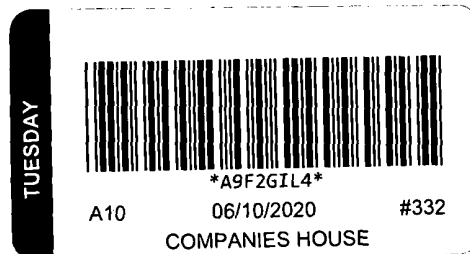


REGISTERED NUMBER: 02695040 (England and Wales)

Strategic Report, Report of the Directors and  
Audited Financial Statements for the Year Ended 31 December 2019  
for  
Purelake New Homes Limited



Contents of the Financial Statements  
for the Year Ended 31 December 2019

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Purelake New Homes Limited

Company Information  
for the Year Ended 31 December 2019

**DIRECTORS:**

B J White  
Mrs S A White  
G A Dowd  
N R Convert  
Mrs T A Wheelan

**SECRETARY:**

Mrs S A White

**REGISTERED OFFICE:**

Purelake House  
7 Plaistow Lane  
Bromley  
Kent  
BR1 4DS

**REGISTERED NUMBER:**

02695040 (England and Wales)

**AUDITORS:**

Aston Shaw Limited  
The Union Building  
51 - 59 Rose Lane  
Norwich  
Norfolk  
NR1 1BY

Strategic Report  
for the Year Ended 31 December 2019

The directors present their strategic report for the year ended 31 December 2019.

The company, which is based in Bromley in Kent, specialises in property development and operates throughout the South East. It undertakes both speculative developments and work under contracts with housing associations and other bodies / individuals.

The company's objective is to increase the size of its operation and to maximise shareholder wealth. This is achieved by the reinvestment of profits and the careful selection of projects to be undertaken.

**REVIEW OF BUSINESS**

There have been no significant changes in the company's principal activities in the year under review and the directors are not aware at the date of this report of any likely changes in the foreseeable future.

The company completed the sales on a speculative site completed in the previous year. In addition work continued during the year on three housing association contracts and the development of properties for associated companies. The company has increased its turnover for the year with work in progress remaining at a similar level.

The company achieved a profit after taxation for the year of £2,353,018 (2018 - £4,338,825).

The Balance Sheet shows that the company's financial position at the end of the year is, in net asset terms, strengthening in line with the company's objectives. Details of amounts from its parent and from other subsidiaries are shown in the notes to the financial statements.

The directors are unaware of any significant events since the Balance Sheet date that should be noted in the financial statements.

The company's key financial performance indicators are those that reflect the financial performance and strength of the company. These include turnover, gross profit percentage, profits after tax and shareholders funds.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The company is also subject to the uncertainty of the housing market. It has, however, previously been able to sell all developed properties, and it reduces risk by undertaking developments in the housing market where the returns are lower but more certain.

Purelake New Homes Limited (Registered number: 02695040)

Strategic Report  
for the Year Ended 31 December 2019

**OTHER CONSIDERATIONS**

The company is committed to its employees, protecting human rights, the community and the environment. Investment in these areas by improving working conditions, equal opportunities, work tendering and working with the various local councils ensures the company operates with the utmost integrity.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'G A Dowd', written in a cursive style.

G A Dowd - Director

28 September 2020

Purelake New Homes Limited (Registered number: 02695040)

Report of the Directors  
for the Year Ended 31 December 2019

The directors present their report with the financial statements of the company for the year ended 31 December 2019.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2019.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2019 to the date of this report.

B J White  
Mrs S A White  
G A Dowd  
N R Convert  
Mrs T A Wheelan

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 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;
- 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Purelake New Homes Limited (Registered number: 02695040)

Report of the Directors  
for the Year Ended 31 December 2019

**AUDITORS**

The auditors, Aston Shaw Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'G A Dowd', written in a cursive style.

