



SevenCapital plc

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# GROUP ANNUAL REPORT

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FOR THE YEAR ENDED  
30TH SEPTEMBER 2021

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FINANCIAL REPORT

# COMPANY OVERVIEW

## 01

SevenCapital has demonstrated impeccable resilience without compromising our values and traditions against the backdrop of a challenging external environment, further establishing ourself as an investor and developer of choice in Greater London and South East England.

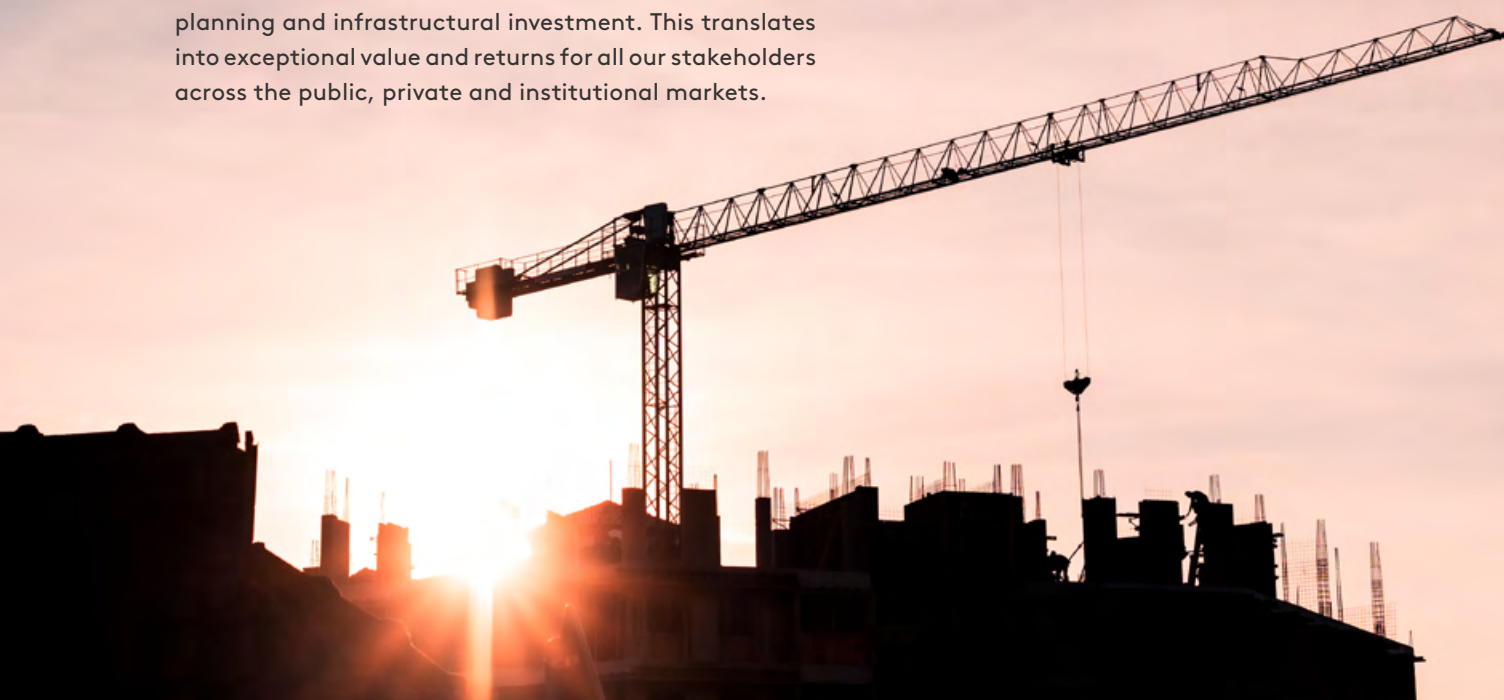




# THE GROUP

SevenCapital is one of the largest and fastest growing real estate development, investment and management Groups in the UK.

Our core focus is to deliver high quality residential homes and mixed-use developments across London, Birmingham and South East 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.



## 1 OUR VISION

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

## 2 OUR PURPOSE

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



# A LETTER FROM OUR CHAIRMAN

BAL SOHAL

The UK has experienced some unprecedented events beginning with Brexit, the ongoing pandemic and now the Ukraine war. With these events, largely outside our control, we have economic implications. We have seen an impact on GDP, interest rate pressures, inflation and sagging consumer confidence. The Government support for impacted consumers and businesses has been unprecedented. However, the incredible buoyancy of the property market has been one of the most surprising outcomes, amidst an unusual mix of uncertainty, great sadness for both individuals and industries, yet great strength and humanity in the face of it all. UK consumers continue their confidence in the property market where demand outstrips supply.



## BUOYANT PROPERTY MARKET

It is perhaps this resilience and the very British attitude of 'keep calm and carry on' that has provided much of this positive surge in the market, as people naturally choose to try and push forward and make decisions to help navigate some of that uncertainty. During this period, where the housing market is concerned, we've certainly seen a shift in buyer priorities, and despite ongoing fears that the initial boost to both market movement and subsequent inflations in house prices, this "trend" has continued throughout 2021, and into the start of 2022.

For SevenCapital, these events have marked a period of change to the way we approach the market and carry out some of our day-to-day activities. However, more significantly, this period has allowed us to re-evaluate and adjust our strategy across the Group, as we continue to drive our evolution into a large-scale developer. We view the external challenges as a huge opportunity.

## STRATEGIC MOVE TO EXPAND TO LONDON AND THE SOUTH EAST

In 2020, we laid out a renewed and robust strategy that would allow our business to seek out larger scale opportunities, including the formation of new joint venture partnerships, whilst catalysing our expansion into wider localities across London and the South East.

Over the course of the past 12 months, whilst we have maintained focus on our current stock, we have also concentrated firmly on enforcing our renewed strategy. The business has made great strides in achieving our future goals, with our renewed, strategic land team in London having worked extremely hard to **secure two significant prime development sites**, the first of which we will be bringing forward to market in 2022.



## ESG GOALS

With an ever-heightened focus on sustainability across the housebuilding industry, I am pleased that alongside, and hand in hand with the work we continue to do to strengthen our Group's position in the market, we have increased our emphasis on ESG goals.

We are acutely aware of the ongoing need to provide affordable accommodation, particularly at a time when house prices are at an all-time high. Alongside this, we continually seek out increased opportunity for amenities that benefit both the immediate and surrounding communities in the areas we operate.

We are now choosing more efficient processes, materials and systems to ensure that the communities we build all contribute to an overall more sustainable UK.

## GREEN COMMITMENTS

We are committed towards supporting the local and global environment simply because it is the right thing to do. We have a number of initiatives, including reducing energy demand, minimising waste, considering responsible design and implementing ecology and drainage. We are very pleased with the progress we are making along all these initiatives.

## FOCUS ON OUR TALENT

We as a Group would not be achieving without our people. Hiring, developing and retaining good people remains one of the highest priorities for our organisation and further to the addition of Angus Michie as Managing Director in early 2021, I am pleased to welcome Fardeen Nariman as the Chief Investment Officer, along with Simon Howard as Sales Director, who will lead a refreshed and energised sales strategy across the Group. We are also welcoming new members into our sales and marketing teams, bringing in enthusiastic and highly skilled people who are aligned with our culture and our ambition for the future.

## PRIDE IN OUR CUSTOMER SATISFACTION

Our commitment to customers remains our highest priority as reflected in all independent surveys. Our customers receive a firstclass, fully managed service from the moment of first enquiry to aftersales. We ensure peace of mind for our customers with our warranties, and provide access to a panel of legal, financial and foreign exchange experts where required.

## OUR FUNDING STRATEGY AND FINANCIAL STRENGTH

We consciously decided to target a lower turnover in the face of uncertainty in the external environment but have strengthened our net assets and equity positions. This will position us well to quickly exploit new opportunities. We are also exploring new sources of funding to help us accelerate our growth and become more competitive in winning new projects.

In closing, I am very pleased with the progress we have made in the last fiscal year despite the external challenges, and have positioned the company very well along all dimensions.

### SIGNED BY

**Balbinder Sohal, Chairman**

# A STATEMENT FROM OUR GROUP MANAGING DIRECTOR

## DAMIEN SIVITER

The past 24 months have been both challenging and unexpected for all industries and the SevenCapital Group is certainly not alone in having to adjust to new ways of working - with each other, our partners and supply chains, as well as our customers.

A combination of Brexit, the Covid-19 pandemic and new legislation could have had a catastrophic effect without Government initiatives to boost the market, along with technology and internet connectivity.

The willingness of each and every one of our team to adapt to or learn new working practises is something we as a Board are extremely thankful for, and what we have collectively been able to achieve during this time is something we can all be very proud of.

2020 was a difficult year operationally, however the business quickly overcame these challenges to push through and achieve a successful result. As part of this, we laid out a revised strategy to scale up the organisation and expand from being a regional developer to a nationally recognised property Group, with a focus on London, Birmingham, and the wider South East.

In 2021, we committed wholeheartedly to this strategy, beginning with the appointment of Angus Michie to the Board as SevenCapital Managing Director, and additions to our London-based land team. We followed this with the appointment of Fardeen Nariman to the Board as Chief Investment Officer.

A newly energised team, with experience and strong track records in development and origination across London and the wider South East region, combined with our long-standing reputation as a regeneration specialist, has allowed us to expand our reach into our desired markets, through increased networks and, importantly, via the formation of investment and joint venture partnerships.

In 2021, we acquired a significant site in Archway Campus, Islington, which pending planning will completely, yet sensitively, regenerate this historic site, bringing it back to life as a residential-led mixed-use development encompassing private residential, student accommodation, improved public realm and green space, and a significant proportion of affordable housing provision.

As we go into 2022, we look forward to bringing to the market a £500 million residential-led development in Kensington through a joint venture partnership with MARK. Both of these developments are testament to SevenCapital's opportunistic approach and commitment to delivery.

With sustainability being high on the agenda for the industry as a whole, over the past 12 months we have also reviewed our working practises along with our supply chain, to ensure we are constantly making improvements towards the universal target of reaching net zero by 2050.





Whilst adjusting our location strategy, we have also taken the time to review our approach to sales. We have typically adopted a build-to-sell approach, which alongside the emphasis on growing our rental platform through SevenLiving, remains a strong driver for our business. However, our extended reach into new locations also requires a revised approach across our sales and marketing functions.

To date, the business has built up a strong investment customer base. However, as we look to the future, we recognise that responsible development and growth needs to come from appealing to a wider and more diverse audience, incorporating investors and homebuyers at all ends of the scale from affordable through to prime property buyers.

As such, we have recently appointed Simon Howard to lead our global sales strategy to help us enter into the next era of the business successfully. Simon joins from Berkeley Group where he built a successful track record over nine years. In addition, we are investing in our marketing team, which is being led by Sarah Morris, to bring a fresh approach to our business, our upcoming developments and the way we present our existing schemes, aligned with our future direction and goals.

The company has strengthened its balance sheet, despite the difficult external environment. Our net assets increased to £60m, up from £52m, while our operating margin improved to 18% due to our laser sharp focus on managing our costs, while improving focus on customer service and satisfaction. This renewed direction across the business is already seeing us expand our remit, improve our working practises, our output and constantly better our approach to sustainability. As we approach our 14th year of operation, I'm very much looking forward to working with the team to cement the future of our business.

SIGNED BY



**Damien Siviter,**  
Group Managing Director



# 2021 FINANCIAL REVIEW

## A NOTE FROM OUR CHIEF INVESTMENT OFFICER, FARDEEN NARIMAN

Against the backdrop of a largely uncertain economy and an erratic supply chain, driven primarily by Brexit, the Group made a conscious decision to scale back on top line growth in prior periods, while preserving its key profit and operating margins. Despite that, the Group's balance sheet strengthened with net assets increasing to £60m (from £52m in FY20).

NET ASSETS  
INCREASED TO

60M

OPERATING MARGIN  
IMPROVED TO

18%

While the Group's turnover has reduced YoY, this is a result of careful scheme selection and an uncompromising focus on margins by management. The uncertain economic climate, lack of clarity on Government policies and several supply chain issues caused by Brexit led to reduced levels of activity. As the situation started to normalise, activity levels rebounded as can be seen from the healthy pipeline as well as several new schemes that have been commissioned.

Given the nature of the business, the impact on turnover in FY21 is a result of its activity in prior periods. Long lead times are an inherent feature of the development process and business model where a majority of sales are made off-plan, meaning that the turnover for FY21 is largely determined by prior development cycles.

In spite of strong headwinds over the last few years culminating with the onset of the Covid-19 pandemic, the business has consolidated its position in the market by delivering profitable projects on time. In addition

to ensuring that operating margins are improved (up to 18% in FY21 from 17% in FY20), there continues to be an unrelenting focus on environmental, social and governance aspects.

Strategically, the Group continues to focus on residential 'build-to-sell' units in key locations around Zones 1-6 in London. New schemes in and around Central London have also been commissioned making for an exciting pipeline.

