

SevenCapital

GROUP ANNUAL REPORT 2020



CONTENTS

03 KEY
METRICS

30 OUR
OPERATIONS

09 COMPANY
OVERVIEW

39 CUSTOMER
SERVICE

16 MARKET
OVERVIEW

45 OUR
RESPONSIBILITIES

21 OUR
PORTFOLIO

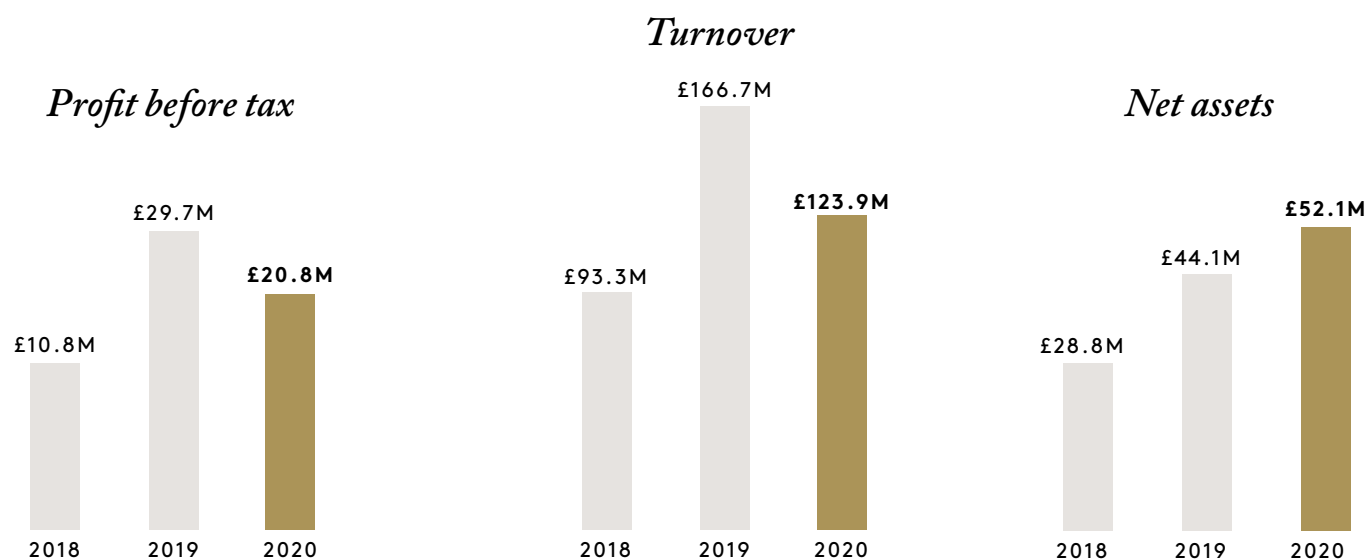
68 FINANCIAL
REPORT

OUR PERFORMANCE

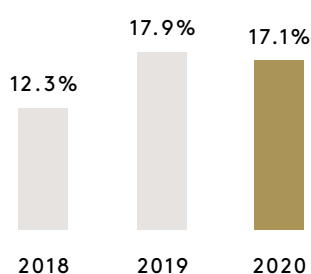
KEY METRICS

SevenCapital leads the property market with an exceptional level of customer service, which is why we are multi-award winning and rated 5 Excellent on Trustpilot. Understanding and listening to our customers has been integral in shaping our business, and our customers rate our service so highly because of the dedication our specialist team give to every individual.*

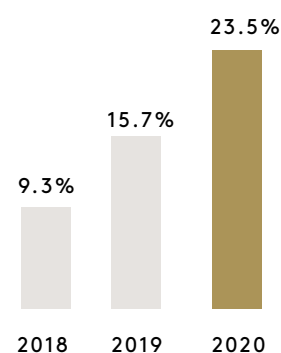
KEY FINANCIAL METRICS



*Operating profit margin
(to turnover)*



*Equity as a percentage of
total assets*



London
Sevens Capital

1000
COMPANIES TO INSPIRE
BRITAIN 2020

London
Sevens Capital

1000
COMPANIES TO INSPIRE
BRITAIN 2018

London
Sevens Capital

1000
COMPANIES TO INSPIRE
BRITAIN 2017

London
Sevens Capital

1000
COMPANIES TO INSPIRE
BRITAIN 2016



ESG TARGETS

- #1** EPC rating of B or above
- #2** Affordable housing on each site of 35% or greater
- #3** Zero Carbon Electric suppliers for all schemes
- #4** Implementation of EV charging systems to all schemes
- #5** Monitor & target energy usage moving towards a carbon neutral operation

ESG DELIVERED

- #1** Reducing use of fossil fuels in developments
- #2** Implementing renewable technology in developments
- #3** Improving local communities by developing redundant land/sites improving social impact
- #4** Reducing water usage with highly efficient sanitary ware in line with efficiency calculations
- #5** Taking an active role in developments by working alongside the main contractor to ensure materials and waste is managed efficiently, in line with current standards

CUSTOMER METRICS



Global Business Excellence Awards
Winner 2019
Outstanding Customer Service Initiative



Global Business Excellence Awards
Winner 2018
Outstanding Customer Service Team



Global Business Excellence Awards
Nominee 2017
Outstanding Customer Service Initiative



OUR PERFORMANCE

2020 HIGHLIGHTS



Homes
COMPLETED

3,746

Future
PIPELINE

5,352



Our COMPANY VALUES

Act with INTEGRITY

Trust is a cornerstone of good, honest business. We act with integrity in all areas of our business, to build trust and nurture strong relationships among our workforce, clients, partners and peers.

Work with PASSION

Passion breeds positivity, creativity, loyalty and excellence. We work with passion to promote a positive and motivating environment which encourages our people to thrive.

Behave with RESPECT

We treat our people and environment with respect to promote an inclusive and welcoming culture within both our places of work and our wider communities.

Strive for EXCELLENCE

We strive for excellence in everything we do. We promote personal development amongst our people to help them be the best they can be, and we continually work to deliver an excellent product and first-class service to our customers.

Push for INNOVATION

To lead is to innovate. We actively seek out and welcome new and fresh ideas to improve our product, working practices and our environment as we continually strive to be and remain best-in-class.

OUR COMMITMENT

THE GROUP

*SevenCapital is one of the largest and fastest growing,
privately—owned property Groups in the UK.*

Our core focus is to deliver high quality residential homes and mixed-use developments across Birmingham, London and the South East of England. As specialists in urban regeneration, our strong origination engine finds undervalued locations that can benefit from our robust planning and infrastructural investment.

This translates into exceptional value and returns for all our stakeholders across the public, private and institutional markets.



OUR VISION

To be best-in-class, unrivalled in our track record of building high-quality, thriving communities and delivering sustainable value to stakeholders.

OUR PURPOSE

To create thriving and vibrant communities, mixed-use and sustainable spaces that enrich the lives of those who live and work there.

OUR VALUES

To work with integrity and passion, show respect, be innovative and strive for excellence. This creates a positive culture and helps us deliver work that is unrivalled.

OVERVIEW | HIGHLIGHTS | STRATEGY

COMPANY OVERVIEW

Our overall Group strategy is ambitious, focusing on growth, scale and intensified delivery of high quality homes and mixed-use schemes across the Midlands, London and the wider South East.

THE GROUP

COMPANY OVERVIEW

Our BRANDS

SevenCapital Group encompasses three key brands: SevenCapital, SevenHomes and SevenLiving. Operating independently, each brand is equally complementary of each other. Our originating development business is built and established on SevenCapital, whilst our newest brands, SevenHomes and SevenLiving aim to maximise reach across the wider markets within the sector, with an ultimate goal of maximising our revenues and total market share.

SevenCapital

Our core business, SevenCapital's main product is residential apartments in established or up-and-coming areas predominantly across Birmingham, London and the South East of England.

Alongside a number of institutional investors and homeowners, we have a significant investment customer base, many of whom have developed a private portfolio of SevenCapital products over recent years.

It is this that has led to SevenCapital becoming one of the largest, privately-held property development and investment companies in the UK.





SevenHomes

SevenHomes is our housebuilding division, launched in 2017. Focused on building 'affordable luxury' across the Midlands, the business is firmly set on working towards its target to deliver 10% of the region's overall housebuilding target for 2030.

SEVEN *Living*

SevenLiving is a hospitality-driven and lifestyle-led property management company, uniquely specialising in short-term rentals and serviced accommodation in order to maximise rental returns for investors.

Founded to disrupt and innovate the outdated rental sector, SevenLiving provides an easy-to-use tech-forward renting solution for landlords, combined with unrivalled resident services.



THE GROUP

STRATEGY

SevenCapital has consistently been, and continues to be, an extremely successful location-based developer, with a strategy focusing on the South East and Birmingham City Centre. Moving forward, our strategy will remain focused on building high quality residential homes in and around these areas as well as expanding into London (zones 2-6) where we see an acute shortage of good quality affordable homes.



While we continue to build to sell, we will also leverage our strength in quality and customer service to expand our portfolio within the build to rent (BTR) sector. Our brand – SevenLiving, is perfectly positioned to take advantage of the build to rent sector through its flexible and scalable business model, which is designed around providing a best-in-class experience to tenants whilst delivering maximum return to the investor.

We have always taken pride in being an ethical, sustainable and climate conscious developer. However, we aim to increase our participation and emphasis in these areas. Additionally, we will continue our commitment to provide affordable housing to help build and foster communities,

alongside developing open and green space to promote the health and wellness of these residents. As we grow, diversify our capital base, streamline our operations and pursue our organic growth strategy, we remain conscious of the enormous potential presented to us from a highly fragmented market. A few big players dominate the majority of the residential market, however, there is a long tail of small and medium developers who have struggled through the pandemic. There remains an opportunity for consolidation for a medium sized player such as SevenCapital who can take advantage of this fragmented market and acquire businesses at discounted prices, and thus grow both inorganically as well as organically.

Our PLEDGE

EXCELLENCE

We will build excellent homes for our customers.

SERVICE

We will maintain our best-in-class customer satisfaction ratings.

PEOPLE

We will build excellent teams with experience in their respective fields, while also promoting diversity.

FUTURE

We will always remain prudent and focus on what we do best.

GROWTH

We will improve our growth trajectory by diversifying our capital structure.

ACQUISITION

As we diversify our funding sources, we will also look for inorganic opportunities, and look for larger projects.

SevenCapital believes that the most important factor behind successful property development is location, followed by a laser-sharp focus on execution which allows timely delivery of excellent homes of exemplary quality to our customers. We provide outstanding value to our customers, whether they are homebuyers, investors, or tenants. This is our brand pledge, which is in the DNA of every SevenCapital colleague.

We firmly believe in the positive outlook of the UK's Property Market, especially in our chosen markets. In general, we believe that the demand for homes will outstrip the supply, and more and more people are willing to rent rather than buy. The UK remains a favourable destination for overseas investors, and the relative stability of our economy combined with the value of the pound, will make the UK even more attractive. Real Estate will continue to be a leading asset category for 'stability' relative to stock and other investments. The pandemic will further increase the demand for homes in our chosen markets which will afford flexibility to working from offices or home as demanded by the workforce. The Government will continue to invest in infrastructure to give more options for people

to live and work. There is much more awareness of health and wellness, green spaces and community development which directly aligns with our strategy. We will actively promote ESG goals in everything we do.

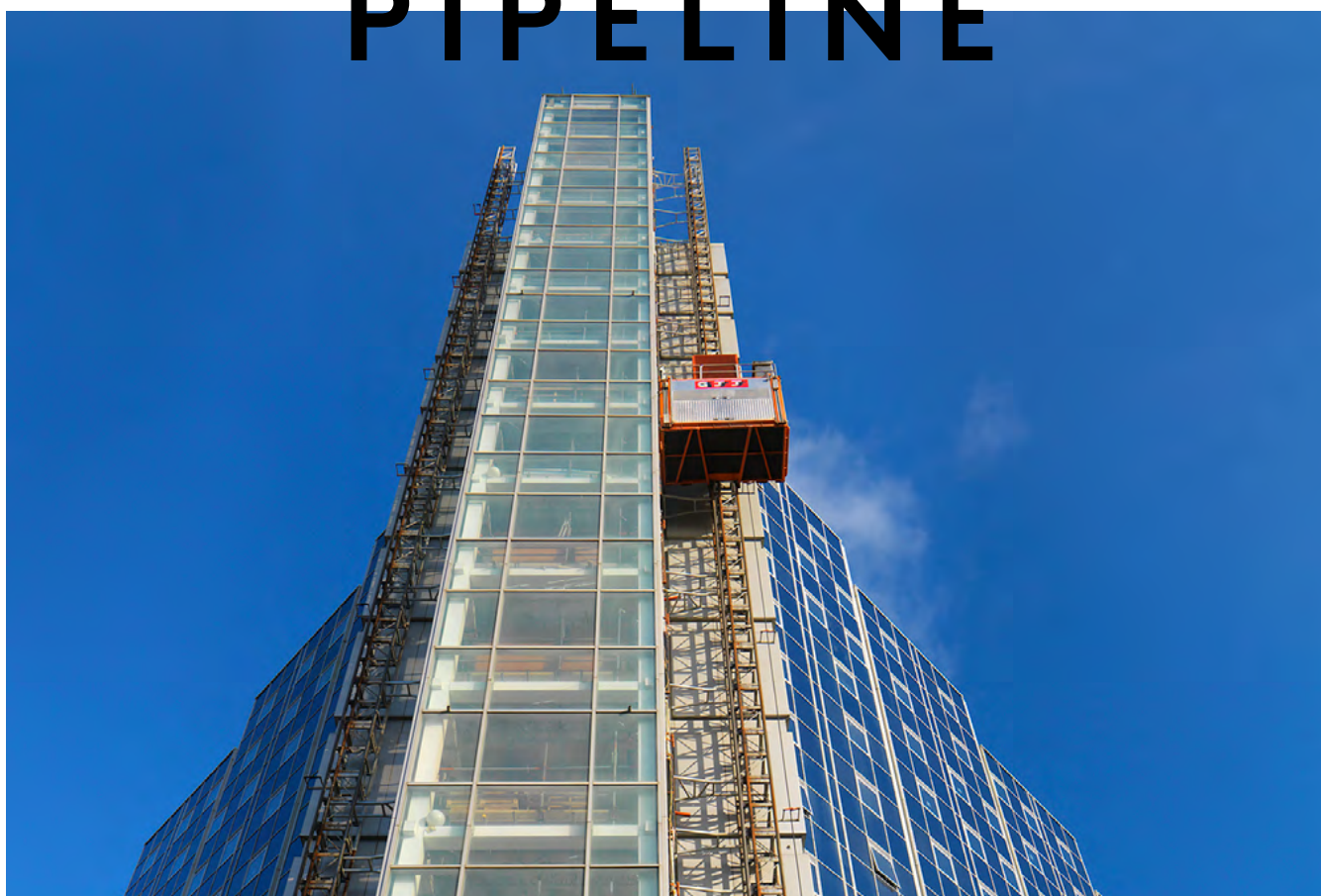
We are aware of risks to our business model, and remain alert to evolving trends in public policy, climate change and increased competition. Our focus, expertise, prudence and nimble organisation will allow us to proactively mitigate these risks.

Our goal is to ensure that SevenCapital remains one of the leading residential property development companies in the UK, and we strive to be best-in-class.