G A Dowd - Director

28 September 2020

Report of the Independent Auditors to the Members of  
Purelake New Homes Limited

**Opinion**

We have audited the financial statements of Purelake New Homes Limited (the 'company') for the year ended 31 December 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its 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 Auditors' 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 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.



Report of the Independent Auditors to the Members of  
Purelake New Homes Limited

**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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 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.

**Auditors' 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 a Report of the Auditors 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 Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

Report of the Independent Auditors to the Members of  
Purelake New Homes Limited

**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 a Report of the Auditors 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.

*Aston Shaw*

Dominic Shaw FCCA (Senior Statutory Auditor)  
for and on behalf of Aston Shaw Limited  
The Union Building  
51 - 59 Rose Lane  
Norwich  
Norfolk  
NR1 1BY

28 September 2020

Purelake New Homes Limited (Registered number: 02695040)

Income Statement  
for the Year Ended 31 December 2019

	Notes	31.12.19 £	31.12.18 £
<b>TURNOVER</b>		33,469,694	26,846,756
Cost of sales		<u>28,490,853</u>	<u>19,192,040</u>
<b>GROSS PROFIT</b>		4,978,841	7,654,716
Administrative expenses		<u>2,823,325</u>	<u>3,082,261</u>
		2,155,516	4,572,455
Other operating income		<u>802,423</u>	<u>818,099</u>
<b>OPERATING PROFIT</b>	4	<u>2,957,939</u>	<u>5,390,554</u>
Interest payable and similar expenses	5	<u>48,911</u>	<u>23,084</u>
<b>PROFIT BEFORE TAXATION</b>		2,909,028	5,367,470
Tax on profit	6	<u>556,010</u>	<u>1,028,645</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><u>2,353,018</u></u>	<u><u>4,338,825</u></u>

The notes form part of these financial statements

Purelake New Homes Limited (Registered number: 02695040)

Other Comprehensive Income  
for the Year Ended 31 December 2019

	Notes	31.12.19 £	31.12.18 £
PROFIT FOR THE YEAR		2,353,018	4,338,825
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>2,353,018</u>	<u>4,338,825</u>

The notes form part of these financial statements

Purelake New Homes Limited (Registered number: 02695040)

Balance Sheet  
31 December 2019

	Notes	31.12.19		31.12.18	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	9		913,239		957,660
<b>CURRENT ASSETS</b>					
Stocks	10	15,092,700		15,904,771	
Debtors	11	33,471,224		28,622,664	
Cash at bank		1,745,962		207,036	
		<u>50,309,886</u>		<u>44,734,471</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	12	5,906,326		2,727,800	
<b>NET CURRENT ASSETS</b>			<u>44,403,560</u>		<u>42,006,671</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			45,316,799		42,964,331
<b>PROVISIONS FOR LIABILITIES</b>	15		<u>109,750</u>		<u>110,300</u>
<b>NET ASSETS</b>			<u><u>45,207,049</u></u>		<u><u>42,854,031</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		10,618		10,618
Retained earnings	17		45,196,431		42,843,413
<b>SHAREHOLDERS' FUNDS</b>			<u><u>45,207,049</u></u>		<u><u>42,854,031</u></u>

The financial statements were approved by the Board of Directors on 28 September 2020 and were signed on its behalf by:



B J White - Director



G A Dowd - Director

The notes form part of these financial statements

Purelake New Homes Limited (Registered number: 02695040)

Statement of Changes in Equity  
for the Year Ended 31 December 2019

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2018</b>	10,618	38,504,588	38,515,206
<b>Changes in equity</b>			
Total comprehensive income	-	4,338,825	4,338,825
<b>Balance at 31 December 2018</b>	<u>10,618</u>	<u>42,843,413</u>	<u>42,854,031</u>
<b>Changes in equity</b>			
Total comprehensive income	-	2,353,018	2,353,018
<b>Balance at 31 December 2019</b>	<u>10,618</u>	<u>45,196,431</u>	<u>45,207,049</u>

