectation the Company will be able to remain in existence for a period of at least 12 months from the date of signing these financial statements. Accordingly, the financial statements have been prepared on a going concern basis and this included a review of the impact of Covid-19.

Qualifying third party indemnity provisions

Taylor Wimpey plc ("TW plc") has executed a deed poll of indemnity in favour of, among others, the directors and officers appointed to act on its behalf pursuant to a contractual right of Taylor Wimpey plc or any of its Group undertakings to nominate or appoint one or more of the officers of an associated Company or a company in which TW plc holds, directly or indirectly, a minority shareholding.

This indemnity covers the TW plc nominated directors and officers of this company, and such beneficiaries are indemnified against certain financial exposure that they may incur during the discharge of their professional duties as director or officer of the Company. The indemnity is granted in accordance with section 234 of the Companies Act 2006 and TW plc's articles of association.

The qualifying third party indemnity was in force during the financial year and also at the date of the financial statements.

STRADA DEVELOPMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

Directors' responsibilities statement

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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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.

Auditor

Each person who is a Director at the date of approval of this report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Appointment of Auditor

Following a competitive tender process, PricewaterhouseCoopers LLP was selected as the external auditor of the Company for the year ending 31 December 2021. Deloitte LLP will remain auditor to the Company until the formal resignation and appointment process has been completed.

Small company provisions

This report has been prepared in accordance with the special provisions relating to small Companies within section 415a of the Companies Act 2006 and FRS 102 section 1A.

STRADA DEVELOPMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

This Directors' report was approved by the Board of Directors and is signed on its behalf by:

A handwritten signature in black ink, consisting of a stylized 'G' followed by a period and a 'K'.

Gavin Hamilton

Director

Registered office:

Unit C, Ground Floor, Cirrus, Glasgow Airport Business Park, Marchburn Drive, Abbotsinch, Paisley,
PA3 2SJ, Scotland, United Kingdom.

Date: 22/09/2021

STRADA DEVELOPMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRADA DEVELOPMENTS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Strada Developments Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 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.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 12.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 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.

STRADA DEVELOPMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRADA DEVELOPMENTS LIMITED (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Directors

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

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

STRADA DEVELOPMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRADA DEVELOPMENTS LIMITED (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included employment, environmental and building regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

STRADA DEVELOPMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRADA DEVELOPMENTS LIMITED (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

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.



Dean Cook MA FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
Date: 23/09/2021

STRADA DEVELOPMENTS LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
Other income		84,390	135,070
Administrative expenses		(57,796)	(77,111)
Operating profit	3	<u>26,594</u>	<u>57,959</u>
Profit before taxation		<u>26,594</u>	<u>57,959</u>
Tax	6	(5,964)	(10,831)
Profit the financial year		<u>20,630</u>	<u>47,128</u>
Other comprehensive result		—	—
Total comprehensive income for the year		<u><u>20,630</u></u>	<u><u>47,128</u></u>

All the results reported above for both the current and prior year relate solely to continuing operations and all trading was in the United Kingdom.

STRADA DEVELOPMENTS LIMITED

Company Number: SC235707

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

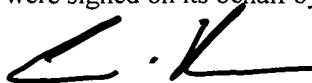
	Note	2020 £	2019 £
Non-current assets			
Trade and other receivables	8	<u>702,404</u>	<u>963,650</u>
		702,404	963,650
Current assets			
Trade and other receivables	8	238,936	246,061
Cash at bank and in hand		<u>875,329</u>	<u>525,264</u>
		1,114,265	771,325
Current liabilities			
Trade and other payables	9	(259,086)	(190,147)
Corporation Tax	9	<u>(7,897)</u>	<u>(13,839)</u>
		(266,983)	(203,986)
Net current assets			
		<u>847,282</u>	<u>567,339</u>
Total assets less current liabilities			
		<u>1,549,686</u>	<u>1,530,989</u>
Non-current liabilities			
Deferred tax liability	7	<u>(11,308)</u>	<u>(13,241)</u>
Net assets			
		<u>1,538,378</u>	<u>1,517,748</u>
Capital and reserves			
Share capital	10	1,000	1,000
Retained earnings		<u>1,537,378</u>	<u>1,516,748</u>
Shareholders' funds			
		<u>1,538,378</u>	<u>1,517,748</u>

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

The financial statements have been prepared in accordance with the provisions of section 1A of FRS 102.

The financial statements of Strada Developments Limited (registered number: SC235707) were approved and authorised for issue by the Board of Directors.