The various components of the Group's P&L have remained fairly steady over the past year. An analysis of expenditure reveals that margins have remained largely in line with the prior year.

SIGNED BY



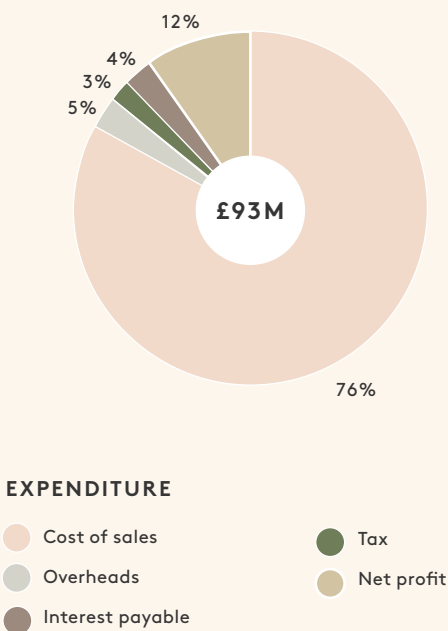
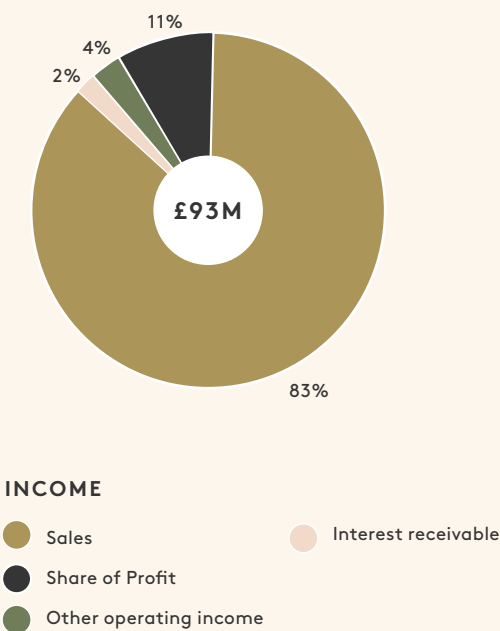
FARDEEN NARIMAN,  
CHIEF INVESTMENT OFFICER



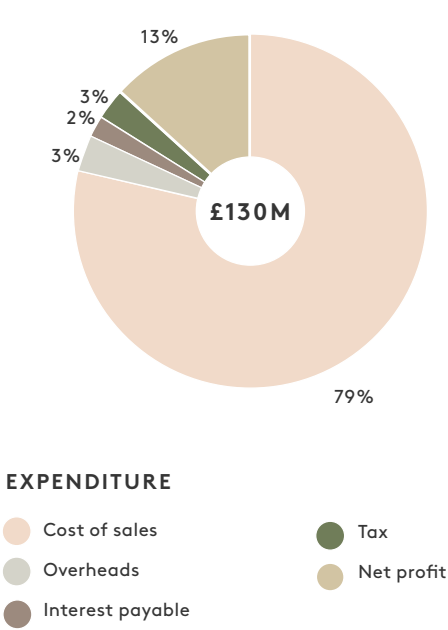
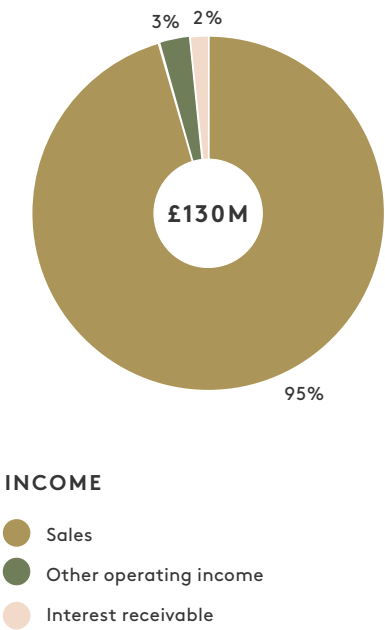
COMPARISON OF INCOME AND EXPENDITURE  
BETWEEN 2021 AND 2020

Major contributors of turnover to FY21 were as follows:

2021



2020





As previous projects are completed and a new pipeline is built, the next few years are an important transition in the development of the Group. Management has always believed in building a robust business with sound fundamentals as evidenced by the continued strengthening of the Group's balance sheet. Net assets are up £7.6m YoY to £59.7m with circa 26.3% of the Group's assets being held as reserves as at 30 September 2021 as compared to 23.5% at 30 September 2020.

The Group's net assets at 30 September 2021 totalled £59.7m (2020: £52.1m) after the payment of dividends totalling £2.6m (2020: £8.1m). At 30 September 2021, the Group had net cash balances of £17.7m (2020: £16.6m).

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**NET ASSETS UP / YOY****£7.6M**

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**CASH BALANCE****£17.7M**

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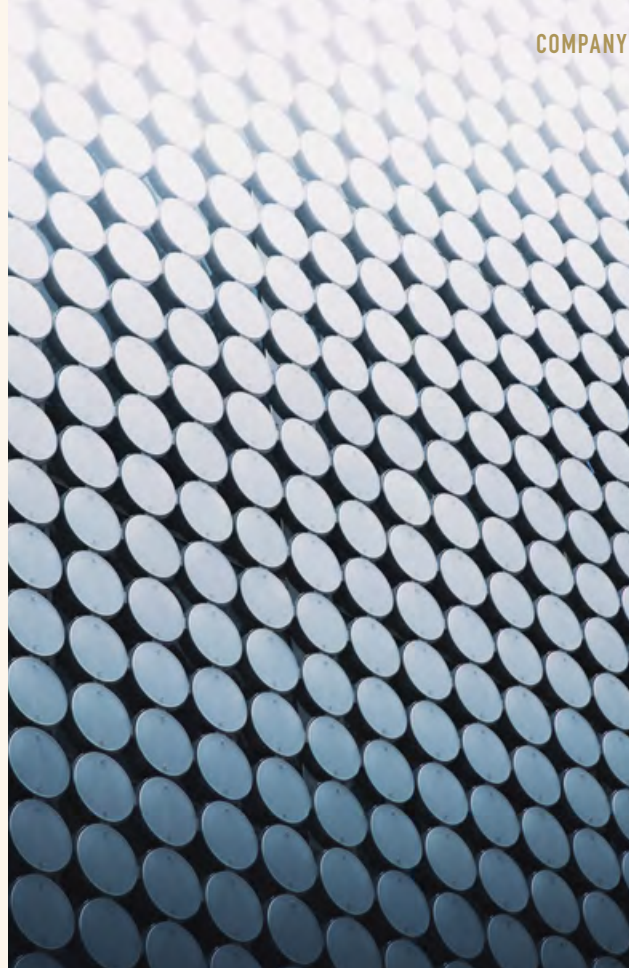


# CASH FLOW

Cash and cash equivalents for the year marginally increased to £17.7m as of 30 September 2021 (2020: £16.6m). The increase in the cash position reflects careful cash management within the business as it navigated the strong economic headwinds, while maintaining the quality of its product, as well as strength in its margins. The major drivers of the current cash position were:

## CASH FLOW FROM OPERATING ACTIVITIES

- A reduction in cash from operating activities to £28.1m reflecting the managed reduction in turnover (2020: £53.1m).
- A reduction in loan repayment reflecting reduced activity levels.



## TREASURY MANAGEMENT

### Managing liquidity risk:

The Group continues to carefully monitor its liquidity risk. Careful selection of premium stock with a sharp focus on profitability further enables the Group to manage liquidity. Some of the measures undertaken are:

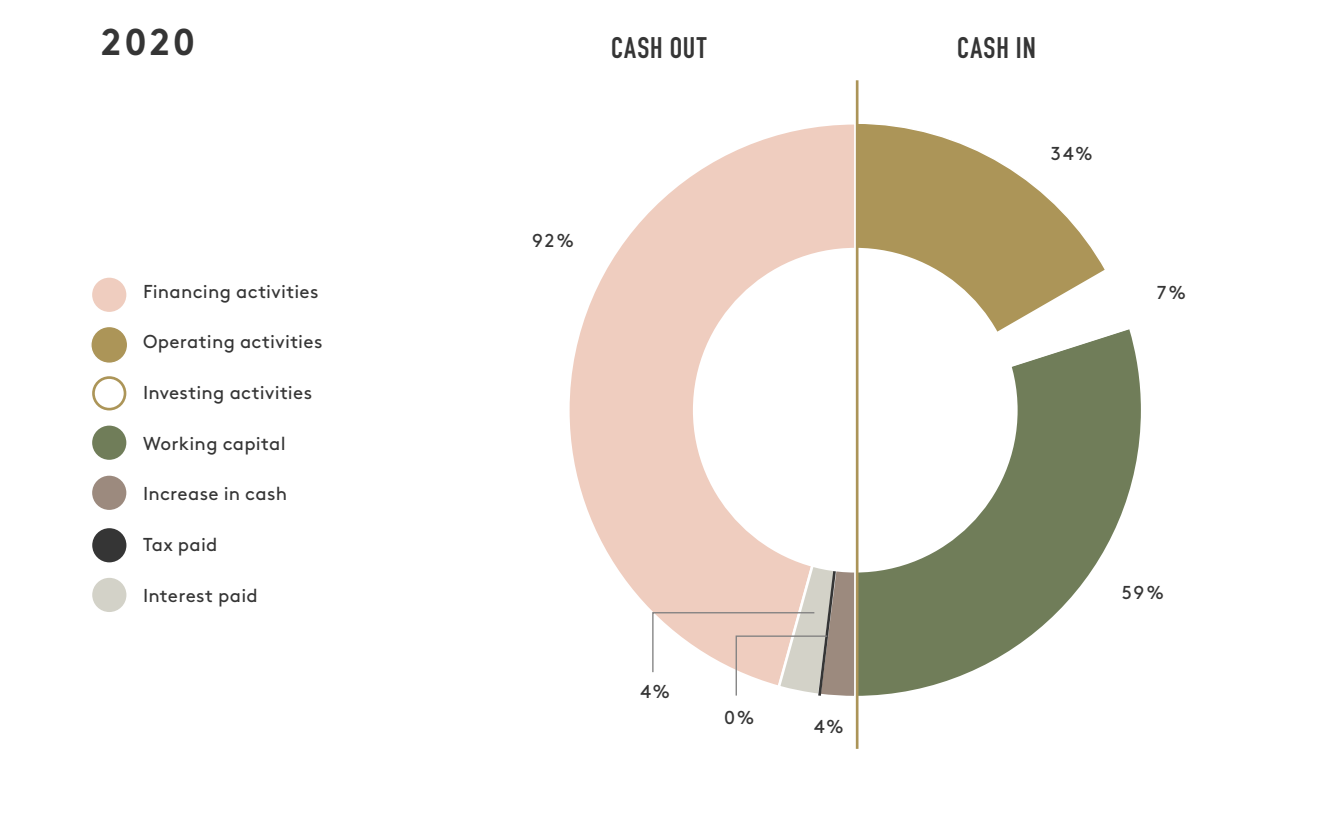
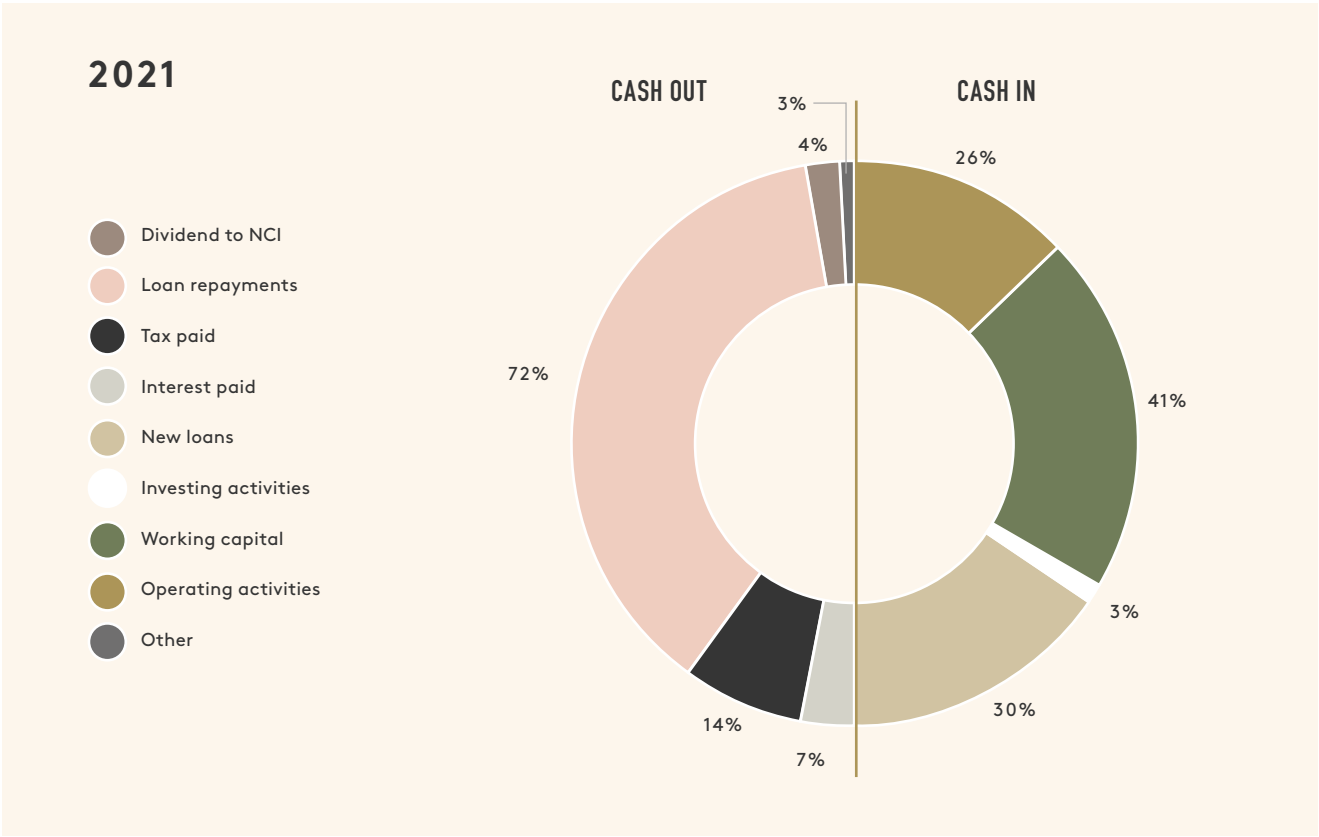
- Monitoring of cash flow.
- Monitoring compliance of financial covenants.
- Effective maintenance of banking facilities.
- Ensuring facilities are set at a value that reduces the need for emergency funding.
- Enabling access to third party equity via joint-venture structures.
- Maintaining strong relationships with debt providers.