THE GROUP

PIPELINE



SevenCapital Group boasts a strong and enviable pipeline of development sites, which is testament to the quality and experience of our land team, and our influential standing as a leading residential developer in the UK market.

Our current pipeline includes more than 5,352 residential units and is set to increase in the coming year. In line with our ongoing and future strategy, incorporating sustainable living, community and increased green space, this current pipeline consists of a mix of residential and residential-led mixed-use schemes in key urban regeneration zones or greenfield areas identified for development across our core areas in the Midlands, London and the wider South East.

As one of the most active developers in Birmingham, having successfully regenerated and developed multiple key areas within the city centre over the past decade, our commitment to investment remains strong. Alongside this, we expect to significantly increase our pipeline across the wider

Midlands area, mainly through our SevenHomes housebuilding arm.

Our strategic expansions into the South East have also seen us increase our pipeline extensively across a number of sites around the M4 Corridor, and London commuter belt. With an increased focus now on reaching into zones 2-6 and an additional team presence within the Capital, we expect our portfolio and pipeline here to also grow significantly over the coming years, with a focus on delivering affordable, sustainable homes across identified growth areas and places of high demand.

Whilst the majority of our residential track record has been built on a buy to sell strategy, our recent successful move into the build to rent (BTR) sector, combined with the ever-growing demand for rental accommodation and our growing SevenLiving business, will see us reconfigure our traditional pipeline to include a larger proportion of homes designed to hold and rent.

CURRENT ASSESSMENT | FUTURE FORECAST

MARKET OVERVIEW

Understanding our market is crucial to our operation.

*We constantly monitor and analyse the UK property
market to ensure we continue to deliver the right homes
for the right location.*

MARKET OVERVIEW

MARKET ASSESSMENT

The UK property market follows a cyclical pattern that, should history continue to repeat itself, means that any uncertainty or downfall will be followed by a return to growth – usually stronger than the previous peak. This is what makes property in the UK such a strong and desirable asset.



SevenCapital proudly boasts a strong track record of identifying and delivering in growth areas at all stages of these cycles, particularly across the Midlands and along the M40 corridor, providing good homes and investments for our customers.

CURRENT MARKET CONDITIONS

The past 12 months have undoubtedly been unprecedented for the UK and indeed much of the world. Having already battled uncertainty since the EU referendum in 2016, an unexpected global pandemic which has seen multiple lockdowns and

businesses closed for extended periods of time, could have been catastrophic.

As a sector that collectively accounts for 7% of total UK GVA, it's come as a relief that the market bucked all initial predictions, with transaction levels and house prices rising significantly in the latter part of 2020. This is due to a combination of pent up demand and measures taken by the Government during this period.

Coupled with this, on the following page, are the fundamentals that make the property market churn remain strong.

NATIONWIDE UNDERSUPPLY

Supply of new homes versus the need and demand remain imbalanced. The January 2021 House of Commons Library Briefing estimates that the number of new homes needed in England per year has risen to 344,000 – up from 300,000 previously. This would include the current need plus the backlog where the UK fell short of the annual target, which rose 1% YOY in 2019/20, but finished at around 244,000.

Where some regions meet or exceed their target, there are many regions suffering major shortfalls. The 2020 Housing Delivery Test¹ revealed the largest proportion of these by far to be in the South East and London, with less than half of each region passing, followed by Yorkshire and the West Midlands, albeit with better results – 77% and 88% respectively. However these figures are still against a lowered target adjusted against the backdrop of the pandemic.

This runs in line with SevenCapital's geographical graduation between the Midlands, the South East and London, where there remains a stronger need amongst less developed areas and thus higher opportunity to rebuild and develop.

Homes needed in England per year

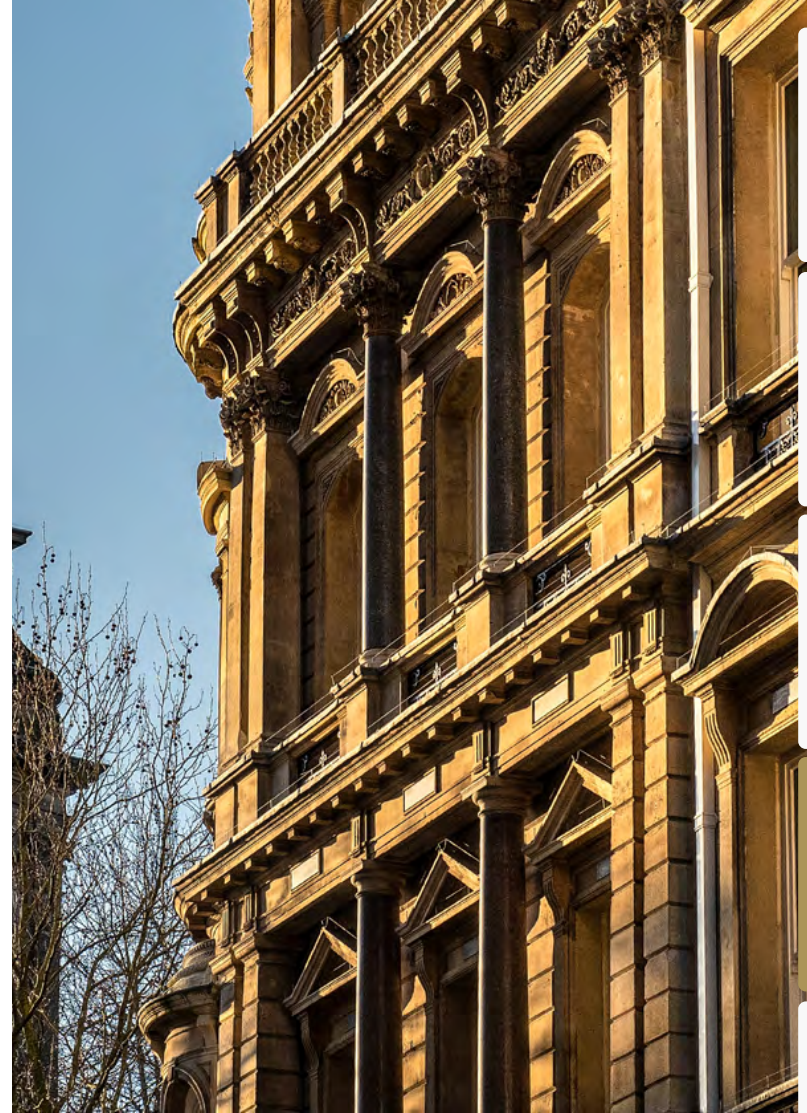
344,000

Projected new homes in England per year

150,000

Projected annual housing shortfall

194,000



Indeed this undersupply is an ongoing issue. The law change for permitted development rights that came from the Cameron-led Conservative Government has helped in some proportion, allowing faster turnaround of 'new' homes. Whilst new build completions remain far lower than their peak in the 1960s², change of use completions account for an additional count, reducing what would have potentially been a somewhat larger shortfall.

However, with each annual shortfall the backlog increases and with the number of households in England projected to rise from 23.2 million in 2018 to 26.9 million in 2043 – an average increase of around 150,000 households per year³, that need is only going to continue to increase.

It's also important to note that 'need' and 'demand' are two very different things. The annual 'need' is a determination of what a household requires to live comfortably, whereas 'demand' also encompasses what a household wants. This can be an extra bedroom or larger overall square footage to what a 'need' might identify, to a second, or third home. This illustrates an ever-increasing demand on top of the housing need.

1. <https://www.lsh.co.uk/explore/research-and-views/news/2021/jan/housing-delivery-target-2020>

2. <https://commonslibrary.parliament.uk/research-briefings/cbp-7671/>

3. Tackling the under-supply of housing in England – January 2021, HoC Library doc



INTEREST RATES AT A HISTORICAL LOW

While interest rates sit at 0.1%—their lowest in the Bank of England's >300 year history – the market remains very attractive, particularly to the buy-to-let market and to those overseas with an interest in UK property as an investment or second home. As one of the most robust and stable property markets globally, UK property is also one of the more affordable for both domestic and international buyers. Couple this with the market's resilience throughout both Brexit and the pandemic, and the UK currently makes for a buyers' market for those looking to buy in the next 12–18 months.

This is particularly true of London where growth has been slower than the rest of the country over recent years, but will likely strengthen as activity and competition begins to pick up.

"The number of households in England is projected to rise from 23.2 million in 2018 to 26.9 million in 2043 – an average increase of around 150,000 households per year."

LENDER CONFIDENCE

As a marker of confidence among lenders, mortgage availability continues to widen following an initial and understandable reduction in the earlier part of the year as the pandemic hit. Whilst some caution remains, largely around the buy-to-let market, confidence amongst lenders, and thus mortgage availability for homebuyers has continued to improve over the latter part of 2020. This is likely to continue whilst demand remains strong. However, as the UK emerges from the grips of the pandemic over the next 12 months and Government support schemes such as the furlough scheme come to an end, it will be interesting to see how this affects finances and affordability.

LOOKING FORWARD TO 2021

As we progress through 2021 and the country starts to open up, the trends in the market continue along the path prompted by the 2020 lockdown. Demand remains strong, meanwhile available stock levels continue to dwindle and house prices continue to rise.

Data analysed by Goodbody shows that the stock of new homes for sale fell 25% YOY in Q1 2021, to below 40,000 units – a new low in the analyst's series. In literal terms this looks like just circa 2.3 months of property left to sell across the UK which is down by about half by historical norms.

In contrast, data from Twenty CI demonstrates the surging demand for stock, with the number of households in the home moving journey up by over 50% YOY and the number of sales agreed up by over 30% YOY.

House prices have continued to climb as a result, with annual UK price growth at 7.1%

Whilst the end of the stamp duty holiday and the furlough scheme are likely to slow the current levels of demand, the outlook remains strong. What is certain is that what will remain long-term is the supply/demand imbalance.



FIVE-YEAR FORECAST VALUES

	2021	2022	2023	2024	2025	5 YEARS TO 2025
London	2.5%	4.5%	2.0%	2.0%	1.0%	12.6%
South-East	5.0%	4.5%	2.5%	2.5%	1.5%	17.0%
East of England	5.0%	4.5%	2.5%	2.5%	1.5%	17.0%
South West	5.0%	4.0%	3.5%	3.0%	2.0%	18.7%
East Midlands	4.5%	5.5%	5.0%	4.0%	3.0%	24.0%
West Midlands	4.5%	5.5%	5.0%	4.0%	3.0%	24.0%
North East	3.5%	4.5%	4.0%	3.5%	3.5%	20.5%
North West	4.5%	6.0%	5.5%	5.5%	4.5%	28.8%
Yorkshire and The Humber	4.5%	6.0%	5.5%	5.0%	4.5%	28.2%
Wales	3.5%	5.5%	5.0%	4.0%	3.0%	22.8%
Scotland	3.0%	5.0%	4.5%	4.5%	4.0%	22.8%
UK	4.0%	5.0%	4.0%	3.5%	3.0%	21.1%

Source: Savills Residential Market Forecast 2021

DEVELOPMENTS | RESIDENTIAL

OUR PORTFOLIO

To date, our portfolio includes more than 9,000 units either completed, under construction, in planning or at pre-planning stage. Our schemes are a mix of residential and residential-led, mixed-use developments in city centre and key regeneration and growth areas spanning Birmingham, the Midlands, London zones 2–6 and the South East.

OUR PORTFOLIO

DEVELOPMENTS

ST MARTIN'S PLACE

Birmingham

Located in one of the city's most sought-after postcodes, minutes from the main business and professional district, St Martin's Place exudes style and sophistication. Located adjacent to SevenCapital's 4-star Park Regis Hotel, St Martin's Place will raise the bar for city centre living in Birmingham, as the first development in the city to offer hotel services to its residents.



NEW ETON HOUSE

Slough

New Eton House is the first of its kind for Slough—a landmark residential development at the heart of a thriving town in the South East of the UK. Comprising 58 beautiful high-end apartments, this development is designed to deliver contemporary, premium living just minutes from the most productive commercial district in the country.

FABRICK SQUARE

Birmingham

Fabrick Square is a major residential development in Birmingham's creative quarter, providing the first ever new square in this emerging 'residential zoned' area of Digbeth.



THE GRAND EXCHANGE

Bracknell

The Grand Exchange is a brand new icon specifically designed to meet the changing needs of Bracknell's professional tenant base, while also attracting London renters leaving the Capital. Comprising sophisticated penthouse-style residences, world-class amenities, stunning interior design and easy access to London, The Grand Exchange will help investors build substantial, sustainable wealth by appealing directly to what tenants are looking for.

CHURCHILL PLACE

Basingstoke

Building quality and community in an unrivalled destination, Churchill Place features 237 breathtaking apartments all with a spacious, contemporary design and high-end finish.



THE LANSDOWNE

Birmingham

Representing a landmark residential scheme, The Lansdowne is one of the first purpose-built PRS developments in Birmingham, comprising 206 residential apartments in a prime city centre location, less than 500m from Fiveways station and a mile from New Street station.

ST GEORGE'S URBAN VILLAGE

Birmingham

Birmingham's largest ever residential development, St George's Urban Village saw the construction of spacious prime new homes, including houses and apartments, in Birmingham's celebrated Jewellery Quarter. This has been designed in the unique visual style of the location, in keeping with the Jewellery Quarter Conservation Area vision.



NO.1 THAMES VALLEY

Bracknell

A peak of architectural design and the focal point of the Thames Valley skyline, this beautiful development is framed by a statement entrance featuring a striking glass canopy. With floor-to-ceiling windows centred around a vast atrium and two stylish residents wing lounges complete with open plan seating and space to relax, No.1 Thames Valley brings the outside in – creating a sense of vibrant community with open, light flooded areas.

THE METALWORKS

Slough

Nestled on the doorstep of Crossrail, The Metalworks epitomises connectivity, allowing residents to reach Central London or Heathrow Airport in under 20 minutes. This prime location in a key commuter destination means it is tailor-made for the professional commuter, as well as the thousands of executives working in Slough itself.



OUR PORTFOLIO

SEVENHOMES

OAKLANDS

Set within the tree-lined suburbs of Moseley, this unique, private development draws upon the area's arts and crafts heritage, whilst providing everything that modern day living requires. Sitting perfectly balanced between grace and grandeur, Oaklands represents quality living in a stylish surrounding.



WIRE CROFT

Wire Croft offers a stunning collection of 87 homes in a range of 2,3 and 4 bedroom homes located in Wire Hill. Ideal for first time buyers and a growing family. Located close to Wire Hill Woods, which is great for dog walking and adventures with your family. Wire Croft is also just 3 miles from Redditch Town Centre and its collection of over 140 shops, restaurants and entertainment venues.

ST GEORGE'S URBAN VILLAGE TOWNHOUSES

Set in the heart of Birmingham's Jewellery Quarter, the Townhouses in St George's Urban Village each consist of three storeys and a garden and boast diverse architectural features designed to reflect the traditional style of the area.



THE CRESCENT

This private development is set around The Crescent, giving local buyers an opportunity to purchase on a smaller, more select development. Surrounded by mature trees with a large amount of green open spaces, this site offer buyers privacy with all local amenities within easy reach.

a letter

FROM OUR CHAIRMAN

BAL SOHAL



SevenCapital continues to be resilient in the face of Brexit and the pandemic, and we have quickly adapted our working practices to maintain focus on delivery and execution of our developments. This also proves that our strategy remains robust.