The notes form part of these financial statements

Purelake New Homes Limited (Registered number: 02695040)

Cash Flow Statement  
for the Year Ended 31 December 2019

	Notes	31.12.19 £	31.12.18 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(560,022)	271,826
Interest paid		(48,911)	(23,084)
Tax paid		(704,402)	(2,062,557)
Net cash from operating activities		<u>(1,313,335)</u>	<u>(1,813,815)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(155,948)	(258,164)
Sale of tangible fixed assets		7,925	-
Interest received		795,950	816,454
Net cash from investing activities		<u>647,927</u>	<u>558,290</u>
<b>Cash flows from financing activities</b>			
New loans in year		<u>2,540,000</u>	-
Net cash from financing activities		<u>2,540,000</u>	-
Increase/(decrease) in cash and cash equivalents		<u>1,874,592</u>	<u>(1,255,525)</u>
Cash and cash equivalents at beginning of year	2	(128,630)	1,126,895
Cash and cash equivalents at end of year	2	<u><u>1,745,962</u></u>	<u><u>(128,630)</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement  
for the Year Ended 31 December 2019

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	31.12.19	31.12.18
	£	£
Profit before taxation	2,909,028	5,367,470
Depreciation charges	192,444	186,567
Interest received	(795,950)	(816,454)
Finance costs	48,911	23,084
	<u>2,354,433</u>	<u>4,760,667</u>
Decrease/(increase) in stocks	812,071	(2,133,274)
(Increase)/decrease in trade and other debtors	(4,848,560)	338,232
Increase/(decrease) in trade and other creditors	1,122,034	(2,693,799)
	<u>(560,022)</u>	<u>271,826</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2019

	31.12.19	1.1.19
	£	£
Cash and cash equivalents	1,745,962	207,036
Bank overdrafts	-	(335,666)
	<u>1,745,962</u>	<u>(128,630)</u>

Year ended 31 December 2018

	31.12.18	1.1.18
	£	£
Cash and cash equivalents	207,036	1,126,895
Bank overdrafts	(335,666)	-
	<u>(128,630)</u>	<u>1,126,895</u>

The notes form part of these financial statements



Notes to the Cash Flow Statement  
for the Year Ended 31 December 2019

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.19 £	Cash flow £	At 31.12.19 £
<b>Net cash</b>			
Cash at bank	207,036	1,538,926	1,745,962
Bank overdrafts	(335,666)	335,666	-
	<u>(128,630)</u>	<u>1,874,592</u>	<u>1,745,962</u>
<b>Debt</b>			
Debts falling due within 1 year	-	(2,540,000)	(2,540,000)
	-	<u>(2,540,000)</u>	<u>(2,540,000)</u>
<b>Total</b>	<u>(128,630)</u>	<u>(665,408)</u>	<u>(794,038)</u>

The notes form part of these financial statements

Notes to the Financial Statements  
for the Year Ended 31 December 2019

1. **STATUTORY INFORMATION**

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

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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

**Turnover**

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

**- long term contracts**

When the outcome of a contract can be measured reliably and it is probable that the contract will be profitable, revenue and cost are recognised over the period of the contract. Where it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately.

The company uses the "percentage of completion method" to determine the appropriate amount to recognise in a given year. The stage of completion is measured by reference to the contract costs incurred up to the Balance Sheet date as a percentage of the total estimated costs for each contract.

**- speculative**

The speculative sales income is recognised on the exchange of contracts. All sites that are contracted before the balance Sheet date but are completed afterwards are recognised in turnover and included in debtors as amounts due under contracts.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Landlords property improvement	- 4% on cost
Equipment	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Office equipment	- 25% on reducing balance

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019

2. ACCOUNTING POLICIES - continued

**Work in progress**

- long term contracts

Long-term contracts are valued at cost plus attributable profit less income received. Attributable profit is calculated with reference to the contract value and its level of completion. Any costs in excess of income are shown as amounts receivable on contracts within debtors. Any income on a contract in excess of costs is shown as a long term balance within creditors.