### Managing interest rate risk:

The Group minimises its exposure to interest rate risks by closely monitoring interest rate trends and fluctuations. All new debt is negotiated effectively to ascertain best possible terms.

Cash is well managed and the Group has currently undertaken a strategic exercise to efficiently rebalance its capital stack, which is expected to result in a more efficient capital structure as well as enable the company to build up cash reserves giving it greater flexibility.

COMPARISON OF CASH FLOWS  
BETWEEN 2021 AND 2020





# STRATEGIC OUTLOOK

The underlying drivers of the UK housing market remain strong. Home ownership is still the tenure of choice for the majority and combined with the long-term undersupply of new housing means that there remains a high level of demand for good quality homes. The Government recognises the importance of housebuilding in achieving their 'levelling up' agenda and has a target of 300,000 homes to be built per year by the mid-2020s to meet existing demand.

In turn, our purpose is to lead the future of house building by putting customers at the heart of everything we do. We are very proud to lead the industry in both build quality and customer service. We are committed to playing our part in addressing the housing shortage and helping to rebuild Britain's economic activity after the disruption created by Covid-19 and Brexit.

Our focus continues to be on delivering world class yet affordable residential units across London, South East England and Birmingham by converting commercial or disused spaces in key city centre locations and transforming them into stunning residential homes and apartments. With over £1bn in Gross Development Value contracted in the last 12 months and a very healthy pipeline, we continue to lead the way in rejuvenating city living for all existing and new homeowners and investors in the UK.

We continue to maintain an enviable market position and are the only key UK residential developer to be rated 'excellent' for customer satisfaction by Trustpilot. Our historical track record is exemplary, with 10 years of continuous profitability. Our finished product is best-in-class and we continue to experience strong demand across all our locations.

SevenCapital operates a team of deal originators who identify, appraise, and acquire land for the business. Our origination process involves extensive planning and internal due diligence. We have recently acquired, or are in the process of bidding for, a number of prestigious sites in Central London. SevenCapital conducts detailed due diligence of all matters affecting potential

acquisition opportunities, including legal, planning and other factors affecting value and the ability to develop.

The team is based in the West End to maintain close contact with, and enjoy excellent relations with land agents, landowners and other key individuals and organisations within the London development market. The team is led by Angus Michie, who has over 25 years' experience in acquiring land in London and securing consent for some of the most complex residentially led development deals over this period.

One of the key benefits SevenCapital enjoys is a flat approval process, which means we are able to submit formal offers for sites within days of identifying suitable opportunities. The business also maintains a team of external consultants in architecture, planning, cost estimation, agency advice and other disciplines to assist in this process.

The team has detailed knowledge of the 32 London boroughs as well as the Greater London Authority and the planning policy and politics of each. Together with our advisors, we are able to secure optimum planning consents adding significant value through this process.

# 2021 PERFORMANCE HIGHLIGHTS



HOMES COMPLETED

4,126

SITES MOVED INTO PRODUCTION

28

FUTURE PIPELINE

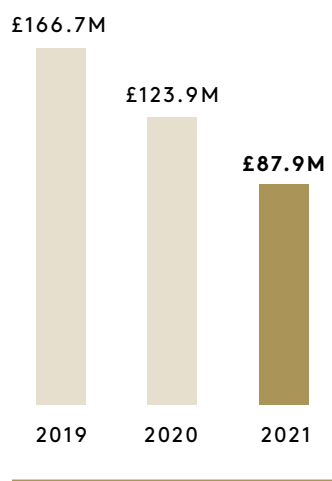
5,000+

  
**1000**  
COMPANIES TO INSPIRE  
**BRITAIN** 2020

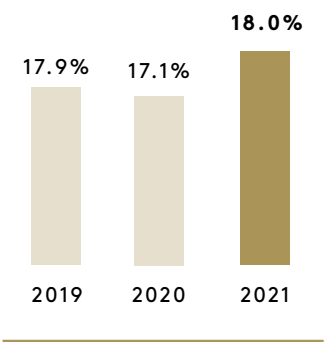
  
**1000**  
COMPANIES TO INSPIRE  
**BRITAIN** 2018

  
**1000**  
COMPANIES TO INSPIRE  
**BRITAIN** 2017

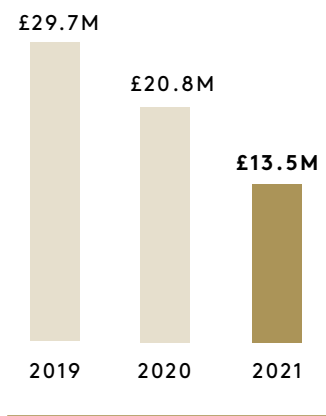
  
**1000**  
COMPANIES TO INSPIRE  
**BRITAIN** 2016



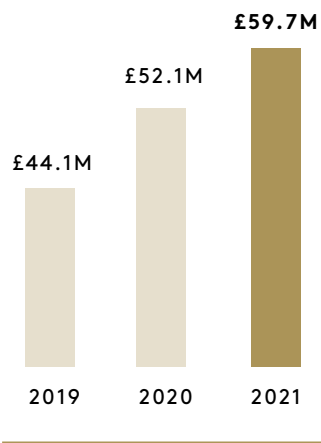
TURNOVER



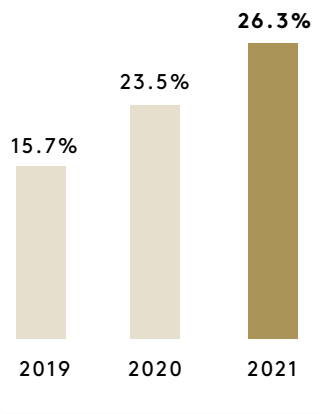
OPERATING PROFIT MARGIN



PROFIT BEFORE TAX



NET ASSETS



EQUITY AS A PERCENTAGE  
OF TOTAL ASSETS



# ESG COMMITMENTS

SevenCapital has continued to lead the way amongst UK residential developers in lowering energy and carbon consumption by incorporating efficient building design, with several procedures implemented to ensure the wider construction process is as sustainable as possible.



## KEY ACCOMPLISHMENTS

- #1** Achieving an EPC rating of B or above on all London developments by actively reducing the use of fossil fuels and implementing renewable technology.
- #2** Utilising zero carbon energy suppliers across schemes and reduced wastage of water by installing efficient sanitary ware in all units.
- #3** Contributing towards the continuous improvement to local communities by developing redundant land/sites, thereby enhancing lifestyle and providing affordable housing across an array of tenures.
- #4** Continuously monitoring energy usage across developments (including working alongside contractors ensuring materials and wastage are managed efficiently) while moving towards carbon neutral operations.

## CUSTOMERS METRICS



Global Business Excellence Awards  
**Winner 2021**  
Outstanding Customer Service Initiative



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 BRANDS

The SevenCapital Group comprises three key brands: SevenCapital, SevenHomes and SevenLiving. Operating independently, each brand individually complements each other. SevenCapital is our flagship (and largest) business, focused on residential and mixed-use development and investment, whilst our more recent brands, SevenHomes and SevenLiving aim to maximise our reach across the wider markets within the real estate sector. Our ultimate goal is to create a self sufficient real estate investor and developer platform with the ability to scale up across various verticals.

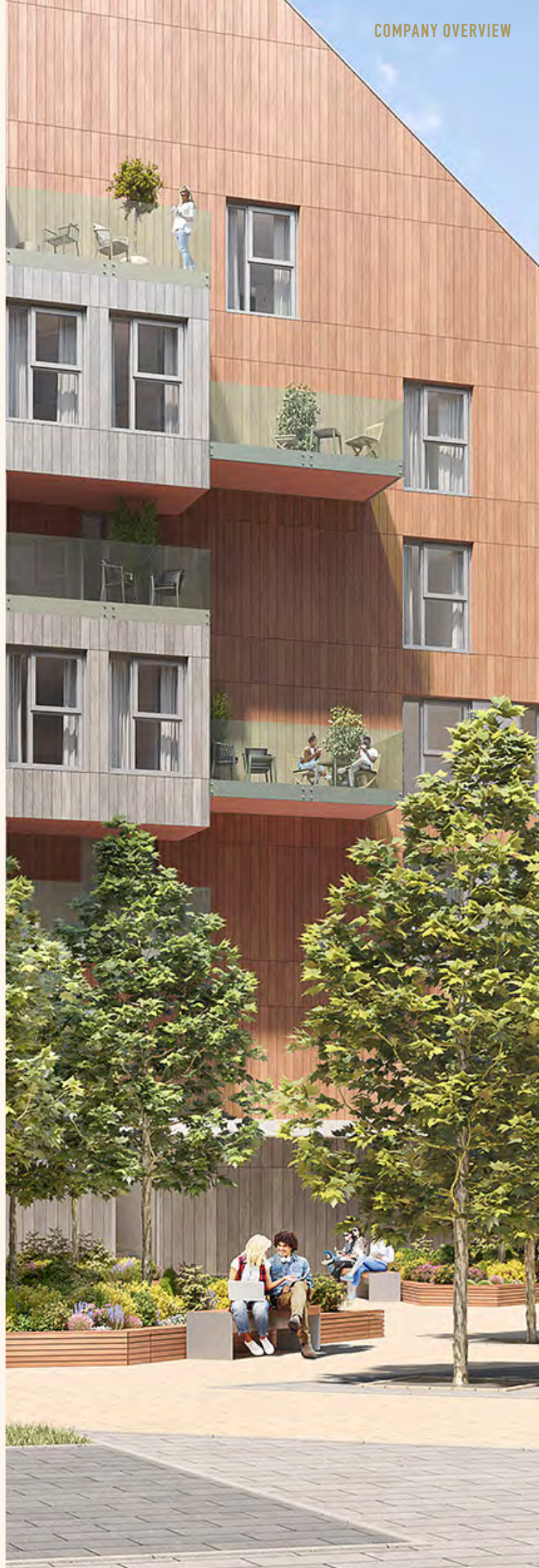
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While SevenCapital, SevenHomes and SevenLiving operate independently, each brand is complementary to the other.

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## SevenCapital

Our flagship brand, SevenCapital is a highly respected and well known residential and mixed-use property developer and investor who have built a number of prestigious sites across London and Birmingham. Strategically, we are a build-to-sell developer (although opportunistically we build to rent in certain high-yield markets). Our core customer base is a mix of institutional and residential investors and homeowners, many of whom have established a private portfolio of SevenCapital products over recent years. This has led SevenCapital to become one of the largest, privately-held property development and investment companies in the UK.





# sevenliving.

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

The business provides a 360-degree, hassle-free letting experience for property owners and utilises technology platforms to provide customers with access to alternative and affordable places to stay in the UK. With a substantial and diverse portfolio consisting of first-time landlords together with large portfolio holders SevenLiving can manage almost any property on a short-let while maximising the return on investment.

# SevenHomes

SevenHomes is our housebuilding division, launched in 2017. Focused on evolving into the leading housebuilder for the Midlands, the business operates under a highly experienced and knowledgeable team with a strong collective track record across the full development cycle.

SevenHomes’ location catchment area sits mainly within a one-hour drive of Birmingham, which, combined with the team’s unrivalled understanding of the region, allows the business to drive growth across land acquisition, development and, as area specialists, customer sales.