Brexit, at the start of last year, had placed uncertainty

The pandemic has demonstrated the importance of community and the learnings will influence the Group's approach to our future developments.

As we move into 2021, we have a solid team working hard to intensify our activity in and around London and the South East."

across our industry ahead of trade deal negotiations, however for the most part has been overshadowed somewhat by the pandemic. Whilst there is still some speculation as to its long-term effects, with a trade deal now in place there is at least that certainty and the industry can get on with any significant preparations and alterations to its business.

Whilst it's not been all plain sailing for the property industry in the UK throughout the pandemic, the Government's introduction of the stamp duty holiday has been a positive move in not only maintaining but boosting activity and prices across the housing market. With real estate making up such a significant portion of the UK's economy this was a sound move, regardless of what you believe about the overall handling of the pandemic.

For SevenCapital this has also allowed us to continue, as far as possible whilst adhering

to Government guidelines and maintaining the safety of our staff and customers, to build and plan for new communities across the Midlands and the South East. Whilst it is positive that the housing market has continued to move, there is still a significant undersupply of quality homes across the country, so this has been important, and we continue to work hard towards our, and the overall industry's, targets.

The pandemic has also demonstrated over the past year the importance of community and the learnings during this period will influence the Group's approach to our developments for the future in terms of location, purpose and amenity – both internal and external.

I am proud that SevenCapital is committed to ESG goals and targets, and we remain committed to our people, communities and environment more than ever. We are also exploring several financing options to accelerate the growth of SevenCapital. Looking ahead, the future of SevenCapital is exciting. Having firmly established ourselves in the Midlands, over recent years we've been gradually starting to make an impact on the markets in the South East. As we move into 2021, we have a solid team working hard to intensify our activity in and around London and the South East. The team will be led by Angus Michie who was formerly a divisional chairman at Berkeley Group where he was instrumental in establishing new divisions and leading on major JVs for over 24 years. Under his leadership our new London team will no doubt make great strides in the next chapter of SevenCapital.

SIGNED BY

Balbinder Sohal, Chairman

a statement

FROM OUR GROUP MANAGING DIRECTOR

DAMIEN SIVITER



This has been an encouragingly strong performance period given the circumstances of the past 12 months under multiple lockdowns, on top of the pre-existing Brexit uncertainty.

Whilst there's been much discussion regarding property's generally slow uptake of technology, our business, along with many others have

Whilst there have been challenges within the industry, particularly across the commercial, retail and hospitality sectors, residential real estate has once again proven its resilience as a very strong asset type.

quickly disproven that claim by matter of requirement during the pandemic and subsequent lockdowns. I am very pleased that across the Group the ability to adapt to remote working and online collaboration, and develop new ways of working, such as online meetings and site/property viewings, has been fantastic and relatively seamless given the urgency of having to do so. Where remote working has not been possible, the necessary safety measures have been put in place and members of staff and contractors have adapted and worked well to continue with their responsibilities as well as possible. The combined efforts of all team members have allowed for very positive business continuity.

Across our residential sales division, we have seen continued interest from homebuyers and investors alike, both domestically and internationally. The stamp duty holiday has no doubt contributed to some of this

continued appetite for property, however what is also clear is that price growth has exceeded the stamp duty savings in many areas, suggesting that the demand was already building as a result of the first lockdown.

Whilst there have been challenges within the industry, particularly across the commercial, retail and hospitality sectors, residential real estate has once again proven its resilience as a very strong asset type.

As such, we will continue to maintain an emphasis on the core residential business, which will be intensified across the next 12 months and over the long-term as we graduate towards a larger stake within the market in London and its periphery. We believe there to be opportunity within this market despite any short-term changes in demand as a result of Brexit, the pandemic or temporary measures applied by the Government in the wake of the pandemic. As a global leader both financially and economically, we believe London will see a resurgence over the coming years and it will be those businesses and investors who remain loyal and confident in it now who will gain the most.

SIGNED BY

Damien Siviter, Group Managing Director

RISK MANAGEMENT | GOVERNANCE | LEADERSHIP

OUR OPERATIONS

Over the past ten years, the SevenCapital Group has grown to become known as one of the UK's leading property companies. We've been named four times in the London Stock Exchange's list of '1000 Companies to Inspire Britain'. Our growth is not simply a happy accident, but the result of a robust financial plan and a constantly evolving responsible business strategy.

HOW WE MANAGE RISK

The Board is responsible for devising and implementing appropriate risk management systems to protect the business, based on the following:

FINANCIAL RISK

The company uses various financial instruments. These include shareholder loans, cash and various items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The existence of these financial instruments exposes the company to a number of financial risks, which are described in more detail below.

Market Risk: Market risk encompasses various types of risk, being liquidity risk and credit risk.

Liquidity Risk: The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short-term flexibility is achieved by loans from directors.

Credit Risk: The company's principal financial assets are trade debtors. The principal credit risk arises therefore from its trade debtors. Credit limits are reviewed by the directors on a regular basis.

POLITICAL AND ECONOMIC ENVIRONMENT

Brexit and Covid-19 have both posed considerable risks on most sectors across the world, putting financial and operational strain where it wouldn't necessarily exist in normal circumstances.

Whilst uncertainty around Brexit prevailed, the deal now done has allowed the business an understanding of any new circumstances and the opportunity to formulate a plan to navigate.

The greater risk across the past 12 months has been the pandemic, however Government intervention to assist buyers has thankfully minimised the risk to cashflow that could otherwise have surfaced.

The business has followed all Government guidelines to ensure we could continue our operations both domestically and globally whilst maintaining the health and safety of all members of staff, contractors and clients, as well as financial stability for the business.



GOVERNMENT REGULATIONS

Changes to policy on various elements including taxation, housing and the environment all challenge areas of the business. To combat these challenges, the business ensures we are up to date with all regulation and quickly formulate a plan, where required, to adapt our practises to move forward confidently. Where policy affects a customer's ability to purchase, we make it our duty to educate on the details and the risks and provide access to expert advice to assist the client with navigating the new regulations.

PROCUREMENT

Access to quality contractors and suppliers is crucial to our core business, posing the risk of impacting the delivery of our developments. Projects are now tendered out for construction and we continually work to maintain and nurture both existing and new relationships with good quality contractors, sub-contractors, suppliers and manufacturers. This ensures trust and standards of quality are maintained across every project, which is crucial to maintaining and growing the scale of work and supply as required.





QUALITY STAFF RETENTION

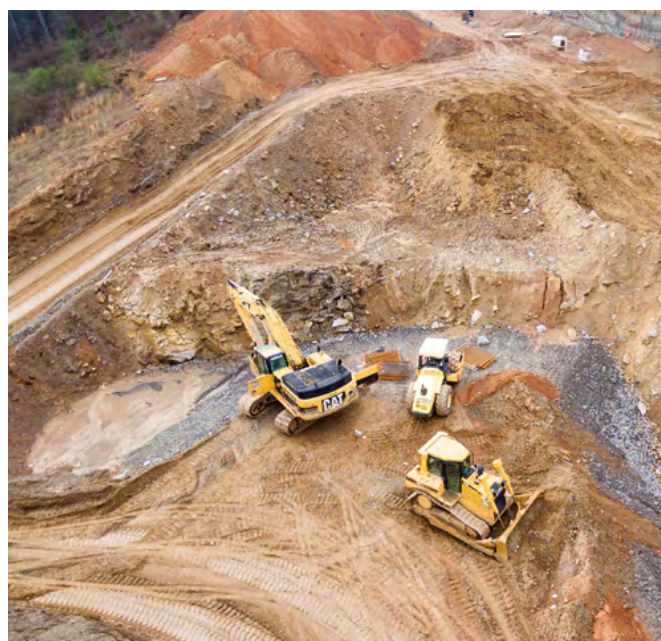
We place a large emphasis on attracting and retaining the industry's top talents, targeting a staff turnover of less than 10%. We are keen to support their professional development and ensure comfortable, attractive working environments where staff actively want to work everyday. Additionally, we nurture a positive, friendly and hard-working culture that ensures all members of staff feel included and confident as part of one big team and supported in their career with us.

HEALTH & SAFETY

The health and safety of all staff, clients, contractors and visitors to our places of work and construction sites is paramount for maintaining a healthy workforce and for maintaining their trust in SevenCapital as a responsible business. We ensure all required health and safety measures are in place, including CCTV and all types of hazard prevention. These measures are enforced and adhered to and any systems and alarms are regularly tested to make sure they are fully functioning.

IT

The cyber risk to businesses grows evermore in modern society. SevenCapital employs a trusted IT company which maintains the security of all company networks and technology, constantly working to mitigate any issues or threats that may arise.



CORPORATE

GOVERNANCE

The leadership team of SevenCapital Group, and thus the company, are governed by a set of criteria that is laid out in order to ensure the continued safety, security and success of the business and its employees.



The strategic direction of the Group is formed by the Board, which encompasses the Chairman, Group Managing Director and brand Managing Directors and follows an informed path based on factors such as financial performance, market conditions and the future vision for the Group.

The leadership team is responsible for implementing the strategy through their functions and teams, welcoming employee contributions to operations and projects providing they all work to improve corporate performance, promote accountability and ultimately reach long-term business objectives.

A strategy for analysing and responding to risk is in place and constantly reviewed, aiming to address

all crucial areas of the business, including but not limited to: financial risk, political and economic environment, statutory and regulatory requirements, procurement, health and safety of the workforce and quality staff retention.

Information Technology and cyber security is a carefully considered factor with systems in place to protect business and staff confidentiality and technological infrastructure.

The business also follows a code of ethics relating to socially and environmentally responsible working practises, to cultivate a healthy and positive culture and maintain the care of all employees, partners and communities within which the Group operates.

Our

LEADERSHIP TEAM



BAL SOHAL
CHAIRMAN

Bal is an accomplished investor in real estate sectors with considerable experience of complex real estate transactions, including deal structuring, financing and the successful monetisation of projects both in the UK and overseas. Bal is also a shareholder and board member of Cynergy Bank.

DAMIEN SIVITER
GROUP MANAGING DIRECTOR

Damien spearheads the investment and growth strategy across all brands within the SevenCapital Group. Having been instrumental in many of the organisation's major acquisitions, Damien's particular specialism lies in finding value in large-scale, mixed-use opportunities within major towns and cities.



ANGUS MICHIE
SEVENCAPITAL MANAGING DIRECTOR

Angus drives SevenCapital's UK residential development strategy. Previously Divisional Chairman at Berkeley, where he spent in excess of 24 years, Angus specialises in identifying, planning and developing large-scale and complex city centre and mixed-use schemes in London. Angus is also non-executive director of a housing association.



NAYAN V KISNADWALA
NON-EXECUTIVE DIRECTOR

Currently CEO of JBR Capital, Nayan has spent over three decades in financial services at world-class businesses including American Express, Barclaycard, RBS and Citibank in various senior roles including Global CFO and Director of Group Finance. Nayan is a Chartered Accountant and has an MBA from Stern Business School, NY and a CFA.





Our

DEPARTMENT HEADS

CHARLIE LONDON

SEVENLIVING MANAGING DIRECTOR

Charlie heads our 21st century solution for the short term rentals industry, amalgamating short and traditional rentals with management and hospitality. Having had a traditional property background, he has a thorough understanding of the market, economic drivers and how to derive best value out of residential stock.



JONATHAN RICHARDS

SEVENHOMES MANAGING DIRECTOR

Jonathan has over 20 years' experience of developing homes across the UK. With a proven track record in land acquisition from complex brownfield, city centre developments, to strategic greenfield housing sites, Jonathan has a strong management and delivery process knowledge base, having sat on many operational and strategic Boards.



CHARLOTTE THURSFIELD

MANAGING DIRECTOR OF OPERATIONS

Charlotte holds responsibility for overseeing SevenCapital's best-in-class Customer Service team, which ensures that clients are provided with a complete hassle-free service from initial enquiry through to after-sales care.

Our KEY PEOPLE



DEBRA MITCHELL

LEGAL BANKING DIRECTOR

Specialising in banking and finance, Debra advises the Board on its loan facilities with its various lenders. Prior to SevenCapital, Debra worked for Gowling, Shoosmiths and Eversheds Sutherland, acting for all the main clearing banks, top 100 FTSE companies, large property developers and pension funds.



ABDUL ALI

LAND DIRECTOR

Abdul brings 22 years' experience and an enviable track record of sound residential land acquisitions across the West Midlands. His overall responsibility is securing residential-led development opportunities to help drive the business forward and meet its ambitious expansion plans.



SIMON DICKEN

SENIOR DIRECTOR

Simon holds responsibility for overseeing all commercial investment and development and his ability to find new opportunities throughout the UK is second to none. Simon's focus is across residential, mixed-use development, commercial and industrial in the Midlands. He is also a member of The Royal Institution of Chartered Surveyors.



CAROL SELWAY

SALES & MARKETING DIRECTOR

Carol has over 23 years' sales, marketing and land experience with some of the UK's largest housebuilders, including 12 years at board level. She leads the sales and marketing function to help grow the business into one of the UK's largest regional residential builders.



JOSHUA WARBURTON

CHIEF OPERATING OFFICER, SEVENLIVING

Joshua co-founded our digital short-term rentals platform alongside Charlie London. Providing a systematic approach, Josh enforces quality and consistency throughout the business and, with his financial and analytical background, he maintains a clear focus on maximising returns for investors on their residential stock through cost efficiencies.





SARAH MORRIS

GROUP PR DIRECTOR

Sarah leads the communications and PR strategy across the SevenCapital Group. With 14 years marketing and PR experience, Sarah's knowledge and expertise in brand building and positioning using a multi-platform and multi-discipline approach to meet brand, customer experience and commercial objectives is second to none.



ROSIE PAGET

SENIOR PLANNING MANAGER

Rosie covers the full geographical remit, and has significant experience of both major city centre developments and 500+ unit housing schemes. Prior to joining the business, Rosie worked as senior development manager at St Joseph, part of the Berkeley Group.



MARY BECK

DIVISIONAL OPERATIONS DIRECTOR

Mary is responsible for divisional operations, leading the team through our rapid expansion strategy to become one of the UK's largest regional housebuilders. Mary joined from Taylor Wimpey, where she was appointed Technical Director at the age of 28.



JESSICA CLAYTON

ASSET MANAGAER

Jess plays an integral role within the Group, managing and monitoring all company assets, whilst facilitating the business' operations across the company and maintaining engagement across all company divisions.



OUR COMMITMENT

CUSTOMER SERVICE

SevenCapital continues to be driven by our commitment to providing outstanding customer service, with our customers remaining at the heart of everything we do.

a word from our

MANAGING DIRECTOR OF OPERATIONS

CHARLOTTE THURSFIELD



"SevenCapital Customer Service delivered an exceptional level of service in 2020 despite the difficult times, by providing a more personable experience. Our strength was ensuring our customer is at the heart of our business and this is where our customer will remain."

key FIGURES

50,000

Customer touch points in 2020

31%

Repeat customer sales

85%

*Apartments furnished
at The Quadrant*

18%

*Customers purchasing
2+ units*

9/10

*Would buy again or recommend
to a friend*

OUR COMMITMENT

CUSTOMER SERVICE



Our CUSTOMERS

OUTSTANDING SERVICE

Despite the challenges faced during 2020 we continued to deliver “outstanding” service levels to our customers, ensuring purchasing a SevenCapital property remained an easy and informative experience.