- speculative

All other work in progress is for direct sale and is costed at the lower of cost and net realisable value, unless it is contracted for sale in which case the sale is accounted for in full with amounts receivable included in debtors.

- significant judgements and estimates

In the application of the company's accounting policies, the Directors are required to make judgements, estimates and assumptions. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates are underlying assumptions which 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 if the period of revisions and future periods of the revision affects both the current and future period.

Using the information available at the Balance Sheet date, the Directors will make judgements based on experience on the level of provisions required for the impairment of stock. The Directors also make judgements regarding construction contracts in accordance with the accounting policy construction contracts noted above. These include assessments of profits, losses and the timing of contract completion.

**Taxation**

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

Current or deferred taxation assets and liabilities are not discounted.

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

**Deferred tax**

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

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

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

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019

2. **ACCOUNTING POLICIES - continued**

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. **EMPLOYEES AND DIRECTORS**

	31.12.19	31.12.18
	£	£
Wages and salaries	3,070,441	3,208,082
Social security costs	362,706	382,968
Other pension costs	91,510	59,612
	<u>3,524,657</u>	<u>3,650,662</u>

The average number of employees during the year was as follows:

	31.12.19	31.12.18
Directors	5	5
Site managers and labourers	33	31
Office	12	12
	<u>50</u>	<u>48</u>

**Directors Emoluments**

The aggregate emoluments of the directors, including the pension contributions, total £1,153,004 (2018 - £1,440,374).

The pension contributions for the directors for the year total £64,788 (2018 - £72,049).

**Highest Paid Director**

The emoluments for the highest paid director, including pension contributions, for the year total £364,032 (2018 - £510,347).

The pension contributions for the highest paid director total £29,788 (2018 - £Nil).

4. **OPERATING PROFIT**

The operating profit is stated after charging:

	31.12.19	31.12.18
	£	£
Depreciation - owned assets	192,444	186,567
Auditors remuneration	12,500	12,500
Other non- audit services	18,000	29,500
	<u>222,944</u>	<u>228,567</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.12.19	31.12.18
	£	£
Bank charges	48,911	20,134
Interest on corporation tax	-	2,950
	<u>48,911</u>	<u>23,084</u>

6. TAXATION

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	31.12.19	31.12.18
	£	£
Current tax:		
UK corporation tax	556,560	1,018,915
Deferred tax	(550)	9,730
Tax on profit	<u>556,010</u>	<u>1,028,645</u>

UK corporation tax has been charged at 19%.

7. CONTROLLING PARTY

Mr and Mrs B J White, directors of the company, are the ultimate controlling party.

8. HOLDING COMPANY

The company is a subsidiary of Purelake Properties Limited, a company registered in England and Wales.

At 31 December 2019 the company was owed £1,882,412 by the holding company (2018 - £1,590,588) in respect of loan advances which are repayable on demand.

The company charged interest on the loan at the rate it would pay its bankers. The interest for the year ended 31 December 2019 amounted to £56,907 (2018 - £42,868).

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019

9. TANGIBLE FIXED ASSETS

	Landlords property improvement £	Equipment £	Motor vehicles £	Office equipment £	Totals £
<b>COST</b>					
At 1 January 2019	509,071	1,372,355	207,155	195,313	2,283,894
Additions	-	113,157	31,319	11,472	155,948
Disposals	-	-	(11,250)	-	(11,250)
At 31 December 2019	509,071	1,485,512	227,224	206,785	2,428,592
<b>DEPRECIATION</b>					
At 1 January 2019	161,206	884,408	124,148	156,472	1,326,234
Charge for year	20,363	136,842	23,842	11,397	192,444
Eliminated on disposal	-	-	(3,325)	-	(3,325)
At 31 December 2019	181,569	1,021,250	144,665	167,869	1,515,353
<b>NET BOOK VALUE</b>					
At 31 December 2019	327,502	464,262	82,559	38,916	913,239
At 31 December 2018	347,865	487,947	83,007	38,841	957,660