# 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.

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## 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.

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## 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.

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## 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.

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## 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.



# GROUP STRATEGY

## SEVENCAPITAL

SevenCapital has been extremely successful in pursuing a location based strategy across key strategic areas in London, Birmingham and the South East. Our highly experienced land acquisition team, led by Angus Michie, continues to actively originate and pursue select opportunities in and around Greater London. Our USP is in making land acquisitions off-market, without a tender process, thereby considerably reducing our capital cost and increasing margins. SevenCapital has returned a profit to shareholders every year since inception, which is testament to our carefully curated methodology.

Our diversification strategy of limiting the number of units per owner/investor has enabled us to remain largely unscathed through a number of economic downturns. While the business predominantly remains a build-to-sell developer, our careful curation of locations has meant that where sales have been soft, we have been able to take advantage of the rental market.

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**We have made some key hires over the last 12 months, including a highly experienced Sales Director, which will enable us to deliver our strategic priorities in the Greater London market. Our land team continues to originate high profile, off-market sites that give us a leading edge over our peers.**

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As the business has grown, so have our ambitions for being a developer of choice in and around Greater London. While originally being heavily immersed in Birmingham, our focus has shifted to an increased emphasis on the M4 corridor and the South East of England. Being an opportunistic and agile developer and a specialist in urban regeneration, we have been able to take advantage of the economic downturns by acquiring land at discounted prices, while our thinly capitalised peers have struggled.

This has been instrumental in enabling the business become a force in the Central London market and has further allowed us to partner with other large investors in delivering schemes of scale in prime growth locations.

## SEVENHOMES

SevenHomes has continued towards the business' ultimate goal to become the leading housebuilder for the Midlands region. Over the past 12 months, the strategy has focused more-so on land; strengthening the land acquisition team in order to increase the business' ability to deliver off-market land opportunities direct with landowners, and in turn improve margins.

Throughout the course of the year, via a commercially focused planning strategy, the team has successfully achieved numerous planning permissions, increased site values and worked towards improving development performance.

Brownfield regeneration remains a key priority in line with the track record and overarching sustainability focus of the Group, with opportunities sought in high chimney pot areas where high demand and future sales price growth through the lifeline of the site present further opportunities to improve performance.

Moving into 2022, the business will maintain a focus on locations within a one hour drive of Birmingham to continue to build on land opportunities and units with planning approval, to further strengthen the foundations as the business evolves through our growth plan, positioning SevenHomes as the leading residential developer in the Midlands, based on quality and value.

## SEVENLIVING

Whilst still a relatively new business within the Group portfolio, SevenLiving has developed rapidly over the past 12 months as it continues to evolve and refine the business model around helping property owners enter and operate in the alternative accommodation markets with ease.

Due to significant demand, the short-let model has become a rapid area of growth within the travel industry. Airbnb led this concept initialising the transformation, however from first-hand experience across the Group and that of many people it is incredibly hard work and time consuming to host (run) a property on Airbnb. SevenLiving’s growth has come as a result of property owners who have a desire to maximise their income but predominantly with no knowledge of how to set up or run a short-let, as such wanting to pass the hassle to market experts.

The business has, over the past 12 months, developed to deliver a 360-degree 100% turn-key service, that allows property owners to be completely “hands off”. The operation is led by Charlotte Thursfield, who we appointed as Managing Director in the latter half of 2021, whilst retaining her former position as Managing Director of Operations at SevenCapital.

Alongside Charlotte sits an expanded and experienced team, many of whom have developed their customer service expertise and knowledge working across the Group, who look after and run every property from the moment it is onboarded.

Return on investment remains key so, alongside the ‘human’ service, the use of specialised dynamic software that responds to real-time events ensures every booking is price maximised as quality guests are sourced.

Moving into 2022, the business is excited to continue to be disrupters within the travel industry to offer both property owners and guests more freedom and choice in an ever-changing world.





# PIPELINE

SevenCapital continues to develop and grow our pipeline of enviable sites across London, Birmingham and South East England. We take immense pride in our origination strategy (testament to returning profits every year since inception) and are supported by a highly experienced and well regarded land acquisition team who utilise multiple strategies to get early visibility into new and upcoming site sales.





Our current commissioned pipeline includes a number of high-profile sites across Greater London, including two in Central London. Our £500m West Cromwell Road site acquisition, in partnership with MARK, has helped propel SevenCapital to the forefront of London property developers.

In total, across commissioned schemes and those SevenCapital are highly confident of winning, we expect to add more than 10,000 residential units to our portfolio over the next five to seven years. In line with our core focus on sustainability, affordability and customer service, the business expects these schemes to enable communities to enjoy a higher standard of living.

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**In addition, the business is currently in the process of bidding on a handful of high profile sites across Central London.**

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While initially launching as a regional developer, SevenCapital has increasingly been moving into the M4 Corridor, and London commuter belt. Over the last five years, we have been highly successful in delivering schemes in and around Greater London. With an increased focus now on reaching into zones 1-6 and an additional team presence within the Capital, we expect our portfolio and pipeline here to grow significantly over the coming years, with a focus on delivering affordable, sustainable homes across identified growth areas and places of high demand.

KENSINGTON, LONDON



ARCHWAY CAMPUS, LONDON



# OUR PLEDGE

SevenCapital believes that the most important factor behind successful property development is location, combined with a laser-sharp focus on execution which allows timely delivery of excellent homes.







## EXCELLENCE

We will build excellent homes for our customers.

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## SERVICE

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

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## PEOPLE

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

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## FUTURE

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

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## GROWTH

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

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## ACQUISITION

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



# MARKET OVERVIEW

## 02

While demand continues to outstrip supply and the UK faces a continuous shortage of affordable housing, this has led to favourable customer centric economics. However, other macroeconomic factors point toward a general slowdown in consumer spending power driven by high inflation, rising interest rates, increasing energy prices and the war in Ukraine.





# CORE MARKET OVERVIEW

The past 12 months has seen average house prices across the UK rise to unprecedented levels, reaching their highest ever peak and fastest growth rate since before the financial crisis in 2008. As the property market historically follows a cyclical pattern, this has naturally prompted speculation as to whether the market is likely to crash anytime soon. However, over the past 18 months, as we navigated our way through the pandemic, the housing market has continued to defy the odds, boosted first by the stamp duty holiday, lower interest rates and more recently the introduction by the Government of a mortgage guarantee scheme to increase the availability of 95% loan-to-value mortgages.

According to forecasts by Savills and JLL, this growth looks set to continue over the next five years, albeit at a steadier pace than we've seen more recently, reflecting the removal of the stamp duty holiday, furlough and some current uncertainty surrounding fuel and inflation. Whilst interest rates are expected to rise, this is expected to be relatively nominal, and in general they are likely to remain low, also contributing to the attractiveness of buying over the next few months and years.



## SUPPLY VERSUS DEMAND

Whilst house prices have increased in line with demand, which is a standard occurrence across the UK where demand continually outstrips supply, the price of land has also increased. Meanwhile, Brexit and logistical constraints of the pandemic have meant that availability of both labour and construction materials have been increasingly under pressure. As a result, this has significantly slowed down the pace of construction of new homes, leading to a forecasted shortfall of 500,000 homes against the 1.5 million needed over the next five years to meet the increasing demand. (JLL)

With less homes coming to market and demand increasing, we're seeing a sellers' market across the UK, with many homes in popular areas achieving above asking prices, due to bidding wars amongst multiple buyers.

## RISE OF URBAN VILLAGES

Whilst the pandemic initially saw a so-called exodus of city centre dwellers, as UK has re-opened and life returns to normal (including offices, retail and entertainment returning to pre-pandemic schedules).

### HOMES SHORTFALL

500,000

VS

HOMES NEEDED OVER THE NEXT  
5 YEARS TO MEET DEMAND

1.5 M

PRIME CENTRAL LONDON  
FORECASTED HOUSE PRICE GROWTH  
OVER 5 YEARS

23.9%




We have begun to see the demand for rural properties level out somewhat, and the demand for city homes return gradually to favour. However, the appetite for rural living, including more space in and outside the home remains. Whilst city living is returning, the most popular areas we're likely to see, particularly within the standard market, is for urban villages – offering village style settings but just a stone's throw from major city centres.

## RETURN OF PRIME CENTRAL LONDON

At the same time, where London suffered the most during the height of lockdown, it was prime central London that seemed to take the biggest hit in some areas, due to the halt on international travel. Whilst there remains a strong UK market for prime property, this market also appeals heavily to international buyers as a safe and attractive haven to invest their money, particularly across the Middle East, China and South East Asia. Now the UK has reopened to international travel, we're seeing buyers return to the market and, in turn, prices beginning to rise again.





According to Savills' five-year forecast, the prime property market in central London is expected to see the highest price rises over the next five years, at a cumulative rate of 23.9%, versus 5.6% across the rest of London and 13.1% across the UK as a whole.

## TOP LOCATION HOTSPOTS

### 📍 PRIME CENTRAL LONDON

#### Driving factors:

- Reopening of the UK to international markets post-Covid.
- Severe undersupply of homes available for sale and to rent.

### 📍 SOUTH EAST COMMUTER BELT

#### Driving factors:

- Part time home/London workers wanting to maintain a more rural home life.
- First-time buyers working in London and priced out of the market.

### 📍 BIRMINGHAM

#### Driving factors:

- Commonwealth Games 2022 placing Birmingham on a global stage.
- Key HS2 beneficiary.
- 6,300 high earning jobs from HMRC and CG2022.
- 5,000 new homes by 2040 + £750m of investment in Perry Barr area as a result of CG2022.

### 📍 BRISTOL

#### Driving factors:

- Second highest predicted increase in GVA (15.6%) of major cities over the next five years (Oxford Economics).
- Highest increase in average weekly earnings (14.7%) over the next five years (Oxford Economics).
- 3,650 jobs to be relocated to the city by HMRC and BT.

### 📍 MANCHESTER

#### Driving factors:

- Highest predicted economic growth rate of all major UK cities over the next five years with GVA growth of 16.4% (according to Oxford Economics).
- Shortfall in the supply pipeline as a result of fears of an oversupply prompting a halt in development.

## 5 YEAR FORECAST

	2022	2023	2024	2025	2026	5 YEARS
NORTH WEST	4.5%	4.0%	3.5%	3.0%	2.5%	18.8%
YORKSHIRE AND THE HUMBER	4.5%	4.0%	3.5%	3.0%	2.5%	18.8%
WALES	4.0%	4.0%	3.5%	3.0%	2.5%	18.2%
NORTH EAST	4.0%	3.5%	3.5%	3.0%	2.5%	17.6%
EAST MIDLANDS	4.0%	3.5%	3.0%	2.5%	2.0%	15.9%
WEST MIDLANDS	4.0%	3.5%	3.0%	2.5%	2.0%	15.9%
SCOTLAND	4.0%	3.5%	3.0%	2.5%	2.0%	15.9%
SOUTH WEST	3.5%	3.0%	2.5%	2.0%	1.5%	13.1%
SOUTH EAST	3.0%	2.5%	2.0%	1.5%	1.0%	10.4%
EAST OF ENGLAND	3.0%	2.5%	2.0%	1.5%	1.0%	10.4%
LONDON	2.0%	1.5%	1.0%	0.5%	0.5%	5.6%
UK	3.5%	3.0%	2.5%	2.0%	1.5%	13.1%

## PRIME CAPITAL VALUE FORECAST

	2022	2023	2024	2025	2026	5 YEARS
PRIME CENTRAL LONDON	8.0%	4.0%	2.0%	4.0%	4.0%	23.9%

\*Source: Savills Residential Market Forecast 2021







## 03

SevenCapital continues to build homes of the highest quality across key locations in the UK with an intensified focus on the London market. SevenCapital works closely with local councils to help redevelop and regenerate areas into beautiful communities with affordable housing, alleviating some of the housing pressures on local governments.

## OUR PORTFOLIO



# 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 has raised the bar for city centre living in Birmingham, as the first development in the city to offer hotel services to its residents.



1-3 BED



CITY CENTRE



COMPLETE



# 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.



STUDIOS  
& 1 BED



CENTRAL  
LOCATION



COMPLETE







## 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.



1-2 BED



BUSINESS  
LOCATION



COMPLETE

## THE GRAND EXCHANGE

### BRACKNELL

The Grand Exchange presents a new standard of living for apartments in Bracknell. Offering fantastic transport links to both London and Reading alongside first-class, residents-only amenities including a gym, shared workspace and garden room, The Grand Exchange offers the perfect home for the modern professional or commuter.



STUDIOS,  
1-2 BED



CENTRAL  
LOCATION



ON-SITE



## 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.



1-2 BED



CENTRAL  
LOCATION



COMPLETE



# OPERATIONS

## 04

SevenCapital continues to be highly opportunistic in our approach to acquiring land and pursuing development opportunities. Extensive due diligence is conducted prior to land acquisition, taking into consideration many factors including planning permission, regulation and post completion sales.