SevenCapital customers continued to benefit from our exclusive 360-degree, turn-key service for a truly hands-off and enjoyable property purchasing experience.

Throughout the last year, our dedicated Customer Service Team undertook almost 50,000 customer touchpoints via phone, email, in-person meeting or Zoom. We understood the necessity to remain in close contact with our customers to ensure full support and comfort was provided during unprecedented times, increasing our contact by 20% on the previous year.

Clients received regular contact and informative updates from point of reservation, throughout the purchasing journey, during completion and handover of the property, together with ongoing help and support from SevenCapital Aftercare.



ADAPTING TO THE "NEW NORMAL"

Early in 2020, SevenCapital staff quickly and efficiently adapted to their new working environments as the health and wellbeing of our dedicated staff team and customers was priority. The level of service increased and became more personable, using technology to which our customers benefited from swift adaptations.

Following Government guidelines, the Handover Team safely carried out almost 300 property home demonstrations. Our customers rated the informative and efficient experience as 10/10. For those who could not attend, a video was sent to customers personalised and presented by the team. This was greatly appreciated as customers were kept fully informed and given peace of mind during uncertain times. We see a bright future as we continue to embrace new technologies, which will allow us to further enhance our customer experience.

"It has been a pleasure dealing with David Bailey and his team. With C-19 travel restrictions I had the inability to physically attend handover, and without David and his team's support I would not have had the peace of mind during completion of the transaction. In addition, the proactive compilation of a personalized video tour really added a special touch. Keep it up!"

JOHAN VAN VUUREN, SOUTH AFRICA



UK COMPARISON CHART

SevenCapital

TRUSTPILOT RATING
EXCELLENT 4.8/5



BARRATT
TRUSTPILOT RATING
GREAT 4.1/5

BEWLEY
HOMES

TRUSTPILOT RATING
GREAT 3.9/5

Taylor
Wimpey

TRUSTPILOT RATING
GREAT 3.9/5

Berkeley

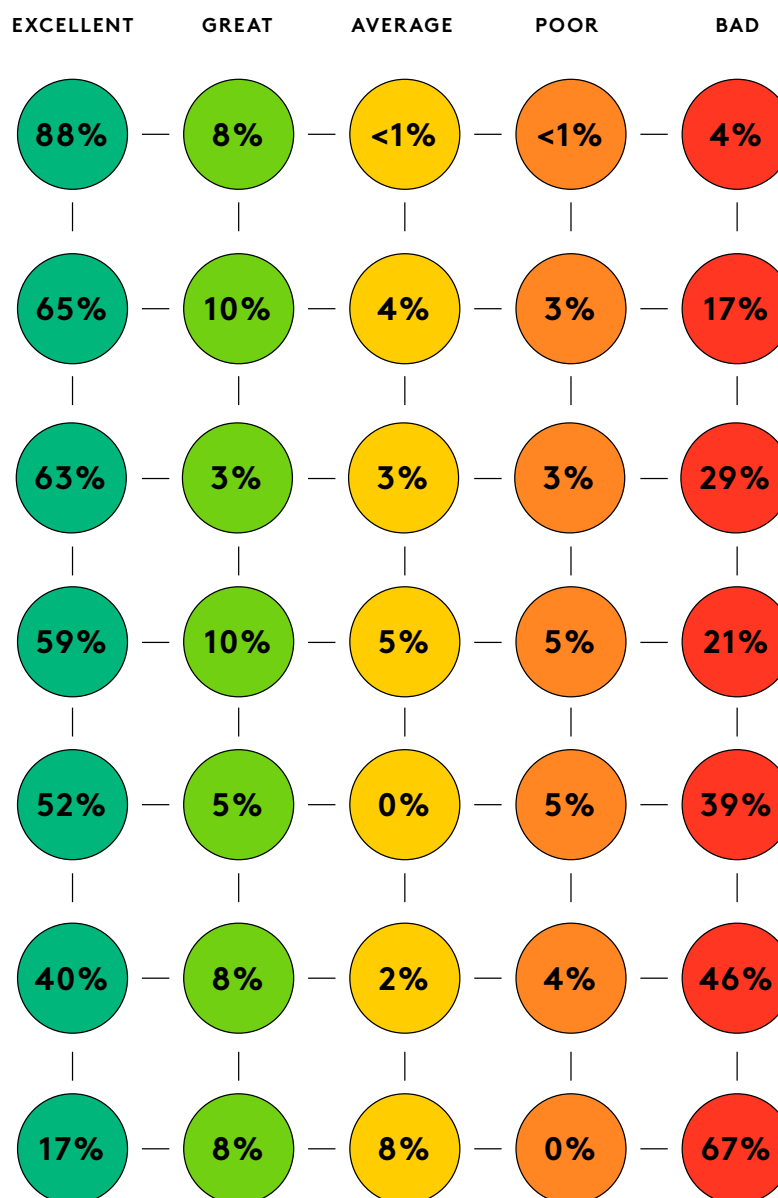
TRUSTPILOT RATING
GREAT 3.9/5

Crest
NICHOLSON

TRUSTPILOT RATING
AVERAGE 3.2/5

Galliard
Homes

TRUSTPILOT RATING
AVERAGE 3.1/5



*As at 08 June 2021

COMPLETIONS

Our focus for 2020 was to ensure customers continued to be delighted with their purchase upon completion. Our in-house Interiors Team provided an enhanced furnishing service, with each piece of furniture handpicked specifically to the style of each development. Furnishing 85% of apartments at The Quadrant in Birmingham, our dedicated Interiors Team have been instrumental to the success of apartments being let and obtaining the maximum rental yield possible. The Quadrant occupancy was 80% after just 12 weeks.

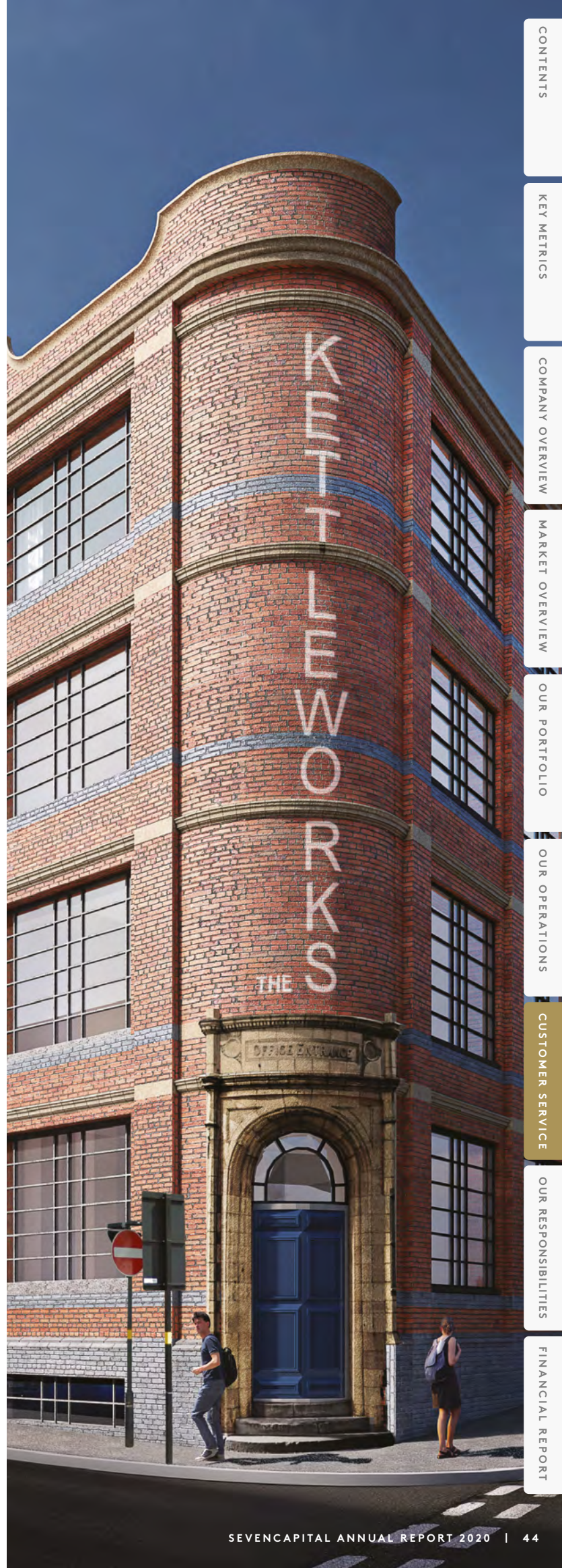
RECOGNITION

The exceptional level of Customer Service has been reflected in us winning Best Business Awards 2020 for Best Customer Focus. The dedication to ensuring exceptional service can also be seen with Trustpilot reviews, where our customers have rated SevenCapital as 5*, making us a clear leader within the sector.

With 31% of sales from repeat customers and 18% of customers purchasing two or more apartments, it is not surprising that in 2020 SevenCapital customers rated 9.5 / 10 they would buy again or recommend a friend.

"I like the development and the style, and the process has been really easy and people have been really helpful. I would definitely buy again."

DAVID STUBBS



ENVIRONMENT | PEOPLE | COMMUNITY

OUR RESPONSIBILITIES

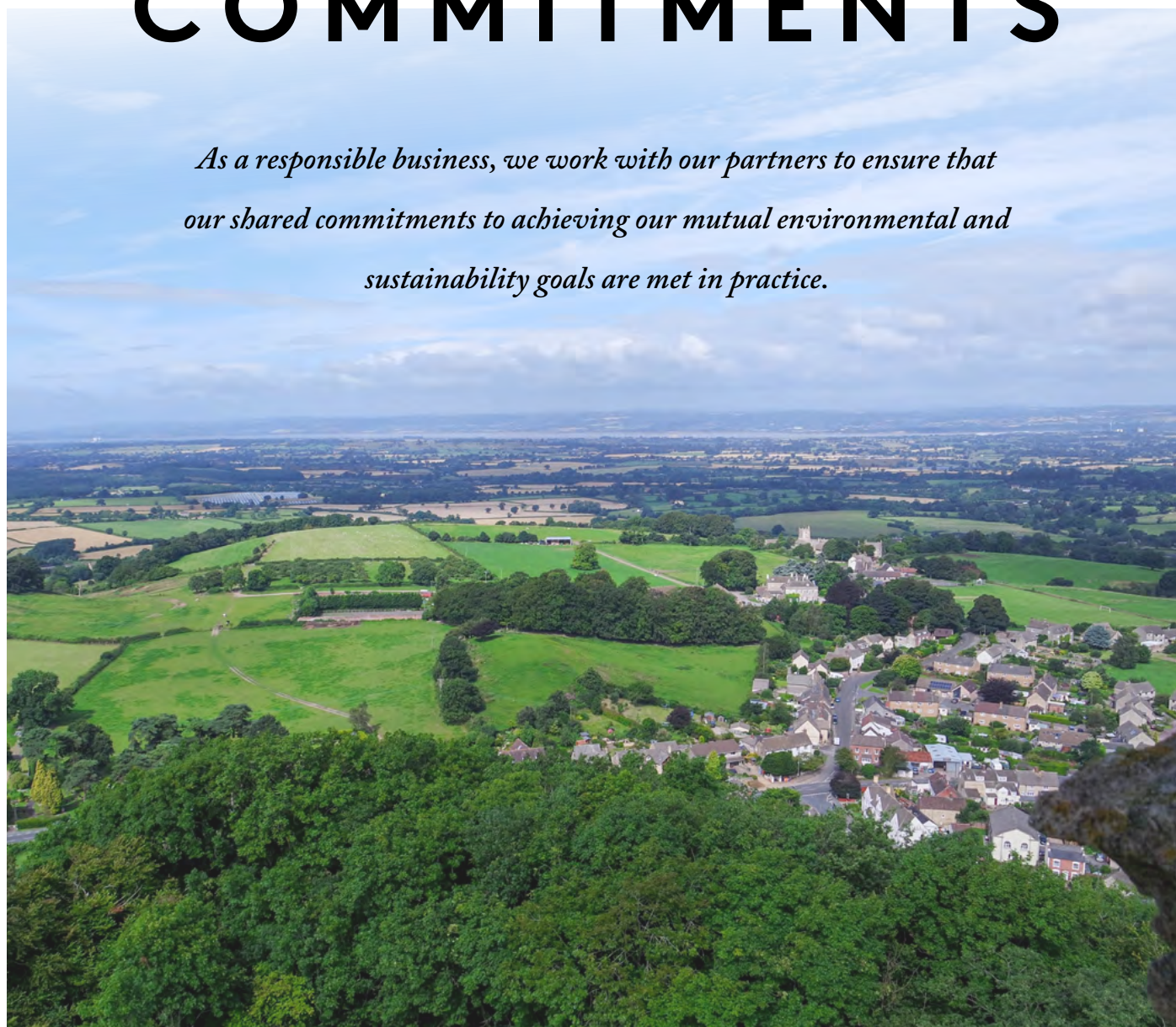
*Our people, our communities and our environment are the
reasons behind why we do what we do.*

*As a responsible developer this means continually evolving and
improving our working practises to protect everything and
everyone around us, ensuring the communities we create remain
sustainable long into the future.*

OUR RESPONSIBILITIES

GREEN COMMITMENTS

As a responsible business, we work with our partners to ensure that our shared commitments to achieving our mutual environmental and sustainability goals are met in practice.



We have a commitment to annual reporting on all of these means and continually reviewing our performance against recognised industry benchmarks. Whilst we are not currently measured as part of the JLL Next Generation Annual Sustainability Benchmarking, we are committed to the industry-wide drive to meet key sustainability targets. As a company, we will continue towards, and seek to outperform, our own internal targets across the 15 highlighted focus areas on the following two pages.

"It's in our DNA to be socially and environmentally responsible."