10. STOCKS

	31.12.19 £	31.12.18 £
Stock and work in progress	15,092,700	15,904,771

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.19 £	31.12.18 £
Trade debtors	85,532	183,830
Amounts owed by group undertakings	31,429,960	26,940,330
Amounts receivable on contracts	1,423,916	701,066
Taxation	204,341	60,083
Prepayments and accrued income	327,475	737,355
	33,471,224	28,622,664

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.19 £	31.12.18 £
Bank loans and overdrafts (see note 13)	2,540,000	335,666
Trade creditors	2,852,317	1,873,073
Corporation tax	63,573	211,415
Other taxes and social security costs	317,196	176,457
Long term contracts	19,847	-
Directors' current accounts	33,057	35,805
Accrued expenses	80,336	95,384
	<u>5,906,326</u>	<u>2,727,800</u>

**13. LOANS**

An analysis of the maturity of loans is given below:

	31.12.19 £	31.12.18 £
Amounts falling due within one year or on demand:		
Bank overdrafts	-	335,666
Bank loans	2,540,000	-
	<u>2,540,000</u>	<u>335,666</u>

**14. SECURED DEBTS**

The bank borrowing totalling £2,540,000 is secured by a fixed charge over the specified development property.

**15. PROVISIONS FOR LIABILITIES**

	31.12.19 £	31.12.18 £
Deferred tax	<u>109,750</u>	<u>110,300</u>
		Deferred tax
		£
Balance at 1 January 2019		110,300
Utilised during year		(550)
Balance at 31 December 2019		<u>109,750</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			31.12.19	31.12.18
Number:	Class:	Nominal value:	£	£
9,500	Ordinary	1	9,500	9,500
500	Ordinary A	1	500	500
618	Ordinary B	1	618	618
			<u>10,618</u>	<u>10,618</u>

All shares have the same rights with the exception to the right of capital repayment. The A Ordinary Shares rank equally with the Ordinary Shares in respect of capital in excess of £9,000,000 whilst the B Ordinary Shares rank equally with the other shareholdings for capital in excess of £11,000,000.

17. RESERVES

	Retained earnings £
At 1 January 2019	42,843,413
Profit for the year	<u>2,353,018</u>
At 31 December 2019	<u>45,196,431</u>



Purelake New Homes Limited (Registered number: 02695040)

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019

**18. TRANSACTIONS WITH RELATED PARTIES / COMPANIES**

Purelake Investments Limited, a company registered in England and Wales, is a fellow subsidiary of Purelake Properties Limited.

During the year the company sold property at an open market value of £91,000 to Purelake Investments Limited (2018 - £794,850). In addition it undertook construction work for Purelake Investments Limited which amounted to £13,930,312 (2018 - £Nil) which was done on commercial terms.

At 31 December 2019 the company was owed £29,547,548 (2018 - £25,349,742) by Purelake Investments Limited in respect of loan advances which are repayable on demand.

The company charged interest at the rate it would pay to its bankers. The interest for the year ended 31 December 2019 amounted to £735,877 (2018 - £759,213).

C C Bromley Limited, a company registered in Scotland, is a subsidiary of Purelake Investments Limited.

The company undertook construction work for C C Bromley Limited during the year under commercial terms which amounted to £145,100 (2018 - £674,250). No amounts were outstanding at the end of the year (2018 - £Nil).

The company operates PNH Directors Pension Scheme.

The company paid rent at a commercial rate to the pension scheme during the year which amounted to £95,000 (2018 - £95,000).

No amounts were owed to or by the pension scheme as at 31 December 2019 (2018 - £Nil).