# HOW WE MANAGE RISK

The assessment and management of risk are key elements of setting and delivering the Group's strategy. The Board is responsible for monitoring the Group's risk appetite. Risk appetite relates to the amount of risk the Group may seek or accept at any given time when pursuing our strategic objectives, in the context of the prevailing operating environment.

## FINANCIAL RISK

The Group uses a number of financial instruments that at all times through the business cycle, aim at managing financial risk, while recognising the operational risks within the business. Through our strong financial position, we are therefore able to take, under normal circumstances, increased operational risk to deliver robust risk-adjusted returns, within the parameters of our business model.

**The financial risks to which SevenCapital is exposed include:**

**Market credit risk:** The risk that counterparties (mainly customers) will default on their contractual obligations, resulting in a loss to the Group. The Group's exposure to credit risk is comprised of cash, cash equivalents, trade and other receivables.

**Liquidity risk:** The risk that the funding required for the Group to pursue its activities may not be available. We seek to manage this risk by ensuring sufficient liquidity is available to meet current and future needs. Short-term flexibility (if required) is achieved by shareholder loans.

**Market interest rate risk:** The risk that Group's financing activities are affected by fluctuations in market interest rates.

**Funding risk:** Given the leveraged nature of the real estate development sector and SevenCapital's operations, there is a risk that the Group may not be able to secure funding for future developments. This is mitigated by our exemplary track record, sustained profitability, strong relationships with lenders and availability of shareholder financing.

## MANAGEMENT OF FINANCIAL RISKS:

SevenCapital adopts a prudent approach to managing these financial risks. Some of the measures include:

**Treasury policy and central overview:** The Shareholders approve the treasury policy and senior management control day-to-day operations. Relationships with banks and cash management are co-ordinated centrally as a Group function. The treasury policy is intended to maintain an appropriate capital structure to manage the financial risks identified and provide the right platform for the business to manage its operating risks.

**Gearing:** The Group currently finances operations through senior loans, junior debt, shareholder equity and net cash on the balance sheet. There is limited exposure to interest rate risk as terms with lenders are negotiated on fixed rates.

**Land holdings:** By investing opportunistically in land at the right point in the cycle, holding a clear development pipeline in our land holdings and continually optimising our existing holdings, we are not under pressure to buy new land when it would be wrong for the long-term returns for the business.

**Headroom provided by bank facilities:** The Group always ensures sufficient headroom when negotiating terms with senior lenders. SevenCapital has strong working relationships with a number of lenders that provide banking facilities, and this is key to our approach to mitigating liquidity risk.

**Forward sales:** SevenCapital's approach to forward selling new homes to customers provides good visibility over future cash flows. We also help mitigate market credit risk by virtue of customers' deposits held from the point of unconditional exchange of contracts with customers.

## EXTERNAL RISKS

**Covid-19:** The pandemic has been a focus for the Board over the last year. The extensive experience and skill set of the main Board, senior management and teams, coupled with that of our subcontractor base and the resilience of our business model, has enabled us to weather the impact since its onset. SevenCapital's sites have remained operational throughout in line with advice and guidance from the Government and Public Health England, with approved Covid-19 site operational procedures implemented and regularly monitored to ensure compliance with the requisite standards of safety and compliance.

**Economic outlook:** As a property developer, our business is sensitive to wider economic factors such as changes in interest rates, employment levels and general consumer confidence. Some customers are also sensitive to changes in the sterling exchange rate in terms of their buying decisions or ability to meet their obligations under contracts. Recognition that we operate in a cyclical market is central to our strategy and maintaining a strong financial position is fundamental to our business model and protects us against adverse changes in economic conditions.







**Political outlook:** Whilst we cannot directly influence political events, the risks are taken into account when setting our business strategy and operating model. In addition, we actively engage in the debate on policy decisions. Government policy on housing clearly impacts our operating environment and the support shown by Government to the industry in the last 12 months has been welcomed.

**Regulation:** SevenCapital is primarily focused geographically on London, Birmingham and the South East of England, which limits our risk when understanding and determining the impact of new regulation across multiple locations and jurisdictions.

**Land availability:** Land acquisition is primarily focused on SevenCapital's core markets of London, Birmingham and the South-East of England, markets in which we believe the demand fundamentals are strong. SevenCapital has experienced land teams with strong market knowledge in their areas of focus, which gives us the confidence to buy land without implementable planning consent and with an understanding of local stakeholder needs.

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**SevenCapital acquires land, where it meets our internal criteria for purchase, and considers joint ventures as a vehicle to work with the right partners who bring good quality land complemented by SevenCapital's finances and development expertise.**

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## INTERNAL RISKS

**Planning process:** Full, detailed planning and risk assessments are performed and monitored for each site with or without planning permission, both before and after purchase. Our assessment of the risk profile dictates whether sites are acquired either conditionally or unconditionally. The planning status of all sites is reviewed every week as well. The Group works closely with local communities in respect of planning proposals and strong relationships are maintained with local authorities and planning officers.

**Retaining people:** 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. SevenCapital is not just a place to work, it's a family.

**Securing sales:** The Group has a highly experienced sales team who undertake detailed market demand assessments of each site before acquisition to ensure that supply is matched to demand in each location. Design, product type and product quality are all assessed on a site-by-site basis to ensure that they meet the target market and customer aspirations in that location.

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**We adapted The Group's sales strategy to the Covid-19 pandemic, increasing the use of digital channels and virtual tours.**

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## PROCUREMENT

Access to quality contractors and suppliers is critical to our core business. Projects are 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.

## HEALTH & SAFETY

The health and safety of all our staff, contractors and visitors is paramount for generating and maintaining trust in SevenCapital as a responsible business. We ensure all required health and safety measures are in place. These measures are routinely inspected, and all 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.



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The assessment and management of risk are key elements of setting and delivering the Group's strategy.

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# CORPORATE GOVERNANCE

## INTRODUCTION FROM THE CHAIRMAN:

"I am delighted to introduce the Corporate Governance Report for the 2020/21 financial year. The Board continues to embrace high standards of corporate governance and this report details how the Board has considered and applied these principles by addressing in turn each of the following areas. "



## SERVICE TO OUR STAKEHOLDERS, CULTURE AND VALUES

As one of the UK's leading placemakers, SevenCapital's purpose is to build quality homes, strengthen communities and improve people's lives, transforming underutilised places to return sustainable, social, economic and environmental value.

Culture and values are intrinsic to SevenCapital and can deliver enormous unquantified value to any organisation if they are aligned to overall strategy, provided they are truly embedded in the business. At SevenCapital, the culture starts with the tone set by the Board and permeates all of the autonomous businesses and teams within the Group. These are truly ingrained in our people whose energy, passion and determination drive the business forward for the benefit of all of our stakeholders.

## BOARD ACTIVITIES

Good governance plays a significant role in a successful business strategy and the Board has undertaken a number of key governance activities during the year. Core amongst these activities has been the Board's focus on developing a strategy and vision for the future and expanding the Board.

Most recently the Board appointed Nayan Kisnadwala as a Non-Executive Director to the Board. Nayan brings a wealth of financial experience having served in senior positions at a number of blue-chip banking and financial institutions. In addition, the business has recruited a Chief Investment Officer, Fardeen Nariman, who also joins the Board.



## OTHER KEY GOVERNANCE MATTERS THAT THE BOARD HAS FOCUSED ON DURING THE YEAR.

The Board continues to engage with a wide and diverse range of business contacts and professional advisors in developing a strong candidate base.

### Review of the Group's business strategy

We will focus operations over the next decade to achieve key priorities for the Group and help SevenCapital to be a world-class business, trusted to transform the most challenging sites into exceptional places and to enhance our positive impact on society, the economy and the natural world.

### Transition to net zero

Taking action on climate change and sustainability as a key priority is at the heart of both our business strategy and the way we design and create new places. Within its strategy, the Board has included and committed to a long-term, target-based system. This aims to ensure that the Group continues to drive positive actions that address climate change to ensure that SevenCapital play our part in mitigating the global impact by supporting the international effort and Paris Climate Agreement to limit global warming to 1.5°C above pre-industrial levels.



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**Taking action on climate change and sustainability as a key priority is at the heart of both our business strategy and the way we design and create new places. Within its strategy, the Board has included and committed to a long-term target-based system.**

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**Consideration of emerging issues facing the Company and the ongoing response to challenges imposed by Covid-19 and Brexit related supply chain shortages**  
At this challenging time of economic uncertainty, the Board has focused on how best we can support subcontractors and suppliers, including through the delivery of transparent work programmes and prompt payment practices, whilst also safeguarding continuity of production.

Whilst these are the key matters arising in the year, the Board agenda covers a vast array of other areas impacting the business. Looking forward to 2022/23, the Board will continue its programme to refresh Board composition, to monitor the corporate governance agenda and seek to improve and adapt our governance processes to ensure best practice in a way which complements SevenCapital's unique business model and operating structure.







# OUR PEOPLE

## 05

SevenCapital is committed to hiring and retaining the best talent in the market. This year has seen a number of key hires made in strategic positions, most from larger competitors, demonstrating the attractive work environment along with the exponential growth that has been achieved.



# DIVERSITY & INCLUSION

At SevenCapital, our people form the cornerstone of our business. We strongly believe that by creating a culture and an environment whereby our workforce is happy and proud to come to work, we promote more positive and efficient working practises, which in turn leads to better service for our customers and strengthen our business' overall output and results.

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 talent.







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**SevenCapital actively encourages and promotes equality and diversity amongst our workforce.**

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Our employment policy is simply to seek the person most suitable to carry out the respective job, regardless of gender, ethnicity, age, religion, disability or otherwise, and each person is treated with an equal level of respect – as laid out within our key values.

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.

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.



## LEADERSHIP TEAM



**BAL SOHAL**

**CHAIRMAN**

Bal is an accomplished investor in the real estate sector 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 and funding solutions 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 a non-executive director of a housing association.



**FARDEEN NARIMAN**

**CHIEF INVESTMENT OFFICER**

Fardeen leads SevenCapital's corporate development and M&A activities. Prior to joining SevenCapital, Fardeen was a Director at boutique investment bank Quantuma. As a seasoned investment banker he has worked as both principal and advisor at KPMG, RBS, August Equity and American Express. Fardeen is a Chartered Accountant, a CPA and holds an MBA in Finance.

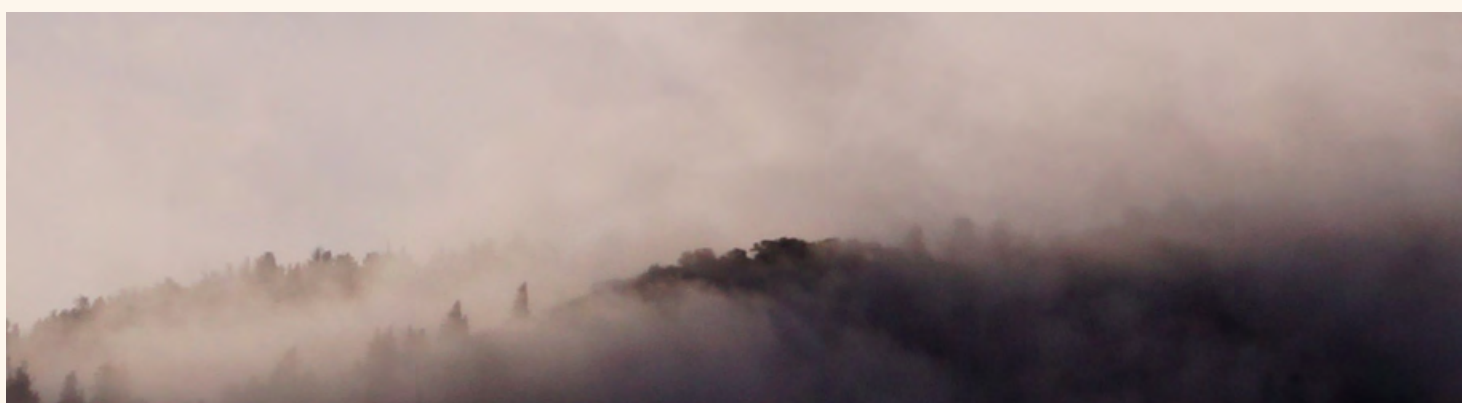




## NAYAN V KISNADWALA

### 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.



## DEPARTMENT HEADS



## CHARLOTTE THURSFIELD

### SEVENLIVING MANAGING DIRECTOR

Responsible for overseeing our 21st century solution for the short-term rentals industry, Charlotte is renowned for ensuring the team delivers best-in-class customer service and that clients receive a complete hassle-free service from initial enquiry through to after-sales care. Charlotte is also Managing Director of Operations at SevenCapital.



## 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.

## 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 major clearing banks, top 100 FTSE companies, large property developers and pension funds.

**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.



**ABDUL ALI**

**LAND DIRECTOR**

Abdul brings over 23 years' experience and an enviable track record of sound 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.



**SARAH MORRIS**

**GROUP PR & MARKETING DIRECTOR**

Sarah leads the communications and PR strategy across the SevenCapital Group and heads up the marketing team. With 15 years of 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.