Fifteen FOCUS AREAS

#1

COMPANY STRATEGY

#2

REPORTING

#3

FUTUREPROOFING

#4

WATER

#5

WASTE

#6

ENVIRONMENTAL
SITE MANAGEMENT

#7

ECOLOGY AND
URBAN DRAINAGE

#8

ENERGY & CARBON

#9

TRANSPORT

#10

PROCUREMENT

#11

COMMUNITY & CUSTOMER ENGAGEMENT

#12

HEALTH & SAFETY

#13

MINIMUM SUSTAINABILITY STANDARDS

#14

ECONOMIC DEVELOPMENT

#15

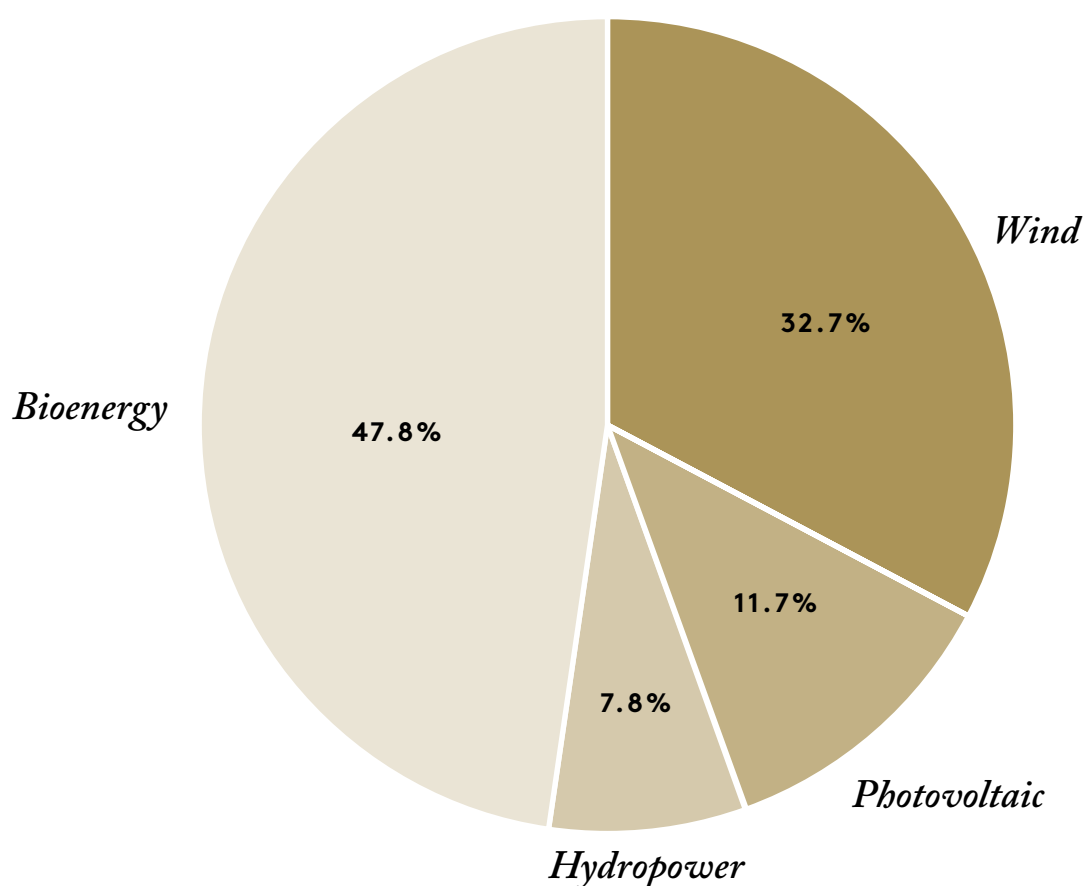
DESIGN & PLACE-MAKING

ENERGY AND SUSTAINABILITY

Sustainability is the fundamental cornerstone of our development philosophy. We are aware of government guidelines on minimum energy efficiency standards (MEES) and in all of our developments, we strive to maximise building performance in terms of energy efficiency and quality of design. Our goal is to achieve net carbon zero, minimise waste and avoid unnecessary additional cost for our customers.

We are committed to incorporating efficient systems, such as making use of heat pumps, solar and PV panels. We have pledged to use zero carbon energy providers, such as Octopus and Haven Power to supply the common areas and initially all residential units within our sites, encouraging purchasers to continue the zero carbon supply.

REPRESENTATIVE ZERO CARBON ENERGY SUPPLY—HAVEN POWER



We will also seek to integrate green and blue roofs which shall enable us to capture otherwise lost energy potential. Features such as these are pivotal to us achieving our target of meeting the Future Homes Standards from 2025.

As part of our ongoing commitment to reaching our sustainability goals, we make it a priority to constantly monitor our performance so that we are always able to easily review and improve.

OUR RESPONSIBILITIES

ENERGY & SUSTAINABILITY REPORT

SevenCapital commissioned Halligan Consulting Engineers to provide a holistic overview of the energy & sustainability measures that are applied to both our development portfolio and daily operation as a business.



This report explores the existing measures already considered within the design principles to the development portfolio, but also looks to the future for potential improvement & targets that could be implemented, monitored and subsequently achieved.

CURRENT ENERGY EFFICIENCY CONSIDERATIONS

SevenCapital as a developer recognises the importance of climate change and considers climate risk and carbon footprint throughout the design of the development portfolio.

Working alongside a consultant-led design team

undertaking an active approach, the buildings are developed with the Energy Hierarchy in mind, to:

- 1) **Minimise energy demand**
- 2) **Increase energy efficiency**
- 3) **Source energy from low carbon renewable sources**

The developed design process first considers the building fabric, with improvement to the fabric thermal transmittance values to enhance the thermal performance of the building.

The enhanced U value properties for walls, windows, roofs & floors will exceed current building regulation requirements.



CURRENT ENERGY EFFICIENCY CONSIDERATIONS CONTINUED

Implementing the enhanced fabric specifications increases the overall efficiency of the building envelope, reducing heat losses and energy demand.

The brand standard for space heating throughout the portfolio is electrically heated dwellings, which minimises the use of fossil fuels as a heat source. The heating systems are controlled by means of both temperature and time, ensuring efficient operation for the end user.

Along with highly efficient LED lighting and lighting controls, low carbon renewable technologies such as solar photovoltaics, waste water heat recovery systems and air source heat pumps are implemented to reduce both the energy demand and carbon consumption.

Water efficiency measures and sustainable drainage (SUDS) are also considered and implemented where viable to ensure current regulations and efficiency benchmarks are achieved.

CASE STUDY: THE GRAND EXCHANGE, BRACKNELL

The design processes were applied to The Grand Exchange, our game-changing development in central Bracknell, Berkshire, where the building achieved a 10% betterment of current building regulations requirements, with 20% of the building's overall energy demand being provided by low carbon renewable sources.

The Grand Exchange boasts a highly efficient MVHR system which enables heat to be captured, retained, and circulated around the building, alleviating the need to utilise unnecessary sources of heat.

The Grand Exchange will deliver a loft-style co-working space, as well as a private, bookable entertainment area and extensively kitted out 'Life Club' gym. It is essential that we ensure that we provide sustainable communal space that is both genuinely usable and highly desirable for our residents and their guests that can be used for many years to come.

SUSTAINABILITY COMMITMENTS & CONSIDERATIONS

SevenCapital make considerable commitments to lowering energy and carbon consumption via efficient building design, however there are various other procedures operated on a project-by-project basis to ensure the wider construction process is as sustainable as possible.

The key areas are:

- Working with local ecologists to enhance biodiversity of each development
- Working with local authorities to implement green travel plans, cycle storage provisions and electrical vehicle charging networks
- Taking an active role working alongside the construction team to ensure resources and waste are managed efficiently throughout the construction period
- Working actively with the construction team supply chains to ensure local materials and labour are sourced locally where viable, minimising logistics and transport requirements
- Maintaining a high standard of building certification in accordance with Minimum Energy Efficiency Standards (MEES)
- SevenCapital will continue to monitor and audit the current procedures operated throughout the active developments in line with the Whole Life Carbon Assessment Stages, focusing on the sustainability of all developments from inception to completion



In addition to the development commitments, SevenCapital will review & improve internal operations, specifically targeting logistical and behavioural improvements.

Some of the considerations are as follows:

- Auditing staff travel and commutes, enrolling into government schemes such as the cycle to work scheme, providing subsidies for staff cycle purchases etc
- Moving towards a 'paperless' office operation, monitoring and targeting in house processes with a view to streamlining the operations electronically
- Using 'zero carbon' utility providers across all buildings
- Monitoring current energy uses and targeting areas with inefficiencies, consulting with the design team to target in-house improvements to both building fabric & building services

ASPIRATIONS

SevenCapital will set short and medium-term targets based on the considerations within this report. This will help form the pathway in the transition to Net Zero Carbon in accordance with recognised standards and regulations.

Net Zero Carbon will be achieved by continuing to follow the principles of the energy hierarchy as detailed within this report, to minimise energy demand, increase energy efficiency and include renewable energy from renewable energy sources.

OUR RESPONSIBILITIES

OUR ENVIRONMENT



SUSTAINABILITY

Sustainability is the fundamental cornerstone of our development philosophy. In all of our developments, we strive to maximise building performance in terms of energy efficiency and quality of design. We are always looking for new features to integrate into our developments to work towards achieving low emissions and minimising waste and unnecessary additional cost for our customers.

REDUCING ENERGY DEMAND

We will continue to implement the most energy efficient methods to power our developments where possible. We are committed to incorporating efficient systems, such as making use of heat pumps, solar & PV panels and more. We will also seek to integrate green and blue roofs which shall enable us to capture otherwise lost energy potential. Features such as these are pivotal to us achieving our target of meeting the Future Homes Standards from 2025.

MINIMISING WASTE

We will constantly seek to minimise and reasonably eradicate excess material by ensuring accurate bills of quantities and efficiency through the build process on site. We are committed to mitigating waste that is uncontrollably produced on site from going to landfill and will strive to reuse and recycle wherever possible. This inspires innovation and new methods which are closely monitored, and where efficient, implemented on an ongoing basis.

We have set ourselves the target of going above and beyond the requirements of the recently published New London Plan regarding recyclable and recoverable waste.

RESPONSIBILITY AND DESIGN

As a responsible developer, it is a crucial part of our practise that we fully know and understand the communities and surrounding areas, as well as the impacts of them on each site we work on or propose to work on.



"SevenCapital is passionate about helping to improve sustainability across the construction phase and sector generally."

"We only work with contractors and suppliers who are aligned with our shared goal of achieving a sustainable future."

Our experienced land and planning teams have a long track record of delivering new-build projects on brownfield land. These projects are designed to positively transform and revitalise the site and the wider area to help foster and grow new thriving and inclusive communities.

Throughout the planning process, we seek to engage and consult key local stakeholders to ensure all possible avenues of sustainable design and development are explored. Our approach cements our commitment to delivering truly sustainable projects in the communities we serve.

ECOLOGY & URBAN DRAINAGE

For all current and future projects, we aim to integrate sustainable design solutions, including internal aspects such as recycling and refuse, and external systems such as sustainable urban drainage, mitigating noise pollution and green energy infrastructure.

PROMOTE SUSTAINABLE LIVING

We encourage sustainable forms of living for our residents. This includes promoting sustainable forms of transport and travel through the provision of secure cycle-stores, walking routes and car clubs.

FUNCTIONAL DIVERSITY

We are constantly considering the long-term needs of our customers and future residents; 57% of workers want to maintain some element of working from

home. In respect of this, our developments will seek to provide as much working and communal space as possible.

In our future developments, we will endeavour to maximise the amount of private and communal external amenity to reflect these changing desires as well as ensuring these open spaces contribute towards achieving biodiversity net gain.

Moving forwards, we are committed to ensuring our sustainability objectives are not just a planning tick-box exercise, and we therefore pledge to continuously monitor the environmental performance of our developments over the long term. This includes post-occupancy evaluation and analysis of actual building performance against industry benchmarked data.



OUR RESPONSIBILITIES

OUR COMMUNITIES



SEVENCAPITAL IN THE COMMUNITY

Creating sustainable, diverse and attractive places for people to live, work and importantly for communities to thrive is the key driver behind all of SevenCapital's developments.

Over the past six years we have delivered 3,746 new homes across the UK with a further 5,392 currently in the pipeline, all of which contribute to alleviating the ongoing, UK-wide need for new, quality housing.

Paramount to the delivery of truly representative and inclusive communities is our commitment to engaging with local residents and groups. These interactions enable us to understand the needs of the local community and inform our planning and design process. Highlighted by our exemplary customer satisfaction and TrustPilot ratings, our new homes and amenities reflect the desires of those housed within and all those utilising the communal facilities.

OUR CONTRIBUTIONS

SevenCapital has provided many improvements to public realm, not just for our schemes' benefits but also for the wider community.

As a responsible developer, our building of new communities goes hand in hand with the reinvigoration and support of the existing communities where we operate.

SevenCapital is dedicated to giving back to these communities through various schemes and incentives. These include significant financial contributions to local educational institutions and programs, providing both financial and practical support to humanitarian organisations and making charitable donations or carrying out charity exercises.

AFFORDABLE HOUSING

There is a significant need for affordable housing across the UK, to which we have a duty to, and are committed to, playing our part in meeting. To date, SevenCapital has provided more than £9 million in affordable housing contributions and circa 100,000 square foot of affordable housing directly.

COMMUNITY

Additionally, the business has made circa £5 million in community infrastructure levy (CIL) contributions and more than £10 million towards other obligatory planning contributions.

SevenCapital goes over and above our required obligations for community contribution. Examples of these include:

- Providing land to house a Covid-19 testing centre
- Providing land and premises, sourcing and paying rent for three local food banks
- Providing use of land and unoccupied facilities for:
 - Wiltshire and British Transport Police for "live" environment police dog training
 - Real life scenario paramedic ambulance service training
 - Police drone surveillance training



"At SevenCapital we are proud to promote localism across all spectrums of the business. We actively look to recruit or contract skilled workers from the local area to boost employment."

EMPLOYMENT

At SevenCapital we are proud to promote localism across all spectrums of the business. We actively look to recruit or contract skilled workers from the local area to boost employment. Over the lifetime of our developments we have created a total of more than 10,000 direct, indirect and operational stage jobs.

COUNCIL TAX

To date, SevenCapital generates around £17 million annually in council tax or business rates contributions.

CHARITABLE DONATIONS

We recognise the needs beyond community contributions and actively support and encourage our employees to support charitable organisations:



As a charity close to the heart of some of our own team, The Brain Tumour Charity has remained our nominated charity for many years. With our employees we have raised £000s through various individual and group activities, along with supporting the annual Joseph Foote charity ball.



Providing bursaries for the STEM robotics programme, which works to educate and equip children aged 12-18 with the technical skills that will enable them to garner a successful career in the future.



Our CUSTOMERS

CUSTOMER FOCUS

Our customers are the cornerstone to our business. As such, we ensure they always come first, being offered first-class service at every step of their journey with us.

It's this that has led to us being multi-award winning, as proud recipients of the Global Business Excellence Awards for customer service, and our status as the top-rated UK developer on Trustpilot, with an average score of 4.8/5.

When buying with SevenCapital, our customers know that it is more than just a transaction. Whether it's a domestic, owner-occupier purchasing a first home and learning the ropes, or a seasoned international investor seeking to grow their portfolio, we deliver a first-class, fully managed service from the moment of enquiry through to aftersales.

"When buying with SevenCapital, our customers know that it is more than just a transaction...we deliver a first-class, fully managed service from the moment of enquiry through to aftersales."

From providing access to a trusted panel of legal, financial, and foreign exchange experts, to our 10-year build warranty and two-year defect warranty (provided by Checkmate), we ensure peace of mind for customers when purchasing with us. As part of our excellent service, we provide customers with access to a dedicated online SevenCapital Information Hub, offering crucial information on the specification of their property, along with guidance on general maintenance, troubleshooting and a function to report any issues quickly and easily.

As part of our extended service, SevenLiving offers a bespoke rental and tenant liaison service to our investors, assisting in maximising returns on our customers' investments.

LAST 12 MONTHS CUSTOMER SERVICE RATINGS	RATING /10
Would recommend a friend	9/10
Customer service	8/10
Handover experience	10/10
Interior furniture and service	10/10
OVERALL RATING	9/10

OUR RESPONSIBILITIES

OUR
PEOPLE

DIVERSITY AND INCLUSION

SevenCapital actively encourages and promotes equality and diversity amongst our workforce. Our employment policy focuses purely on choosing and retaining the best person suited to the respective job, regardless of gender, ethnicity, age, religion, disability or otherwise, and each person is treated with exactly the same level of respect – as demonstrated within one of our key values.

As such, we fundamentally believe in and practise equal pay amongst all employees, with each member of staff remunerated directly according to our given rate for each level and function within the business.

Within our sector, we stand out. We have an industry-leading male to female ratio across all functions throughout our workforce—which is perfectly reflected by our senior leadership team, formed of 7 females and 9 males.