They were signed on its behalf by:



Gavin Hamilton
Director
Date: 22/09/2021

STRADA DEVELOPMENTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Share capital	Retained earnings	Total
		£	£	£
Balance at 1 January 2020		1,000	1,516,748	1,517,748
Profit for the year		—	20,630	20,630
Other comprehensive result for the year net of tax		—	—	—
Total comprehensive income for the year		—	20,630	20,630
Dividends paid	5	—	—	—
Total contributions by/(distributions to) owners		—	—	—
Balance at 31 December 2020		1,000	1,537,378	1,538,378
Balance at 1 January 2019		1,000	2,369,620	2,370,620
Profit for the year		—	47,128	47,128
Other comprehensive result for the year net of tax		—	—	—
Total comprehensive income for the year		—	47,128	47,128
Dividends paid	5	—	(900,000)	(900,000)
Total contributions by/(distributions to) owners		—	(900,000)	(900,000)
Balance at 31 December 2019		1,000	1,516,748	1,517,748

STRADA DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies

The following accounting policies have been used consistently throughout the current and prior year.

General information and basis of preparation

Strada Developments Limited is a private company incorporated and domiciled in the United Kingdom. The Company is limited by shares. The Company is registered in Scotland and its registered office is noted on page 4 and its principal activities are noted on page 2.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value, and in accordance with the Companies Act 2006 and section 1A of Financial Reporting Standard 102 "FRS 102" 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

The financial statements are prepared in sterling, which is the functional currency of the Company and rounded to the nearest pound.

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

Disclosure exemptions

The Company has taken advantage of the disclosure exemptions available to it under FRS 102 Section 1A in respect of presentation of a cash-flow statement, capital management, financial instruments and related party transactions.

Going concern

The Directors of the Company have made the necessary enquiries, including reviewing forecasts of the business and available resources for a period of at least 12 months from the date of signing these financial statements. Following their review, the Directors are of the view that there is reasonable expectation the Company will be able to remain in existence for a period of at least 12 months from the date of signing these financial statements. Accordingly, the financial statements have been prepared on a going concern basis and this included a review of the impact of Covid-19.

Other income/(expense)

Shared equity loans are separated into a loan receivable and a non-closely related embedded derivative asset for accounting purposes as allowed under IAS 39 'Financial Instruments'. The embedded derivative is measured at fair value through other income with any subsequent impairment charged through other expense. The fair value of the derivative is based on the movement in a national house price index relating to the geographical region in which the properties sold are based.

On redemption of the loan receivable any relating provision is released to other income. Any gains/losses on 2nd charge settlement are recognised in other income/expense.

Finance income

Finance income represents the discount to the nominal value on mortgage receivables which is amortised over the period of the credit term.

Financial instruments

Financial assets and liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. The below financial instruments are measured at amortised cost.

STRADA DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

1. Accounting policies (continued)

Trade and other receivables

Trade receivables on normal terms do not carry interest and are stated at their nominal value as reduced by appropriate allowances for estimated unrecoverable amounts.

Trade and other receivables include mortgage receivables relating to sales incentives including shared equity loans. The receivable is recorded at amortised cost.

Shared equity loans are separated into a loan receivable and a non-closely related embedded derivative asset for accounting purposes as allowed under IAS 39 'Financial Instruments'. The loan is measured at amortised cost and the embedded derivative is measured at fair value through profit or loss with any subsequent impairment charged through profit or loss. The fair value of the derivative is based on the movement in a national house price index relating to the geographical region in which the properties sold are based. Shared equity loan repayment receipts are recognised in other income.

Trade and other payables

Trade payables on normal terms are not interest bearing and are stated at their nominal value.

Taxation

The tax charge 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 profit before tax as reported in the Statement of Comprehensive Income 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 Company's liability for current tax is calculated using corporation tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are also recognised for taxable temporary differences arising on investments in subsidiaries and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is calculated, on a non-discounted basis, at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted by the Statement of Financial Position date.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position 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 charged or credited in the Income Statement, except when it relates to items charged or credited directly to other comprehensive income or equity, in which case the deferred tax is also dealt with in other comprehensive income or equity.

STRADA DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

2. Key sources of estimation uncertainty and critical accounting judgements

Preparation of the financial statements requires management to make judgements that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The Directors have considered whether there are any such sources of estimation or critical accounting judgements in forming the financial statements and do not determine there to be any for the purposes of disclosure.

3. Operating profit

	2020	2019
	£	£
Operating profit is stated after charging:		
Fee payable to the Company's auditor for the audit of the Company's annual financial statements	11,350	11,350

Fees paid to the Company's auditor for other, non-audit, services were £nil in both years.

4. Employees and Directors

The Company did not employ any persons during the year (2019: none).