## SIMON HOWARD

### GROUP SALES & MARKETING DIRECTOR

With over 25 years' residential property experience, Simon is responsible for leading the global sales function at SevenCapital Group. Previously Sales Director at Berkeley St Edward, Simon has many notable developments in his repertoire including 9 Millbank and 190 Strand in Westminster, Ebury Square in Belgravia, Kensington Row, Oval Village, West End Gate and Wimbledon Hill Park.

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## CAROL SELWAY

### SALES & MARKETING DIRECTOR, SEVENHOMES

Carol has over 24 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.



## JESSICA CLAYTON

### ASSET MANAGER

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





# CUSTOMER SERVICE

## 06

Whilst 2021 presented challenges still in existence due to the pandemic, our dedicated customer service team continued to deliver excellent levels of service to our customers.



## OUR COMMITMENT

SevenCapital strongly believes in placing clients at the heart of our business. We developed our unique turnkey service to ensure we provide a fully managed and enjoyable experience to all our customers, run by our award-winning customer service team.

## EXCELLENT SERVICE

Whilst 2021 presented challenges still in existence due to the pandemic, our dedicated customer service team continued to deliver excellent levels of service to our customers, maintaining SevenCapital's strong reputation for providing a 360 degree, fully managed and hands-off experience.

Throughout the last year, our team undertook circa 46,000 customer touchpoints via phone, email, Zoom and in-person meetings, and carried out 446 customer completions. Here are just some of the actions we consistently take for our customers, demonstrating our unwavering determination to make purchasing and investing with SevenCapital an enjoyable and successful experience:

- Provide each customer with a dedicated customer care team member to ensure clear, regular and personal communication throughout their entire journey with us. This support typically lasts two years, with contact made at least every 10 weeks.
- Providing customers with quarterly email progress updates on their development, including photo and video updates.
- Ensuring staff are specialists in their area and trained up in other service areas to ensure expert guidance is always delivered to the customer.
- Carrying out additional property inspections to reduce rectification issues.
- Obtaining regular customer feedback throughout the process to ensure customer satisfaction and make improvements where necessary.



## KEY FIGURES

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# 46,000

CUSTOMER TOUCH  
POINTS IN 2021

# 446

CUSTOMER COMPLETIONS

# 86%

PROPERTIES WITH ZERO  
RECTIFICATIONS NOTED AT  
HANDOVER (up from 79% 2020)

# 48%

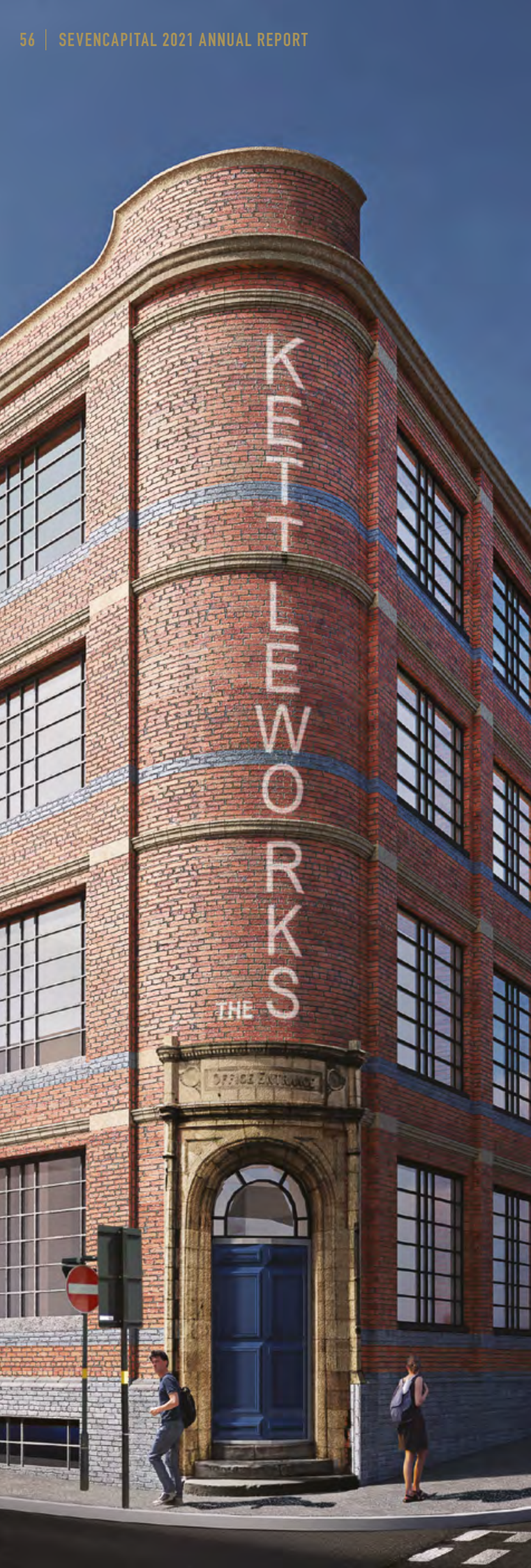
APARTMENTS  
SOLD FURNISHED

# 18%

REPEAT CUSTOMER SALES







## RECOGNITION

Providing an exceptional level of service to customers is one of the Group's most significant priorities, and we continuously invest in this department to make sure we are hiring, training up and, most importantly, retaining the best team.

Testament to this is our long-running recognition through Customer Service Awards. We have won numerous awards over the past few years for our outstanding service, including in 2021, winning a Best Business Award for 'Best Customer Focus', as well as a Global Excellence Award for 'Best Customer Service Initiative'.

Our dedication to ensuring exceptional service can also be seen with Trustpilot reviews, where our customers have consistently rated SevenCapital as providing a 4-5 star service, with an overall 'excellent' rating of 4.8/5, maintaining our position as a clear leader within the sector.

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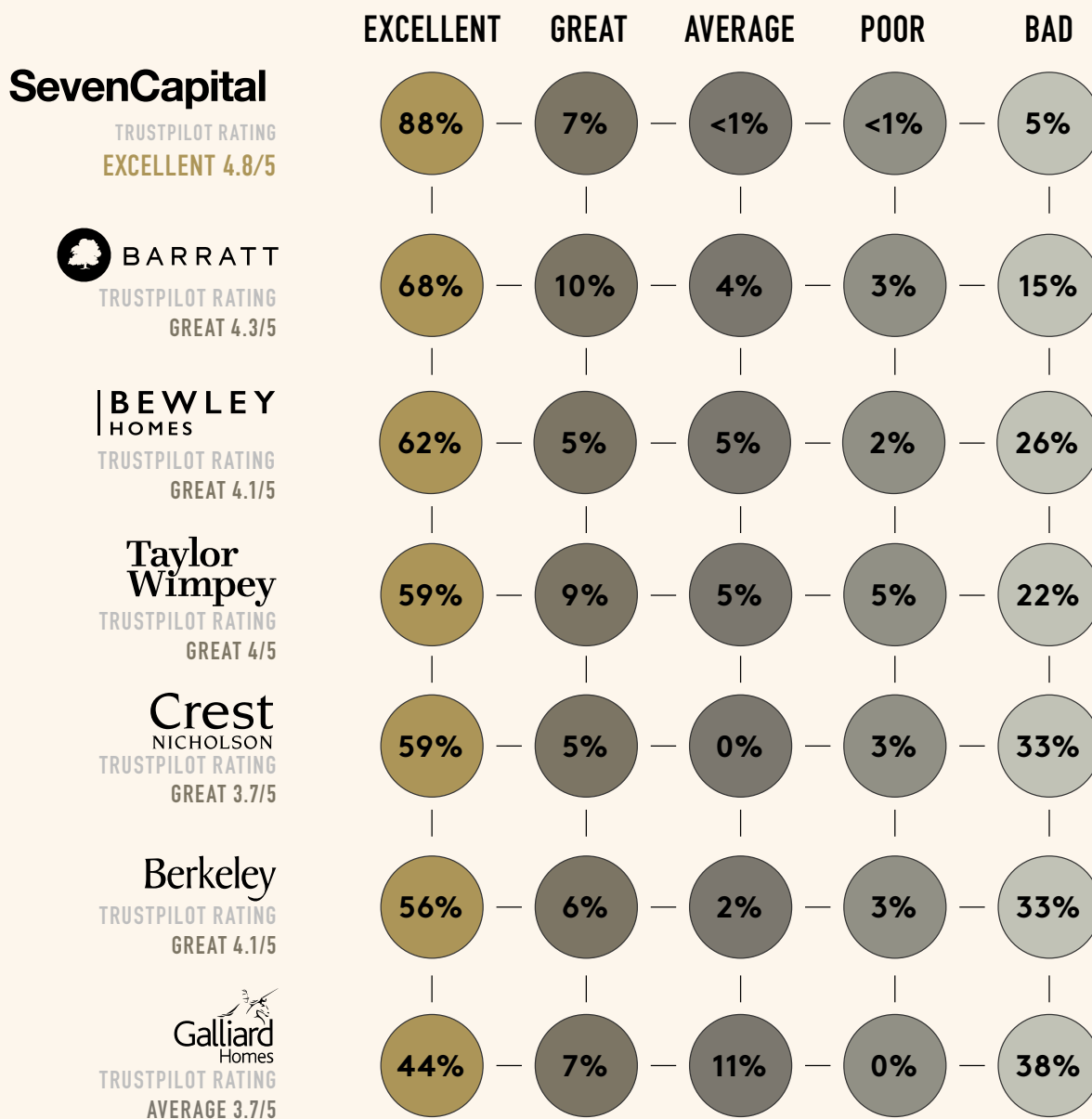
**I like the development and the style, and the process has been really easy and people have been really helpful. I would definitely buy again.**

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**- DAVID STUBBS,  
SEVENCAPITAL CUSTOMER**

# TRUSTPILOT

## UK COMPARISON CHART



\*As at 28 April 2022





# OUR COMMITMENTS

07

SevenCapital has a deep-rooted focus on preserving the planet and providing communities with space to grow, develop and enhance their lifestyle. We remain committed to ensuring our developments adhere to the highest standards of energy efficiency.



# GREEN COMMITMENTS

At SevenCapital, our focus has always been on our people, communities, and the environment. The way we think about our developments has continued to evolve, with the pandemic highlighting the importance of this, now more than ever and strengthening our commitment towards our ESG goals and targets.

We follow a code of ethics relating to socially and environmentally responsible working practices and strive to cultivate a healthy and positive culture. We are committed to maintaining the care of all employees and partners, as well giving back to the communities we operate within.

Whilst focusing on a regional level, we also recognise our role on a global scale in addressing climate change issues. Sustainability remains a fundamental cornerstone of our development philosophy and focuses on three core areas: our environment, our communities, and our people.





## OUR ENVIRONMENT

We strive to maximise building performance in terms of energy efficiency and quality of design and are always looking for new features to integrate into our developments to achieve lower emissions, minimise waste and any unnecessary additional costs for our customers.

SevenCapital has already incorporated several features to lower energy and carbon consumption and ensure the wider construction process is as sustainable as possible, including:



- Working with local ecologists to enhance the biodiversity of each development.
- Collaborating with local authorities to implement green travel plans, cycle storage provisions and electrical vehicle charging networks.
- Ensuring resource and waste are managed efficiently throughout the construction period.
- Working with supply chains to ensure materials and labour are sourced locally where viable, to minimise logistics and transport requirements.
- Maintaining a high standard of building certification in accordance with Minimum Energy Efficiency Standards (MEES).
- Monitoring and auditing 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 conception to completion.

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**We are always looking for new features to integrate into our developments to achieve lower emissions, minimise waste and any unnecessary costs.**

---



Our ongoing commitment towards supporting the local and global environment includes:



## #1 REDUCING ENERGY DEMAND

We are committed to incorporating energy efficient systems, such as heat pumps solar and PV panels and will seek to integrate green and blue roofs, which will enable us to capture otherwise lost energy potential. Features such as these are pivotal to us achieving our target of meeting the Future Homes Standard from 2025.



## #2 MINIMISING WASTE

We will seek to minimise and reasonably eradicate excess material by ensuring efficiency and mitigating waste that is uncontrollably produced on-site from going to landfill by striving to reuse and recycle, wherever possible.

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.



## #3 CONSIDERING RESPONSIBLE DESIGN

Our experienced land and planning teams have a strong track record of delivering new-build projects on brownfield land. These projects are designed to positively transform and revitalise sites 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.





## #4 IMPLEMENTING ECOLOGY AND 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.



## #5 PROMOTING SUSTAINABLE LIVING

Sustainable forms of living are encouraged for all our residents, including transport and travel through the provision of secure cycle stores, walking routes and car clubs.



## #6 CHAMPIONING FUNCTIONAL DIVERSITY

With a growing desire for flexible working, our developments seek to provide as much working and communal space as possible, to support the long-term need of our customers and future residents.

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

We will also continuously monitor the environmental performance of our developments over the long term, including post-occupancy evaluation and analysis of building performance against industry benchmarked data.