We place significant emphasis on the retention, development and progression of our employees, actively promoting or incentivising where good work is being produced, so that our employees see our business as a positive place to carve out their careers well into the future. This is clearly demonstrated by our low staff turnover rate of less than 10%.

We are an equal opportunities employer. We actively encourage employment applications from any person who has the aptitude and ability to meet the

requirements of a role within the business. Likewise, we work to accommodate all physical or non-physical requirements of our employees to enable them to carry out their responsibilities in a comfortable and supported environment.

As an entrepreneurial and opportunistic organisation, we openly invite new ideas for working practises, projects and new businesses from our employees, giving each one equal consideration.

*"Within our sector, we stand out.
We have an industry-leading male
to female ratio across all functions
throughout our workforce."*

Despite the various different arms of the SevenCapital Group, we are a tight and integrated family with joint responsibility and accountability, who all work to protect and enhance one another.

Our people are our cornerstone. We strongly believe that a happy workforce generates the best work and leads to happier customers. As such, we will continue to evolve our practises in the future, improving and maintaining a culture of diversity, inclusion and proactivity to make sure we attract and keep the best.

SEVEN CAPITAL PLC

Company Information for the Year Ended 30 September 2020

DIRECTORS:	Balbinder Singh Sohal Damien Anthony Siviter
SECRETARY:	Balbinder Singh Sohal
REGISTERED OFFICE:	97 Park Lane, Mayfair, London, W1K 7TG
REGISTERED NUMBER:	07011445 (England and Wales)
AUDITORS:	Brindleys Limited, Statutory Auditors 2 Wheelleys Road, Edgbaston, Birmingham West Midlands , B15 2LD

GROUP STRATEGIC REPORT

for the Year Ended 30 September 2020

The directors present their strategic report of the company and the group for the year ended 30 September 2020.

PRINCIPAL ACTIVITY

The principal activity of the group during the year is that of Property development. Whilst at the forefront of investment in Birmingham and London Zones 2-6, our portfolio expands well beyond the Midlands with developments being built across the country with a wider focus on the South East.

REVIEW OF BUSINESS

The Group exceeded shareholder expectations in its strong performance to the year ended 30 September 2020. More details are given on page 12 to 15.

KEY PERFORMANCE INDICATORS

Key operating indicators are showing a positive trend and the balance sheet continues to strengthen giving the Group an opportunity to take advantage of new and exciting development opportunities. Further details can be seen on page 4, 69 and 70

PRINCIPAL RISKS AND UNCERTAINTIES

The company uses various financial instruments. These include shareholders loans, cash and various items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The existence of these financial instruments exposes the company to a number of financial risks, which are described on page 31.

SECTION 172 STATEMENT

The Directors have acted in a way that they considered, in good faith, to be most likely to promote the success of Seven Capital Group ('the Company') for the benefit of its members as a whole, and in doing so have regard, amongst other matters, to:

a. the likely consequences of any decision in the long term

The Board is mindful that all strategic decisions can have a long-term impact on the business and its stakeholders. As such, the Board assesses all possible implications of any decision or process and continues to monitor therewith. Over the past year, there has been a need to make decisions quickly to ensure the continuity of the business in light of the pandemic, which is discussed within our Chairman and Group Managing Director's statements on pages 28 and 29 of the report. The Board also has in place a set strategy for assessing and managing risk, designed to protect the company, its employees and stakeholders, which is addressed on pages 31–34 and page 71. Our overall strategy demonstrates the main direction of the Group, upon which the majority of strategic decisions are made (see pages 12–15 and 68–72).

b. the interests of the company's employees

The Board considers all employees integral to the business, with culture, promotion and inclusion each a high priority. As such, the Board actively engages with, invites and considers all views and suggestions of employees when making strategic decisions. Equally the Board promotes complete equality within the workforce without exception, including areas such as disability, gender, race, religion and otherwise. This is explained further within the 'Our People' section of the report on page 60 and within the report of the directors on page 63.

c. the need to foster the company's business relationships with suppliers, customers and others

The Board understands the positive impact that is achieved through nurturing strong relationships with those connected to the business. As such, the aim is to treat all suppliers, customers, partners and stakeholders and employees with equal respect and fairness. This is detailed on pages 32–33, 40–44 and 60 of the report.

d. the impact of the company's operations on the community and the environment

As a Real Estate business, community and environmental impact are of utmost importance. The Board considers and has in place numerous operations and metrics, which the Group is continually working to improve, to minimise negative impact and promote sustainable 'green' initiatives. The business also makes significant contributions to community, charitable and educational organisations to help support existing communities to flourish. These are laid out in detail within the wider Annual Report on pages 46–58.

e. the desirability of the company maintaining a reputation for high standards of business conduct

The Board prides itself on its history of ethics and integrity within all its business dealings. The Board adopts a clear Governance framework and follows and enforces a set of key company values in order to operate and maintain best practise across the Group. These key values are expressed on page 7 of the Annual Report.

f. the need to act fairly as between members of the company

The Board operates a policy of fairness across the Group whereby each employee is assessed purely by ability and suitability for the role, detailed within 'our People' on page 60 of the Annual Report. The business carries a key value of respect (page 7) which the Board enforces throughout all dealings with employees, partners, stakeholders and customers.

On behalf of the board:



Balbinder Singh Sohal—Director
28 June 2021

SEVEN CAPITAL PLC

Report of the Directors for the Year Ended 30 September 2020

The directors present their report with the financial statements of the company and the group for the year ended 30 September 2020.

DIVIDENDS

The total distributions for the year is £1,007,142 (2019: £3,150,740)

DIRECTORS

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

Balbinder Singh Sohal

Damien Anthony Siviter

Other changes in directors holding office are as follows:

Philip John Carlin—resigned 20 May 2020

DISCLOSURE IN THE STRATEGIC REPORT

As permitted by Paragraph 1A of schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report. These matters relate to review of business, principal risks and uncertainties and future developments.

EMPLOYEE INVOLVEMENT

Regular meetings are held between local management and employees to allow a free flow of information and ideas.

DISABLED EMPLOYEES

The Company gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the Company's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

IMPORTANT EVENTS SINCE THE BALANCE SHEET DATE

There were no important events since the year end that require disclosure.

DIRECTORS

STATEMENT OF RESPONSIBILITIES

The principle purpose of the Group during the year is that of property development. Whilst at the forefront of investment in Birmingham, our portfolio expands well beyond the Midlands with developments being built across the country with a wider focus on London, and the London commuter belt.



The directors are responsible for preparing the Group 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), including Financial Reporting Standard 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 the Group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- 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 and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the Group 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 Group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

AUDITORS

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

On behalf of the board:



Balbinder Singh Sohal—Director

28 June 2021



REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SEVEN CAPITAL PLC

OPINION

We have audited the financial statements of Seven Capital Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2020 which comprise the Consolidated Profit and Loss Account and Other Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, 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 group's and of the parent company affairs as at 30 September 2020 and of the group's profit for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

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 Group 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 Group 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Statement of Directors' Responsibilities set out on pages 64 and 65, 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 group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to

liquidate the group or the parent 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. This description forms part of our Report of the Auditors.

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.

SIGNED BY



Sajjad Sumar (Senior Statutory Auditor)

For and on behalf of:
Brindleys Limited Statutory Auditors,
2 Wheeleys Road, Edgbaston, Birmingham,
West Midlands, B15 2LD
28 June 2021

2020

FINANCIAL REVIEW

The Group's balance sheet has strengthened with c.24% of the Group's assets being held as reserves at 30 September 2020 as compared to 16% at 30 September 2019. Key operating indicators are showing a positive trend and the balance sheet continues to strengthen giving the Group an opportunity to take advantage of new and exciting development opportunities.

Profit before tax

£20.8 million

Against the backdrop of an uncertain economic outlook, driven in large measure by Brexit and the onset of the pandemic, the Group has continued to carefully select development projects and deliver profits to shareholders. We have continued to selectively acquire property for investment and development purposes, and we have maintained our enviable and exciting development pipeline.

The impact on the Group's results of such economic factors is expected to be felt in the future as consumer confidence wanes. Long lead times, that are an inherent feature of our development process and business model where a majority of sales are made off-plan mean that our results for 2020 were largely determined by prior development cycles.

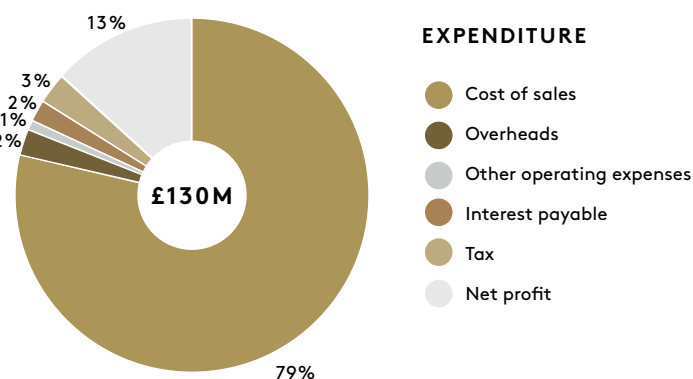
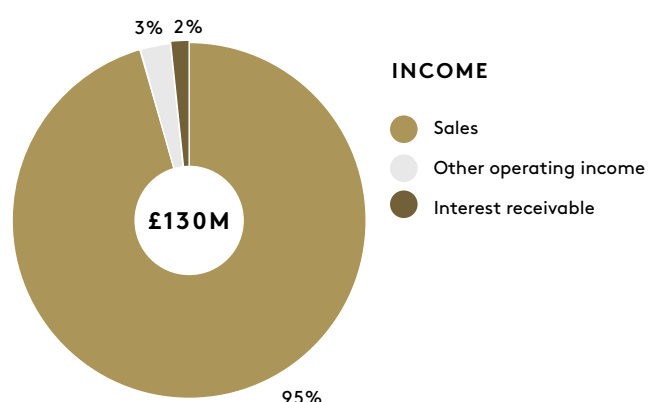
However, we can state with authority that we while we have reduced the number of

development projects (resulting in reduced turnover for FY20 as compared to FY19) in order to carefully manage any dampeners in consumer confidence, we continue to deliver schemes on time and at profitable levels. This is evident from our operating profit margin for FY20 which has remained broadly in line with prior years.

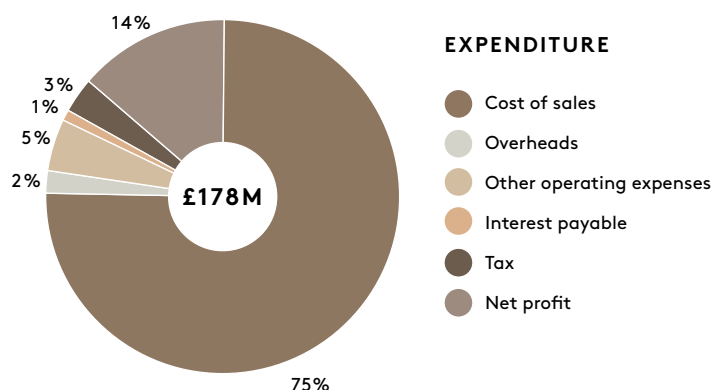
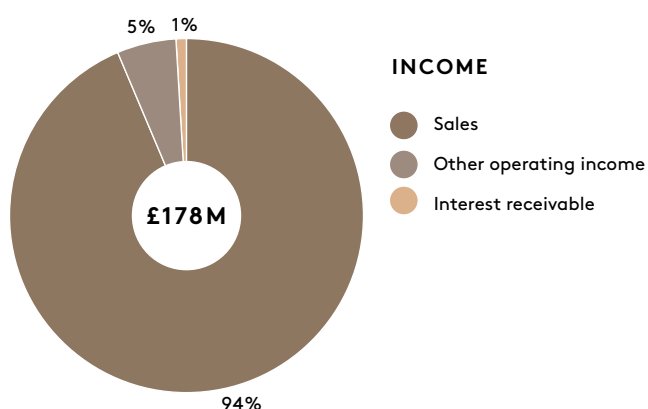
The component parts of the group's income have remained fairly static over the past year, although as explained above, the Group has been selective in scheme acquisition in order to manage the economic headwinds faced by the industry. An analysis of expenditure reveals that margins have remained fairly constant with the prior year, demonstrating that no concessions were made in delivering the turnover for FY20

COMPARISON OF INCOME AND EXPENDITURE ANALYSIS BETWEEN 2020 AND 2019

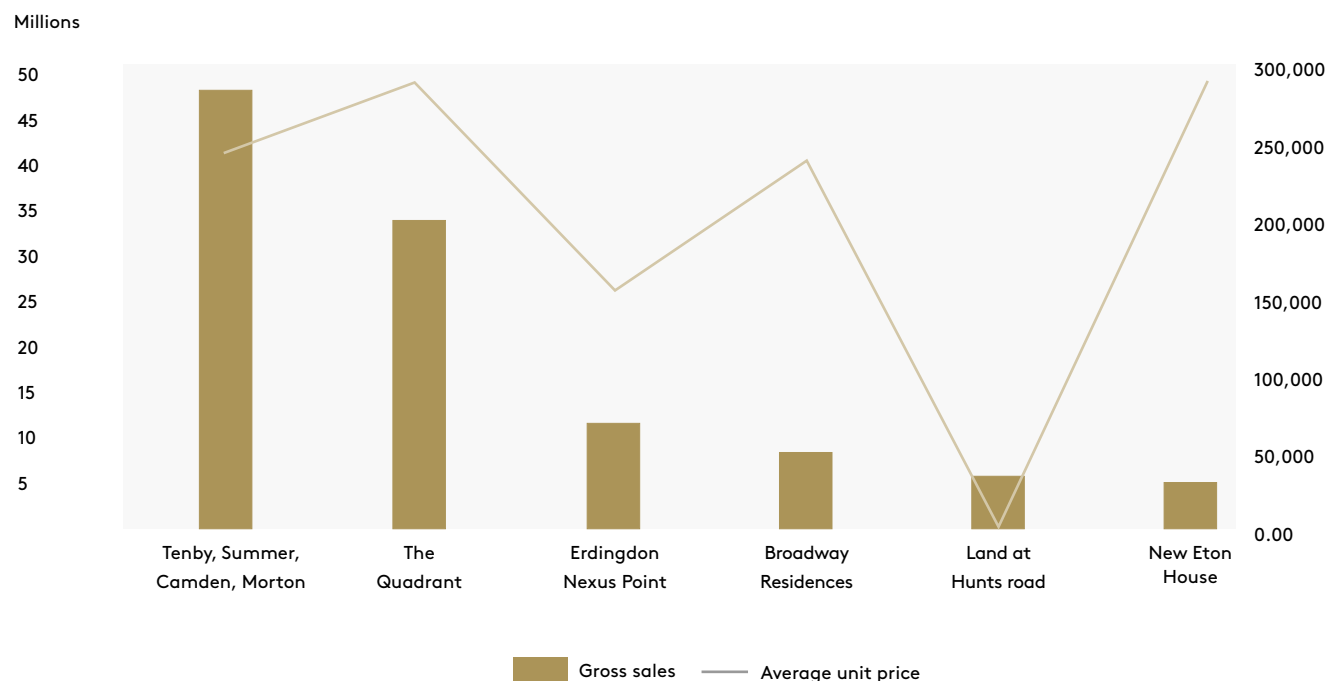
2020



2019



The number of developments completing during the year was fewer than the previous year leading to the reduction in turnover. The major contributors are shown below:



The Group's balance sheet has strengthened with c.24% of the Group's assets being held as reserves at 30 September 2020 as compared to 16% at 30 September 2019. The mix of assets has remained largely constant, however as explained above, careful selection during these uncertain times has led to a reduction in stock. In spite of that cash balances have increased in FY20 to £16.6m and comprises 32% of all net assets.