Directors' remuneration and benefits paid by the Company in the year amounted to £nil (2019: £nil). Directors are not remunerated for qualifying services provided to the Company.

5. Dividends

	2020	2019
	£	£
Dividends paid to shareholders	—	900,000
Total	—	900,000

The Company paid a dividend of £nil (2019: £900,000) to its shareholders. The dividend per share was £nil (2019: £900).

STRADA DEVELOPMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER
2020 (continued)****6. Tax**

	2020	2019
	£	£
Current tax charge		
UK corporation tax on profits of the year	8,774	13,839
Adjustments in respect of prior periods	17	(181)
Deferred tax charge		
Deferred tax	<u>(2,827)</u>	<u>(2,827)</u>
Tax on profit	<u><u>5,964</u></u>	<u><u>10,831</u></u>

The standard rate of current tax for the year, based on the weighted average of the UK standard rate of corporation tax is 19% (2019: 19%).

The total tax charge for the year can be reconciled as follows:

	2020	2019
	£	£
Profit before tax	<u>26,594</u>	<u>57,959</u>
Standard rate of corporation tax of 19% (2019: 19%)	5,053	11,012
Effects of:		
Prior year adjustment	17	(181)
Other rate impacting adjustments	<u>894</u>	<u>—</u>
Total tax charge	<u><u>5,964</u></u>	<u><u>10,831</u></u>

7. Deferred tax

	2020	2019
	£	£
Liability at 1 January	13,241	16,068
Income Statement credit	(2,827)	(2,827)
Step up in rate	894	—
Liability at 31 December	<u><u>11,308</u></u>	<u><u>13,241</u></u>

Closing deferred tax on temporary differences has been calculated at the tax rates that are expected to apply for the period when the asset is realised or liability is settled. Accordingly the temporary differences, where applicable, have been calculated at 19% (2019: between 19% and 17%). In his budget speech on 3 March 2021, the Chancellor of the Exchequer announced that the rate of corporation tax for large companies will increase to 25% from 1 April 2023. The Finance Bill 2021 is progressing through Parliament but is yet to be enacted. Due to being a small company, the Company's temporary differences will not be impacted if this rate change is enacted.

STRADA DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER
2020 (continued)**

8. Trade and other receivables

	Current		Non-current	
	2020	2019	2020	2019
	£	£	£	£
Trade receivables	5,876	2,288	—	—
Mortgage receivables	233,060	243,773	702,404	963,650
	<u>238,936</u>	<u>246,061</u>	<u>702,404</u>	<u>963,650</u>

9. Trade and other payables

	Current	
	2020	2019
	£	£
Trade payables	14,400	13,401
Amounts owed to controlling parties	82,422	—
Corporation tax	7,897	13,839
Accruals	162,264	176,746
	<u>266,983</u>	<u>203,986</u>

10. Share capital

	2020	2019
	£	£
Authorised:		
500 (2019: 500) 'A' ordinary shares of 100p each	500	500
500 (2019: 500) 'B' ordinary shares of 100p each	500	500
	<u>1,000</u>	<u>1,000</u>
Allotted, called-up and fully paid:		
500 (2019: 500) 'A' ordinary shares of 100p each	500	500
500 (2019: 500) 'B' ordinary shares of 100p each	500	500
	<u>1,000</u>	<u>1,000</u>

As at 31 December 2020, the ordinary 'A' shares of the Company are owned by Avant Homes (Scotland) Ltd and the ordinary 'B' shares of the company owned by Taylor Wimpey UK Limited. Both of the above classes of share confer the right to appoint three Directors, equal rights with respect to dividends and rank equally in the event of winding-up.

11. Related party transactions

During the year, the Company incurred expenditure for professional fees by its shareholders and their fellow Group companies as follows:

	2020	2019
	£	£
Taylor Wimpey UK Limited: Management Fee	82,422	60,000
	<u>82,422</u>	<u>60,000</u>

At 31 December 2020 the total balance due to Taylor Wimpey UK Limited was £82,422 (2019: £nil). Amounts due to related parties are repayable on demand and are non-interest bearing.

STRADA DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

12. Controlling parties

The Company is a joint venture, equally owned and controlled by Taylor Wimpey UK Limited and Avant Homes (Scotland) Limited. There is therefore no ultimate parent or controlling party.

The registered office of Taylor Wimpey UK Limited is Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR, United Kingdom.

The registered office of Avant Homes (Scotland) Limited is Argyll Court, The Castle Business Park, Stirling, Scotland, FK9 4TT, United Kingdom.

A copy of the financial statements of both entities may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.