# OUR COMMUNITIES

Over the past six years, we have successfully delivered 4,126 new homes across the UK, with a further 5,000+ currently in the pipeline. Each of these homes will positively contribute towards alleviating the ongoing UK-wide need for new, quality housing.

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





## 1) DELIVERING AFFORDABLE HOUSING

With a significant need for affordable housing, SevenCapital has already provided more than £9 million in affordable housing contributions and circa 100,000 sq ft of affordable housing directly. Over the next five years, we have committed to deliver in excess of 1,000 affordable properties across the UK.

## 2) ENHANCING EXISTING COMMUNITIES

In recent years, the business has made in excess of £5 million in community infrastructure levy (CIL) contributions and given more than £10 million towards other obligatory planning contributions.

As part of our commitment, SevenCapital consistently goes above its required obligations for community contributions and has been involved in projects including providing land for Covid-19 testing centres, local food banks, police, and ambulance training.

## 3) SUPPORTING EDUCATION & CHARITABLE ORGANISATION

To date, SevenCapital has made significant contributions to local education institutions and programs, provided financial and practical support to humanitarian organisations, and made charitable donations.



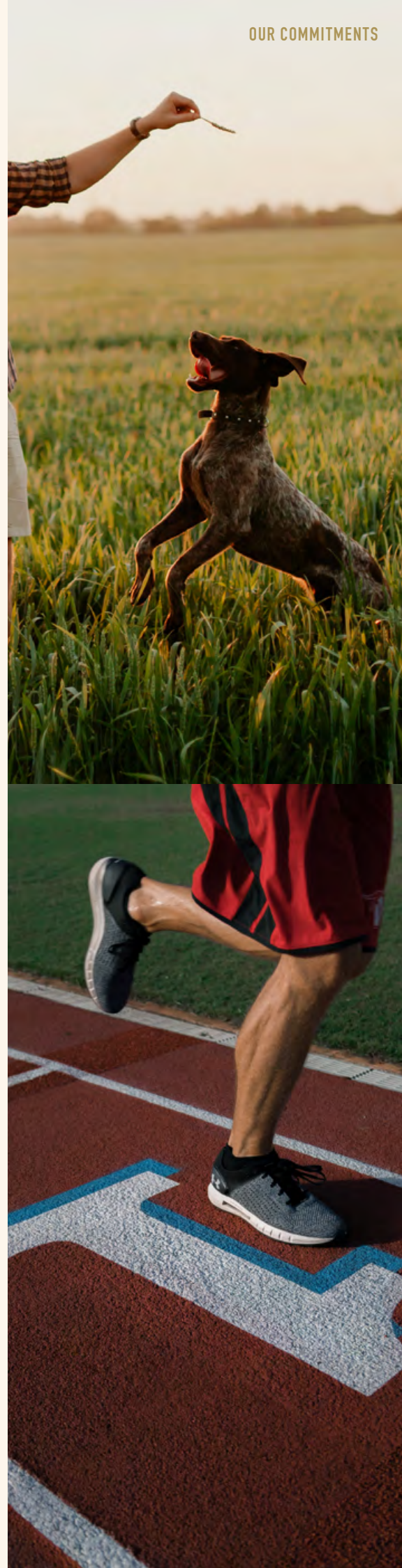
## 4) PROVIDING EMPLOYMENT OPPORTUNITIES

We are proud to support local job creation, actively recruiting or contracting skilled workers from the local area to boost employment. Over the lifetime of our developments, we have created more than 10,000 direct, indirect, or operational stage jobs.

Over the next three years, our proposed schemes are expected to deliver an additional 5,000 employment opportunities for the communities in which we operate.

## 5) WIDER FINANCIAL CONTRIBUTIONS

SevenCapital generates around £17 million annually in council tax or business rate contributions, with this expected to continue as we look ahead to our future schemes.





## OUR PEOPLE

We are committed towards ensuring our customers come first and receive first-class service at every step of their journey with us. As a result, we have become a multi award-winning organisation and the proud recipients of the Global Business Excellence Award for customer service. We also have successfully achieved our status as the top-rated UK developer on Trustpilot, with an average score of 4.8 out of 5. (Rating-Excellent)

## PLEDGE TO OUR TEAM

SevenCapital is a forward-thinking, entrepreneurial organisation that actively promotes equality and diversity. We believe in choosing and retaining the best person suited to the job, as well as offering equal pay amongst all employees.

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. Our pledge to support our staff is clearly demonstrated by our low turnover rate of less than 10%.





## COMMITMENT TO CUSTOMERS

Whether it's a purchaser buying their first home and learning the ropes, or a seasoned international investor seeking to grow their portfolio, our customers receive 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 and two-year defect warranty, we ensure peace of mind for our customers when purchasing with us.





# FINANCIAL REPORT

## 08

SevenCapital continues to deliver profits at consistently high margins to all stakeholders. Our focus on profitability is uncompromising and the shareholders remain acutely aware of curating the right opportunities that are accretive to our margin. In spite of a reduction in turnover, net assets have continued to increase as the business has strengthened its overall financial position in the market.



# STRATEGIC REPORT

We have always been driven by a clear purpose, with a unique culture and strong values that shape the way we work. Over the last decade this pushed us forward and helped us become industry leaders in important areas including customer satisfaction, tackling biodiversity loss, taking climate action and embracing advanced manufacturing.

## OUR FOCUS

Our focus continues to be on acquiring large sites in strategic locations that are undervalued. Our origination team have been highly successful in searching, shortlisting and winning bids for key sites in and around London. We remain opportunistic on site acquisitions in Birmingham and the wider South East, however given our recent successes in London, our plan moving forward is to focus our attention on site acquisitions there. We continue to concentrate on residential-led schemes within mixed use developments that serve the surrounding community.

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**Strategically, we are a build-to-sell developer. However, we remain tuned to changing market situations during these unprecedented times of uncertainty. A few of our sites in Slough and Bracknell continue to generate attractive rental income and we have seized that opportunity.**

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We have always put customers at the heart of our decisions and provide an industry leading home buying experience. We are the only property developer to have received an excellent rating from Trustpilot and this reaffirms our commitment to our core ethos of providing a customer-centric solution.

We are also committed to playing an active role in tackling the global climate emergency by creating low carbon, resilient homes. We are proud that all our schemes in London are rated EPC B or above and are fitted with the latest energy saving equipment. All our schemes have also embraced a transformational culture where underused land is turned into unique, well-connected and welcoming places where people

and communities can thrive for the long-term. We remain committed to building a responsible and constructive supply chain; one that is productive, practical and profitable, sustainable, ethical and dependable.

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. There remains an opportunity for consolidation for a fast growing business such as SevenCapital who can take advantage of this fragmented market and acquire businesses at discounted prices.





# GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021 FOR SEVENCAPITAL PLC



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**SEVEN CAPITAL PLC**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**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 Wheeleys Road, Edgbaston, Birmingham  
West Midlands , B15 2LD

## **GROUP STRATEGIC REPORT**

### **FOR THE YEAR ENDED 30 SEPTEMBER 2021**

The directors present their strategic report of the company and the group for the year ended 30 September 2021.

#### **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 1-6, 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 2021. More details are given on page 9.

#### **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 16.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The group uses various financial levers to manage risk. These include shareholders loans, operating cash generated and a number of working capital items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial levers is to ensure the group is adequately funded in order to continue its operations uninterrupted. While these financial levers enable the group to manage operations, their existence exposes the group to a number of financial and operational risks which are described on pages 38-42.



## 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 5 to 8 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 37 to 45. Our overall strategy demonstrates the main direction of the Group, upon which the majority of strategic decisions are made (see pages 68-69).

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 other wise. This is explained further within the 'Our People' section of the report on page. (see page 46)

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 page 53 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 58 to 66.

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 21 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 46 of the Annual Report. The business carries a key value of respect (page 47) which the Board enforces throughout all dealings with employees, partners, stakeholders and customers.

On behalf of the board:



**Balbinder Singh Sohal—Director**  
**30 March 2022**



## SEVEN CAPITAL PLC

### REPORT OF THE DIRECTORS

### FOR THE YEAR ENDED 30 SEPTEMBER 2021

The directors present their report with the financial statements of the company and the group for the year ended 30 September 2021.

#### DIVIDENDS

The total distributions for the year is Nil (2020 : £1,007,142)

#### DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2020 to the date of this report.

Balbinder Singh Sohal

Damien Anthony Siviter

#### 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.

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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**  
**30 March 2022**



## 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 2021 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 2021 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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## 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 page 77, 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.



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

### 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.

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

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

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

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

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

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

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

## 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.



**Sajjad Sumar (Senior Statutory Auditor)**

for and on behalf of Brindleys Limited

Statutory Auditors

2 Wheelleys Road

Edgbaston

Birmingham

West Midlands

B15 2LD

30 March 2022



## CONSOLIDATED PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	2021 £	2020 £
<b>TURNOVER</b>	3	87,947,569	123,994,540
Cost of sales		71,113,681	102,155,692
<b>GROSS PROFIT</b>		<b>16,833,888</b>	<b>21,838,848</b>
Administrative expenses		4,598,834	4,250,927
		<b>12,235,054</b>	<b>17,587,921</b>
Other operating income		3,595,419	3,674,567
<b>OPERATING PROFIT</b>	5	<b>15,830,473</b>	<b>21,262,488</b>
Interest receivable and similar income		1,527,267	2,114,108
		<b>17,357,740</b>	<b>23,376,596</b>
Interest payable and similar expenses	7	3,900,950	2,547,327
<b>PROFIT BEFORE TAXATION</b>		<b>13,456,790</b>	<b>20,829,269</b>
Tax on profit	8	2,568,136	3,736,635
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>10,888,654</b>	<b>17,092,634</b>
<b>OTHER COMPREHENSIVE INCOME:</b>			
Loss on share buy back		(495,000)	(990,000)
Deconsolidation and investments of NCI		(153,682)	-
Income tax relating to components of other comprehensive income		-	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>		<b>(648,682)</b>	<b>(990,000)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>10,239,972</b>	<b>16,102,634</b>
Profit attributable to:			
Owners of the parent		9,582,279	5,295,749
Non-controlling interests		1,306,375	11,796,885
		<b>10,888,654</b>	<b>17,092,634</b>
Total comprehensive income attributable to:			
Owners of the parent		9,087,279	4,305,749
Non-controlling interests		1,152,693	11,796,885
		<b>10,239,972</b>	<b>16,102,634</b>

The notes form part of these financial statements

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### 30 SEPTEMBER 2021

	NOTES	£	£	2021	£	£	2020
<b>FIXED ASSETS</b>							
Tangible assets	11		156,976			82,020	
Investments	12						
Interest in associate			100			100	
Other investments			46,722			46,624	
			<b>203,798</b>			<b>128,744</b>	
<b>CURRENT ASSETS</b>							
Stocks	13	158,652,672			155,896,656		
Debtors	14	50,277,232			48,830,748		
Cash at bank and in hand		17,740,414			16,632,084		
		<b>226,670,318</b>			<b>221,359,488</b>		
<b>CREDITORS</b>							
Amounts falling due within one year	15	16,991,658			32,120,372		
<b>NET CURRENT ASSETS</b>				<b>209,678,660</b>		<b>189,239,116</b>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				<b>209,882,458</b>		<b>189,367,860</b>	
<b>CREDITORS</b>							
Amounts falling due after more than one year	16		150,182,896			137,301,670	
<b>NET ASSETS</b>				<b>59,699,562</b>		<b>52,066,190</b>	
<b>CAPITAL AND RESERVES</b>							
Called up share capital	20		50,000			55,000	
Capital redemption reserve	21		15,000			10,000	
Retained earnings	21		43,789,789			34,707,510	
<b>SHAREHOLDERS' FUNDS</b>			<b>43,854,789</b>			<b>34,772,510</b>	
<b>NON-CONTROLLING INTERESTS</b>	22		15,844,773			17,293,680	
<b>TOTAL EQUITY</b>				<b>59,699,562</b>		<b>52,066,190</b>	

The financial statements were approved by the Board of Directors and authorised for issue on 30 March 2022 and were signed on its behalf by:



Balbinder Singh Sohal, Director

The notes form part of these financial statements



## COMPANY STATEMENT OF FINANCIAL POSITION

### 30 SEPTEMBER 2021

	NOTES	£	2021 £	£	2020 £
<b>FIXED ASSETS</b>					
Tangible assets	11		90,929		82,020
Investments	12		51,324		51,057
			<b>142,253</b>		<b>133,077</b>
<b>CURRENT ASSETS</b>					
Stocks	13	6,663,425		5,908,880	
Debtors	14	34,855,153		33,209,953	
Cash at bank		10,692,751		11,702,986	
		<b>52,211,329</b>		<b>50,821,819</b>	
<b>CREDITORS</b>					
Amounts falling due within one year	15	11,073,935		20,219,328	
<b>NET CURRENT ASSETS</b>			<b>41,137,394</b>		<b>30,602,491</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>41,279,647</b>		<b>30,735,568</b>
<b>PROVISIONS FOR LIABILITIES</b>	19		<b>7,272</b>		<b>15,584</b>
<b>NET ASSETS</b>			<b>41,272,375</b>		<b>30,719,984</b>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	20		50,000		55,000
Capital redemption reserve	21		15,000		10,000
Retained earnings	21		41,207,375		30,654,984
<b>SHAREHOLDERS' FUNDS</b>			<b>41,272,375</b>		<b>30,719,984</b>
Company's profit for the financial year			<b>11,052,391</b>		<b>5,294,372</b>