FINANCIAL RISK AND TREASURY MANAGEMENT

Liquidity and interest rates both pose considerable risks. These are managed by:

LIQUIDITY:

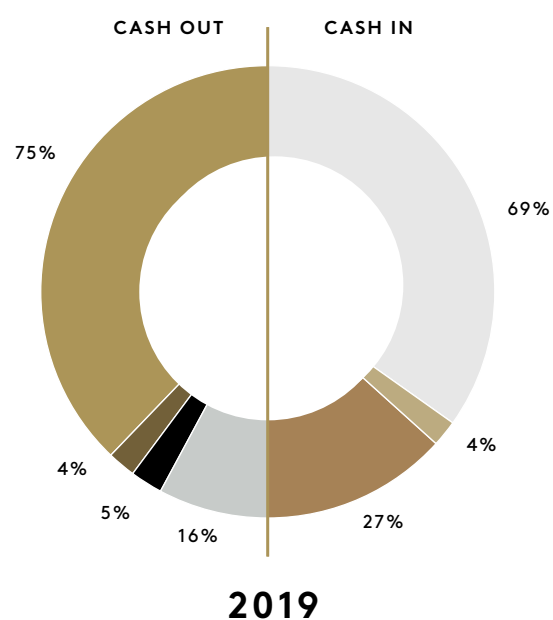
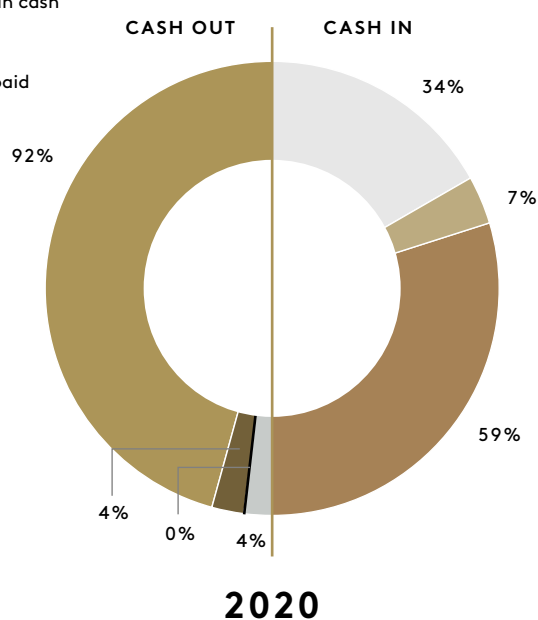
- Monitoring of cash flow through rolling forecasts, enabling fast remediation where required
- Continually monitoring compliance of financial covenants to avoid penalties
- Preserving equity through effective maintenance of banking facilities
- Ensuring facilities are set at a value that reduces the need for emergency funding
- Enabling access to third party equity via joint-venture structures
- Maintaining strong relationships with debt providers

INTEREST RATES:

- Close and continual monitoring of interest rate trends and fluctuations
- Ensuring all new debt is negotiated effectively to ascertain best possible terms
- Maintaining efficient treasury management

The group's debt reduced by [£46m] during the year. [£59m] (36.2%) of the opening debt was repaid and a further [£13m] was drawn to fund new site acquisitions and construction work. The majority of the debt is short-term, project related.

- Financing activities
- Operating activities
- Investing activities
- Working capital
- Increase in cash
- Tax paid
- Interest paid



Cash has been well controlled throughout the year and the increase in available cash will give the board greater flexibility as suitable investment opportunities arise.

RESIDENTIAL

SevenCapital continues with its core of mixed use residential led developments along with converting commercial or disused spaces in key city centre locations and transforming them into stunning residential apartments. We continue to lead the way in rejuvenating city living and investment in the apartment market and have provided some of the country's landmark residential schemes. Our finished product is 'best-in-class' which we then sell to homeowners and investors alike. We continue to experience strong demand for our residential property across all our locations. Our strategy is to deliver optimum returns for our investors and shareholders and it is a product of identifying opportunities and innovative design to extract maximum value from property. We are proud to be the key player in the Birmingham apartment market and rejuvenating City Living. The Group has acquired a number of development opportunities both within the Midlands, London and the London commuter belt.

Furthermore we are pleased with the progress in the newly established housing arm whereby we continue to build on a pipeline for the delivery of family housing in and around the midlands. We are actively looking to grow this area of the business and expand in future years into different regions.

THE FUTURE

SevenCapital adopts a selective approach to residential development and has developed, constructed and sold in both UK and international markets. Careful stock selection, due diligence and a strong understanding of the market enables us to progress each project with a clearly defined business plan.

We are opportunity led developers and this determines our geography and our product. We expect a growing proportion of our turnover to be generated from the London commuter belt, and zones 2-6 within London. Irrespective of where the Group is active, and whatever we set out to achieve, we will provide quality and value for money for all our customers in locations that we believe will offer the opportunity for significant value growth.

CONSOLIDATED PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Notes	2020 £	2019 £
TURNOVER	3	123,994,540	166,688,208
Cost of sales		102,155,692	134,498,746
GROSS PROFIT		21,838,848	32,189,462
Administrative expenses		4,250,927	11,949,538
		17,587,921	20,239,924
Other operating income		3,674,567	9,626,777
OPERATING PROFIT	5	21,262,488	29,866,701
Interest receivable and similar income		2,114,108	1,620,184
		23,376,596	31,486,885
Interest payable and similar expenses	7	2,547,327	1,728,838
PROFIT BEFORE TAXATION		20,829,269	29,758,047
Tax on profit	8	3,736,635	5,512,696
PROFIT FOR THE FINANCIAL YEAR		17,092,634	24,245,351
OTHER COMPREHENSIVE INCOME			
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		17,092,634	24,245,351
Profit attributable to:			
Owners of the parent		5,295,749	13,734,729
Non-controlling interests		11,796,885	10,510,622
		17,092,634	24,245,351
Total comprehensive income attributable to:			
Owners of the parent		5,295,749	13,734,729
Non-controlling interests		11,796,885	10,510,622
		17,092,634	24,245,351

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 30 SEPTEMBER 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	11	82,020	91,458
Investments	12		
Interest in associate		100	583,500
Other investments		46,624	501,276
		128,744	1,176,234
CURRENT ASSETS			
Stocks	13	155,896,656	221,585,952
Debtors	14	48,830,748	41,456,738
Cash at bank and in hand		16,632,083	14,290,848
		221,359,487	278,706,389
CREDITORS			
Amount falling due within one year	15	32,120,371	57,120,437
NET CURRENT ASSETS		189,239,116	221,585,952
TOTAL ASSETS LESS CURRENT LIABILITIES		189,367,860	222,762,186
CREDITORS			
Amounts falling due after more than one year		(137,301,670)	(178,688,642)
PROVISIONS FOR LIABILITIES	19	-	(7,846)
NET ASSETS		52,066,190	44,065,698
CAPITAL AND RESERVES			
Called up share capital	20	55,000	50,000
Capital redemption reserve	21	10,000	-
Retained earnings	21	34,707,510	31,418,903
SHAREHOLDERS FUNDS		34,772,510	31,468,903
NON-CONTROLLING INTERESTS	22	17,293,680	12,596,795
TOTAL EQUITY		52,066,190	44,065,698

The financial statements were approved by the Board of Directors and authorised for issue on 28 June 2021 and were signed on its behalf by:



Balbinder Singh Sohal — Director

COMPANY STATEMENT OF FINANCIAL POSITION 30 SEPTEMBER 2020

	Notes	2020 £	2019 £
FIXED ASSETS		82,020	91,458
Tangible assets	11	51,057	1,012,268
Investments	12		
		133,077	1,103,726
CURRENT ASSETS			
Stocks	13	5,908,880	6,334,240
Debtors	14	33,209,953	26,555,926
Cash at bank		11,702,986	10,601,930
		50,821,819	43,492,096
CREDITORS			
Amount falling due within one year	15	20,219,328	17,167,813
NET CURRENT ASSETS		30,602,491	26,324,283
TOTAL ASSETS LESS CURRENT LIABILITIES		30,735,568	27,428,009
PROVISIONS FOR LIABILITIES	19	15,584	10,255
NET ASSETS		30,719,984	27,417,754
CAPITAL AND RESERVES			
Called up share capital	20	55,000	50,000
Capital redemption reserve	21	10,000	-
Retained earnings	21	30,654,984	27,367,754
SHAREHOLDERS FUNDS		30,719,984	27,417,754
Company's profit for the financial year		5,294,372	11,241,202

The financial statements were approved by the Board of Directors and authorised for issue on 28 June 2021 and were signed on its behalf by:



Balbinder Singh Sohal — Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Called up share capital £	Retained earnings £	Capital redemption reserve £
Balance at 1 October 2018	50,000	20,834,914	
Changes in equity			
Dividends		(3,150,740)	
Total comprehensive income		13,734,729	
Balance at 30 September 2019	50,000	31,418,903	
Changes in equity			
Issue of share capital	5,000		
Dividends		(1,007,142)	
Total comprehensive income		4,295,749	10,000
Balance at 30 September 2020	55,000	34,707,510	10,000

	Total £	Non-controlling interests £	Total equity £
Balance at 1 October 2018	20,884,914	7,916,173	28,801,087
Changes in equity			
Dividends	(3,150,740)	(5,830,000)	(8,980,740)
Total comprehensive income	13,734,729	10,510,622	24,245,351
Balance at 30 September 2019	31,468,903	12,596,795	44,065,698
Changes in equity			
Issue of share capital	5,000		5,000
Dividends	(1,007,142)	(7,100,000)	(8,107,142)
Total comprehensive income	4,305,749	11,796,885	16,102,634
Balance at 30 September 2020	34,772,510	17,293,680	52,066,190

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Called up share capital	Retained earnings	Capital redemption reserve	Total Equity
	£	£	£	£
Balance at 1 October 2018	50,000	19,277,292		19,327,292
Changes in equity				
Dividends		(3,150,740)		(3,150,740)
Total comprehensive income		11,241,202		11,241,202
Balance at 30 September 2019	50,000	27,367,754		27,417,754
Changes in equity				
Issue of share capital	5,000			5,000
Dividends		(1,007,142)		(1,007,142)
Total comprehensive income		4,294,372	10,000	4,304,372
Balance at 30 September 2020	55,000	30,654,984	10,000	30,719,984

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2020

		2020	2019
	Notes	£	£
Cash flows from operating activities	1		
Cash generated from operations		55,863,787	41,377,829
Interest paid		(2,547,327)	(1,728,838)
Tax paid		(254,980)	(2,026,041)
Net cash from operating activities		53,061,480	37,622,950
Cash flows from investing activities			
Purchase of tangible fixed assets		(5,036)	(8,839)
Purchase of fixed asset investments		(41,953)	(3,661)
Interest received		2,114,108	1,620,184
Dividends received		2,100,000	
Net cash from investing activities		4,167,119	1,607,684
Cash flows from financing activities			
New loans in year		13,039,874	37,544,115
Loan repayments in year		(58,833,509)	(60,990,802)
Amount withdrawn by directors		(1,574)	(35,663)
Share issue		15,000	
Share buyback		(1,000,000)	
Equity dividends paid		(1,007,142)	(3,150,740)
Dividends paid to minority interests		(7,100,000)	(5,830,000)
Net cash from financing activities		(54,887,351)	(32,463,090)
Increase in cash and cash equivalents		2,341,248	6,767,544
Cash and cash equivalents at beginning of year	2	14,290,835	7,523,291
Cash and cash equivalents at end of year	2	16,632,083	14,290,835

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2020

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

	2020	2019
	£	£
Profit before taxation	20,829,269	29,758,047
Depreciation charges	14,474	16,139
Dividends	(2,100,000)	
Impairment of investments	1,080,005	
Finance costs	2,547,327	1,728,838
Finance income	(2,114,108)	(1,620,184)
	20,256,967	29,882,840
Decrease in stocks	67,062,147	52,386,418
Increase in trade and other debtors	7,273,802	(14,930,511)
Decrease in trade and other creditors	24,181,525	(25,960,918)
Cash generated from operations	55,863,787	41,377,829

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 30 September 2020	30.9.20	1.10.19
	£	£
Cash and cash equivalents	16,632,083	14,290,848
Bank overdrafts		(13)
	16,632,083	14,290,835
Year ended 30 September 2019	30.9.19	1.10.18
	£	£
Cash and cash equivalents	14,290,848	7,523,304
Bank overdrafts	(13)	(13)
	14,290,835	7,523,291

3. ANALYSIS OF CHANGES IN DEBT

	At 1.10.19	Cash flow	At 30.09.20
	£	£	£
Net cash			
Cash at bank and in hand	14,290,848	2,341,235	16,632,083
Bank overdrafts	(13)	13	
	14,290,835	2,341,248	16,632,083
Debt			
Debts falling due after 1 year	(163,146,932)	45,793,635	(117,353,297)
	(163,146,932)	45,793,635	(117,353,297)
Total	(148,856,097)	48,134,883	(100,721,214)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. STATUTORY INFORMATION

Seven Capital Plc is a public company, registered in England and Wales. The company's registered number and registered office address can be found on the company information page.

The presentation currency of the financial statements is the Pound Sterling (£).

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.

These financial statements have been prepared on a going concern basis and are prepared in British Pound Sterling which is the financial currency of the group.

Basis Of Consolidation

The consolidated financial statement include the accounts of the parent undertaking and its subsidiary undertakings made up to 30 September 2020

The results of the subsidiaries are included in the consolidated profit and loss account from the date of their acquisition.

Significant Judgements And Estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Useful Economic Lives Of Property, Plant And Equipment

The annual depreciation charge for property, plant and equipment is sensitive to changes in estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended where necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets.

Impairment Of Trade Receivables

The group makes an estimate of the recoverable amount of trade and other debtors. When assessing impairment of trade and other receivables, management considers factors including the credit rating of the receivable, the ageing profile of receivables and historical experience.

Revenue Recognition

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

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.
Fixtures and fittings—15% on reducing balance

Investments In Associates

Investments in associate undertakings are recognised at cost.

Inventory

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Costs incurred by the company for the conversion of commercial property into residential flats including overheads directly attributable to the project are carried forward as stock until all have been disposed of. The profit/loss will be realised in the accounting period in which the flats are sold.

Taxation

Taxation for the year comprises current and deferred Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Profit and Loss Account and Other Comprehensive Income, 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 statement of financial position date.

Deferred Tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

Pension Costs And Other Post-Retirement Benefits

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

Holiday Pay

Holiday pay is recognised as an expense in the period in which the service is received.

Basic Financial Instruments

Trade and Other Debtors/Creditors

Trade and other debtors are recognised initially at

transaction price less attributable transaction costs.

Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest Bearing Borrowings Classified As Basic Financial Instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash And Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Other Investments

Other investments are recognised at cost.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	2020 £	2019 £
Consultancy	3,694,473	1,177,273
Contracts	120,300,067	165,510,935
	123,994,540	166,688,208

An analysis of turnover by geographical market is given below:

	2020 £	2019 £
United Kingdom	123,994,540	166,688,208
	123,994,540	166,688,208

4. EMPLOYEES AND DIRECTORS

	2020 £	2019 £
Wages and salaries	1,559,059	1,403,713
Social security costs	171,596	169,308
Other pension costs	32,696	31,350
	1,763,351	1,604,371

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

	2020	2019
Administration	23	17

The average number of employees by undertakings that were proportionately consolidated during the year was 3 (2019–3).

	2020 £	2019 £
Directors remuneration	419,144	536,743

Information regarding the highest paid director is as follows:

	2020 £	2019 £
Emoluments etc	58,923	122,653

5. OPERATING PROFIT

The operating profit is stated after charging:

	2020 £	2019 £
Depreciation—owned assets	14,474	16,139

6. AUDITORS' REMUNERATION

	2020 £	2019 £
Fees payable to the company's auditors for the audit of the company's financial statements	61,350	56,700

The auditors were also paid £25,560 for non audit services provided to the group

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020 £	2019 £
Bank interest	557	493
Other Loan Interest	2,546,770	1,728,345
	2,547,327	1,728,838

8. TAXATION

Analysis of the tax charge

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

	2020 £	2019 £
Current tax		
UK corporation tax	3,845,211	5,557,881
Overpaid tax last year	(2,093)	(41,723)
Total current tax	3,843,118	5,516,158
Deferred tax	(106,483)	(3,462)
Tax on profit	3,736,635	5,512,696

UK corporation tax has been charged at 19% (2019–19%).

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK.

The difference is explained below:

	2020 £	2019 £
Profit before tax	20,829,269	29,758,047
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019–19%)	3,957,561	5,654,029
Effects of:		
Expenses not deductible for tax purposes	195,611	1,557,749
Income not taxable for tax purposes	(3,414,102)	(4,098,975)
Capital allowances in excess of depreciation		(179)
Depreciation in excess of capital allowances	1,793	
Utilisation of tax losses	(15,877)	(83,652)
Deferred tax	(106,482)	(3,462)
Consolidation adjustments	2,907,862	2,404,989
Losses carried forward	234,524	123,920
Overprovision last year	(2,093)	(41,723)
Land remediation relief	(22,162)	
Total tax charge	3,736,635	5,512,696

9. INDIVIDUAL PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account and Other Comprehensive Income of the parent company is not presented as part of these financial statements.

10. DIVIDENDS

	2020 £	2019 £
B Ordinary shares of £1 each Interim	503,571	1,575,370
C Ordinary shares of £1 each Interim	503,571	1,575,370
	1,007,142	3,150,740

11. TANGIBLE FIXED ASSETS

Group	Fixtures and fittings £
COST	
At 1 October 2019	192,604
Additions	5,036
At 30 September 2020	197,640
DEPRECIATION	
At 1 October 2019	101,146
Charge for year	14,474
At 30 September 2020	115,620
NET BOOK VALUE	
At 30 September 2020	82,020
At 30 September 2019	91,458

Company	Fixtures and fittings £
COST	
At 1 October 2019	192,604
Additions	5,036
At 30 September 2020	197,640
DEPRECIATION	
At 1 October 2019	101,146
Charge for year	14,474
At 30 September 2020	115,620
NET BOOK VALUE	
At 30 September 2020	82,020
At 30 September 2019	91,458

12. FIXED ASSET INVESTMENTS

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Participating interests	100	583,500		541,211
Other investments not loans	46,624	501,276	51,057	471,057
	46,724	1,084,776	51,057	1,012,268

Additional information is as follows:

Group	Interest in associate £	Unlisted investments £	Totals £
COST			
At 1 October 2019	583,500	500,266	1,083,766
Additions		41,953	41,953
Impairments	(583,400)	(496,605)	(1,080,005)
At 30 September 2020	100	45,614	45,714
NET BOOK VALUE			
At 30 September 2020	100	45,614	45,714
At 30 September 2019	583,500	500,266	1,083,766

Investments (neither listed nor unlisted) were as follows:

	2020 £	2019 £
Other investments	1,010	1,010

Company	Interest in associate £	Unlisted investments £	Totals £
COST			
At 1 October 2019	541,211	470,047	1,011,258
Additions		41,605	41,605
Impairments	(541,211)	(461,605)	(1,002,816)
At 30 September 2020		50,047	50,047
NET BOOK VALUE			
At 30 September 2020		50,047	50,047
At 30 September 2019	541,211	470,047	1,011,258

Investments (neither listed nor unlisted) were as follows:

	2020 £	2019 £
Other investments	1,010	1,010

12. FIXED ASSET INVESTMENTS — CONTINUED

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Associated companies

Seven Capital Investments (Holdings) Ltd

Registered office: United Kingdom

Nature of business: Holding Investments

%

Class of shares: holding

Ordinary 50.00

Seven Capital (Basingstoke) Ltd

Registered office: United Kingdom

Nature of business: Development of building projects

%

Class of shares: holding

B Ordinary 2.00

Seven Capital (Bracknell) Ltd

Registered office: United Kingdom

Nature of business: Buying and selling of real estate

%

Class of shares: holding

Ordinary 50.00

Seven Capital (Crocus) Ltd

Registered office: United Kingdom

Nature of business: Buying and selling of real estate

%

Class of shares: holding

Ordinary 50.00

Other investment of £1,010 is the non-controlling interest in the share capital of Seven Capital (Connaught Square) Ltd which is registered in England under company number 09866889. The group owns 100% of the B Ordinary shares and 10% of the A Ordinary shares.

Subsidiaries

Seven Capital (1 Hagley Rd) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary

96.00

Seven Capital (Point North 2) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary

91.00

Seven Capital (JQ) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary A

90.00

Seven Capital (Bridgewater House) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary A

98.00

Seven Capital (Broadway) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary A

98.00

Seven Capital (Ridley) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary A

85.00

Seven Capital (Granville) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary A

85.00

12. FIXED ASSET INVESTMENTS — CONTINUED

Seven Capital (The Strand) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary A

98.00

Seven Capital (Fabric Square) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary

100.00

Seven Capital Investments Ltd

Registered office: United Kingdom

Nature of business: Management of real estate on a fee or contract basis

%

Class of shares:

holding

Ordinary A

60.00

Seven Capital (Madison) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary A

100.00

Seven Capital (Pineham) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary A

84.00

Seven Capital (Regency Place) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary A

84.00

Seven Capital Retail Holdings Ltd

Registered office: Guernsey

Nature of business: Holding Investments

%

Class of shares:

holding

Ordinary

100.00

12. FIXED ASSET INVESTMENTS — CONTINUED

Seven Capital (Summer Hill) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary A

90.00

Seven Capital (St. Georges) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary A

90.00

Seven Capital (Slough) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary A

98.00

Seven Capital (Harborne) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary A

90.00

Seven Capital (Grosvenor) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary A

84.00

Seven Capital (Erdington) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary

98.00

Seven Capital (Albion) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary

100.00

12. FIXED ASSET INVESTMENTS — CONTINUED

Seven Capital (Broadway Residencies) Ltd

Registered office: United Kingdom

Nature of business: Selling/Renting of residential properties

%

Class of shares:

holding

Ordinary

98.00

Seven Capital (Stirchley) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

A Ordinary

98.00

Seven Capital (DMS) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

A Ordinary

98.00

Seven Capital (Chelmsford) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

A Ordinary

98.00

Seven Capital (Stourbridge) Ltd

Registered office: United Kingdom

Nature of business: Buying and selling of real estate

%

Class of shares:

holding

A Ordinary

100.00

Seven Capital (M25) Ltd

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

A Ordinary

100.00

Seven Capital Bluebird) Ltd

Registered office: United Kingdom

Nature of business: Buying and selling of real estate

%

Class of shares:

holding

A Ordinary

100.00

12. FIXED ASSET INVESTMENTS — CONTINUED

Seven Capital (Church Gresley) Ltd

Registered office: United Kingdom

Nature of business: Buying and selling of real estate

%

Class of shares:

holding

Ordinary

100.00

Seven Capital (Cheltenham) Ltd

Registered office: United Kingdom

Nature of business: Buying and selling of real estate

%

Class of shares:

holding

A Ordinary

100.00

Seven Capital (Corbett) Ltd

Registered office: United Kingdom

Nature of business: Buying and selling of real estate

%

Class of shares:

holding

A Ordinary

100.00

Seven Capital (Northfield) Ltd

Registered office: United Kingdom

Nature of business: Buying and selling of real estate

%

Class of shares:

holding

A Ordinary

100.00

Seven Capital (Tindal) Ltd

Registered office: United Kingdom

Nature of business: Buying and selling of real estate

%

Class of shares:

holding

A Ordinary

100.00

Seven Capital (CS) Ltd

Registered office: United Kingdom

Nature of business: Buying and selling of real estate

%

Class of shares:

holding

A Ordinary

100.00

Seven Capital (Wyrehill) Ltd

Registered office: United Kingdom

Nature of business: Buying and selling of real estate

%

Class of shares:

holding

A Ordinary

100.00

12. FIXED ASSET INVESTMENTS — CONTINUED

Seven Living Ltd

Registered office: United Kingdom

Nature of business: Buying and selling of real estate

	%
Class of shares:	holding
A Ordinary	100.00

Seven Living (Victoria) Ltd

Registered office: United Kingdom

Nature of business: Buying and selling of real estate

	%
Class of shares:	holding
A Ordinary	100.00

Seven Homes (SC) Ltd

Registered office: United Kingdom

Nature of business: Buying and selling of real estate

	%
Class of shares:	holding
Ordinary	100.00

13. STOCKS

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Closing work in progress	154,569,646	221,254,784	5,908,880	6,334,240
Finished goods	1,327,010	1,704,019		
	155,896,656	222,958,803	5,908,880	6,334,240

14. DEBTORS

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Amounts falling due within one year:				
Trade debtors	372,544	565,071		84,844
Amounts owed by group undertakings			213,117	205,667
Other debtors	39,115,486	32,320,868	32,956,351	26,208,019
Directors' current accounts	64,649	63,075		
VAT		278,837		
Deferred tax asset	98,636			
Prepayments	60,297	204,460	40,485	57,396
	39,711,612	33,432,311	33,209,953	26,555,926
Amounts falling due after more than one year:				
Other debtors	7,320,420	7,324,461		
Prepayments and accrued income	1,798,716	699,966		
	9,119,136	8,024,427		
Aggregate amounts	48,830,748	41,456,738	33,209,953	26,555,926

14. DEBTORS — CONTINUED

Deferred tax asset

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Deferred tax	98,636			

Included in Other debtors, balance of £3,749,510 which is due from Seven Capital (Crocus) Limited, a company registered in England (Company Number: 10579440) and is repayable within 4 years. Interest is accrued at the rate of 15% on the loan amount of £3,750,000 and included in prepayments and accrued income.

Included in Other debtors, balance of £3,574,510 due from Seven Capital (Bracknell) Limited a company registered in England (Company Number : 11452285) and is repayable within 4 years. Interest is accrued at the rate of 15% on the loan amount of £3,575,000 and is included in prepayments and accrued income.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Bank loans and overdrafts (see note 17)		13		
Trade creditors	4,836,918	2,541,508	19,786	69,165
Amounts owed to group undertakings			13,381,894	1,354,424
Corporation Tax	8,988,249	5,400,111	58,509	87,222
Social security and other taxes	173,736	90,715	72,047	49,348
VAT	1,887,689		367,104	82,826
Other creditors	13,005,282	46,920,105	5,873,393	15,453,332
Directors' current accounts	60,966	40,131	60,965	40,131
Accrued expenses	3,167,531	2,127,854	385,630	31,365
	32,120,371	57,120,437	20,219,328	17,167,813

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2020 £	2019 £
Bank loans and overdrafts (see note 17)		13,022,934
Other loans (see note 17)	117,353,297	150,123,998
Accruals and deferred income	19,948,373	15,541,710
	137,301,670	178,688,642

Accruals and deferred income relates to accruals of £19,948,373 (2019: £15,541,710) for interest on the loans which are payable upon completion of the project.

17. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2020 £	2019 £
Amounts falling due within one year or on demand:		
Bank overdrafts		13
Amounts falling due between two and five years:		
Bank loans–2–5 years		13,022,934
Other loans–2–5 years	117,353,297	150,123,998
	117,353,297	163,146,932

Included in other loans, amounts of £7,625,000 with interest rate of 24%, £8,993,422 with interest rate of 11%, £22,652,195 with interest rate of 10%, £38,400,000 with interest rate of 9%, £26,812,678 with interest rate of 8%, £2,420,000 with interest rate of 7%, £10,250,000 with interest rate of 5% and £200,000 with interest rate of 4% repayable between two and five years.

18. SECURED DEBTS

Bank and other loans are secured by a fixed and floating charges over the assets of the companies

19. PROVISIONS FOR LIABILITIES

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Deferred tax		7,846	15,584	10,255
Group				Deferred tax £
Balance at 1 October 2019				7,846
Credit to Profit and Loss Account and Other Comprehensive Income during year				(106,482)
Balance at 30 September 2020				(98,636)
Company				Deferred tax £
Balance at 1 October 2019				10,255
Provided during year				5,329
Balance at 30 September 2020				15,584

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class	Nominal value	2020 £	2019 £
50,000	A Ordinary	£1	50,000	35,000
5,000	B Ordinary	£1	5,000	7,500
NIL	C Ordinary	£1		7,500
			55,000	50,000

The following shares were issued during the year for cash at par:

15,000 A Ordinary shares of £1

Each class of share has equal voting right and equal rights to dividends and distributions.

21. RESERVES

Group

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 October 2019	31,418,903		31,418,903
Profit for the year	5,295,749		5,295,749
Dividends	(1,007,142)		(1,007,142)
Purchase of own shares	(1,000,000)	10,000	(990,000)
At 30 September 2020	34,707,510	10,000	34,717,510

Company

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 October 2019	27,367,754		27,367,754
Profit for the year	5,294,372		5,294,372
Dividends	(1,007,142)		(1,007,142)
Purchase of own shares	(1,000,000)	10,000	(990,000)
At 30 September 2020	30,654,984	10,000	30,664,984

22. NON-CONTROLLING INTERESTS

	£
Balance at 1 October 2014	977,246
Changes in equity	
Total comprehensive income	
Balance at 30 September 2015	977,246
Changes in equity	
Dividends	(10,520,763)
Total comprehensive income	13,320,916
Balance at 30 September 2016	3,777,399
Changes in Equity	
Dividends	(3,794,496)
Total Comprehensive income	3,681,568
Balance at 30 September 2017	3,664,471
Changes in Equity	
Dividends	(99,107)
Total Comprehensive income	4,350,809
Balance at 30 September 2018	7,916,173
Changes in Equity	
Dividends	(5,830,000)
Total Comprehensive income	10,510,622
Balance at 30 September 2019	12,596,795
Changes in Equity	
Dividends	(7,100,000)
Total Comprehensive income	11,796,885
Balance at 30 September 2020	17,293,680

The aggregate amount of the net profit after dividends for the year relating to minority shareholders is £4,696,885 (2019: £4,680,622)

The minority interest liability as at 30.09.2020 was £17,293,680 (2019: £12,596,795)

23. RELATED PARTY DISCLOSURES

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

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

During the year, the company received dividend of £2.1m from an associated company registered in England

24. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is B S Sohal

SIGNED BY



Balbinder Sohal, Chairman
28 June 2021