The financial statements were approved by the Board of Directors and authorised for issue on 30 March 2022 and were signed on its behalf by:



**Balbinder Singh Sohal, Director**

The notes form part of these financial statements

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2021

	CALLED UP SHARE CAPITAL £	RETAINED EARNINGS £	CAPITAL REDEMPTION RESERVE £
BALANCE AT 1 OCTOBER 2019	49,999	31,418,903	-
<b>CHANGES IN EQUITY</b>			
Issue of share capital	5,001	-	-
Dividends	-	(1,007,142)	-
Total comprehensive income	-	4,295,749	10,000
BALANCE AT 30 SEPTEMBER 2020	55,000	34,707,510	10,000
<b>CHANGES IN EQUITY</b>			
Issue of share capital	(5,000)	-	-
Total comprehensive income	-	9,082,279	5,000
BALANCE AT 30 SEPTEMBER 2021	50,000	43,789,789	15,000

	TOTAL £	NON-CONTROLLING INTERESTS £	TOTAL EQUITY £
BALANCE AT 1 OCTOBER 2019	31,468,902	12,596,795	44,065,697
<b>CHANGES IN EQUITY</b>			
Issue of share capital	5,001	-	5,001
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
<b>CHANGES IN EQUITY</b>			
Issue of share capital	(5,000)	-	(5,000)
Dividends	-	(2,601,600)	(2,601,600)
Total comprehensive income	9,087,279	1,152,693	10,239,972
BALANCE AT 30 SEPTEMBER 2021	43,854,789	15,844,773	59,699,562

The notes form part of these financial statements



## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2021

	CALLED UP SHARE CAPITAL £	RETAINED EARNINGS £	CAPITAL REDEMPTION RESERVE £	TOTAL EQUITY £
BALANCE AT 1 OCTOBER 2019	50,000	27,367,754	-	27,417,754
<b>CHANGES IN EQUITY</b>				
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
<b>CHANGES IN EQUITY</b>				
Issue of share capital	(5,000)	-	-	(5,000)
Total comprehensive income	-	10,552,391	5,000	10,557,391
BALANCE AT 30 SEPTEMBER 2021	50,000	41,207,375	15,000	41,272,375

The notes form part of these financial statements

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2021

	NOTES	2021 £	2020 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	1	40,308,699	55,863,793
Interest paid		(3,900,950)	(2,547,327)
Tax paid		(8,344,825)	(254,984)
Net cash from operating activities		<b>28,062,924</b>	<b>53,061,482</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of tangible fixed assets		(97,478)	(5,036)
Purchase of fixed asset investments		(99)	(41,953)
Interest received		1,527,267	2,114,108
Dividends received		-	2,100,000
Net cash from investing activities		<b>1,429,690</b>	<b>4,167,119</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New loans in year		18,060,550	13,039,874
Loan repayments in year		(43,427,847)	(58,833,509)
Amount introduced by directors		84,613	-
Amount withdrawn by directors		-	(1,574)
Share issue		-	15,000
Share buyback		(500,000)	(1,000,000)
Equity dividends paid		-	(1,007,142)
Dividends to Non controlling interests		(2,601,600)	(7,100,000)
Net cash from financing activities		<b>(28,384,284)</b>	<b>(54,887,351)</b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>1,108,330</b>	<b>2,341,250</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	2	16,632,084	14,290,834
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	2	<b>17,740,414</b>	<b>16,632,084</b>

The notes form part of these financial statements



## NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2021

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

	2021 £	2020 £
Profit before taxation	13,456,790	20,829,269
Depreciation charges	22,522	14,474
Dividends	-	(2,100,000)
Impairment of investments	1	1,080,005
Deconsolidation	(153,682)	-
Finance costs	3,900,950	2,547,327
Finance income	(1,527,267)	(2,114,108)
	<b>15,699,314</b>	<b>20,256,967</b>
(Increase)/decrease in stocks	(2,756,016)	67,062,148
Increase in trade and other debtors	(1,378,047)	(7,273,801)
Increase/(decrease) in trade and other creditors	28,743,448	(24,181,521)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>40,308,699</b>	<b>55,863,793</b>

### 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 2021	30.9.21 £	1.10.20 £
Cash and cash equivalents	<b>17,740,414</b>	<b>16,632,084</b>

YEAR ENDED 30 SEPTEMBER 2020	30.9.20 £	1.10.19 £
Cash and cash equivalents	16,632,084	14,290,847
Bank overdrafts	-	(13)
	<b>16,632,084</b>	<b>14,290,834</b>

The notes form part of these financial statements

## 3. ANALYSIS OF CHANGES IN NET DEBT

	AT 1.10.20 £	CASH FLOW £	AT 30.9.21 £
<b>NET CASH</b>			
Cash at bank and in hand	16,632,084	1,108,330	17,740,414
	16,632,084	1,108,330	17,740,414
<b>DEBT</b>			
Debts falling due after 1 year	(117,353,297)	25,367,297	(91,986,000)
	(117,353,297)	25,367,297	(91,986,000)
<b>TOTAL</b>	<b>(100,721,213)</b>	<b>26,475,627</b>	<b>(74,245,586)</b>

The notes form part of these financial statements



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

### 1. STATUTORY INFORMATION

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

### 2. ACCOUNTING POLICIES

#### BASIS OF PREPARING THE FINANCIAL STATEMENTS

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

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 2021.

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 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.



## 2. ACCOUNTING POLICIES – CONTINUED

### 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:

	2021 £	2020 £
Contracts	77,763,659	120,300,067
Consultancy	183,910	3,694,473
Others	10,000,000	-
	<b>87,947,569</b>	<b>123,994,540</b>

## 4. EMPLOYEES AND DIRECTORS

	2021 £	2020 £
Wages and salaries	2,048,850	1,559,059
Social security costs	201,256	171,596
Other pension costs	30,539	32,696
	<b>2,280,645</b>	<b>1,763,351</b>

#### 4. EMPLOYEES AND DIRECTORS - CONTINUED

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

	2021 £	2020 £
Administration	32	23

The average number of employees by undertakings that were proportionately consolidated during the year was 3 (2020 - 3).

	2021 £	2020 £
Directors' remuneration	183,561	419,144

#### 5. OPERATING PROFIT

The operating profit is stated after charging:

	2021 £	2020 £
Depreciation - owned assets	22,522	14,474

#### 6. AUDITORS' REMUNERATION

	2021 £	2020 £
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	73,400	61,350

The auditors were also paid £11,208 for non audit services provided to the group

#### 7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021 £	2020 £
Bank interest	-	557
Other Loan Interest	3,900,950	2,546,770
	<b>3,900,950</b>	<b>2,547,327</b>

## 8. TAXATION

### ANALYSIS OF THE TAX CHARGE

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

	2021 £	2020 £
<b>CURRENT TAX:</b>		
UK corporation tax	2,702,719	3,845,211
Overprovision tax last year	(195)	(2,093)
<b>Total current tax</b>	<b>2,702,524</b>	<b>3,843,118</b>
Deferred tax	(134,388)	(106,483)
<b>Tax on profit</b>	<b>2,568,136</b>	<b>3,736,635</b>

UK corporation tax has been charged at 19% (2020 - 19%)

### RECONCILIATION OF TOTAL TAX CHARGE INCLUDED IN PROFIT AND LOSS

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2021 £	2020 £
<b>PROFIT BEFORE TAX</b>	<b>13,456,790</b>	<b>20,829,269</b>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	2,556,790	3,957,561
<b>EFFECTS OF:</b>		
Expenses not deductible for tax purposes	2,067	195,611
Income not taxable for tax purposes	(997,414)	(3,414,102)
Capital allowances in excess of depreciation	(10,152)	-
Depreciation in excess of capital allowances	-	1,793
Utilisation of tax losses	(3,971)	(15,877)
Deferred tax	(134,388)	(106,482)
Consolidation adjustments	897,953	2,907,862
Losses carried forward	275,664	234,524
Overprovision last year	(195)	(2,093)
Land remediation relief	(18,218)	(22,162)
<b>TOTAL TAX CHARGE</b>	<b>2,568,136</b>	<b>3,736,635</b>



**8. TAXATION - CONTINUED**

Tax effects relating to effects of other comprehensive income

2021	GROSS £	TAX £	NET £
Loss on share buy back	(495,000)	-	(495,000)
Deconsolidation and investments of NCI	(153,682)	-	(153,682)
	<b>(648,682)</b>	-	<b>(648,682)</b>

2020	GROSS £	TAX £	NET £
Loss on share buy back	(990,000)	-	(990,000)

**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**

	2021 £	2020 £
B Ordinary shares of £1 each	-	503,571
Interim		
C Ordinary shares of £1 each	-	503,571
Interim		
	-	1,007,142

**11. TANGIBLE FIXED ASSETS**

GROUP	SHORT LEASEHOLD £	FIXTURE AND FITTINGS £	TOTALS £
<b>COST</b>			
At 1 October 2020	-	197,640	197,640
Additions	39,190	58,288	97,478
At 30 September 2021	<b>39,190</b>	<b>255,928</b>	<b>295,118</b>
<b>DEPRECIATION</b>			
At 1 October 2020	-	115,620	115,620
Charge for year	3,332	19,190	22,522
At 30 September 2021	<b>3,332</b>	<b>134,810</b>	<b>138,142</b>

## 11. TANGIBLE FIXED ASSETS – CONTINUED

GROUP	SHORT LEASEHOLD £	FIXTURE AND FITTINGS £	TOTALS £
<b>NET BOOK VALUE</b>			
At 30 September 2021	35,858	121,118	156,976
At 30 September 2020	-	82,020	82,020

COMPANY	FIXTURE AND FITTINGS £
<b>COST</b>	
At 1 October 2020	197,640
Additions	24,955
At 30 September 2021	222,595
<b>DEPRECIATION</b>	
At 1 October 2020	115,620
Charge for year	16,046
At 30 September 2021	131,666
<b>NET BOOK VALUE</b>	
At 30 September 2021	90,929
At 30 September 2020	82,020

## 12. FIXED ASSET INVESTMENTS

	GROUP		COMPANY	
	2021 £	2020 £	2021 £	2020 £
Participating interests	100	100	-	-
Other investments not loans	46,722	46,624	51,324	51,057
	46,822	46,724	51,324	51,057

## ADDITIONAL INFORMATION IS AS FOLLOWS:

GROUP	INTEREST IN ASSOCIATE £	UNLISTED INVESTMENTS £	TOTALS £
<b>COST</b>			
At 1 October 2020	100	45,614	45,714
Additions	-	99	99
Impairments	-	(1)	(1)
At 30 September 2021	100	45,712	45,812
<b>NET BOOK VALUE</b>			
At 30 September 2021	100	45,712	45,812
At 30 September 2020	100	45,614	45,714

Investments (neither listed nor unlisted) were as follows:

	2021 £	2020 £
Other Investments	1,010	1,010

COMPANY	UNLISTED INVESTMENTS £
<b>COST</b>	
At 1 October 2020	50,047
Additions	268
Impairments	(1)
At 30 September 2021	50,314
<b>NET BOOK VALUE</b>	
At 30 September 2021	50,314
At 30 September 2020	50,047

## COMPANY

Investments (neither listed nor unlisted) were as follows:

	2021 £	2020 £
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 (TINDAL) LTD

Registered office: United Kingdom

Nature of business: Buying and selling of own estate

%

Class of shares:

holding

A 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.

**12. FIXED ASSET INVESTMENTS - CONTINUED****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

90.00

**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 (SUMMER HILL) LTD**

Registered office: United Kingdom

Nature of business: Development of building project

%

Class of shares:

holding

Ordinary A

90.00



**12. FIXED ASSET INVESTMENTS – CONTINUED****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

**SEVEN CAPITAL (BROADWAY RESIDENCIES) LTD**

Registered office: United Kingdom

Nature of business: Selling/Renting of residential properties

%

Class of shares:

holding

Ordinary

98.00

**12. FIXED ASSET INVESTMENTS – CONTINUED****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 (SNOW HILL) 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: Holding investments

%

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

**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

**12. FIXED ASSET INVESTMENTS - CONTINUED****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 (JCDS) LTD**

Registered office: United Kingdom

Nature of business: Activities of other holding companies

%

Class of shares:

holding

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

72.00

**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

**SEVEN LIVING LTD**

Registered office: United Kingdom

Nature of business: Letting and operating of real estate

%

Class of shares:

holding

A Ordinary

70.00



## 12. FIXED ASSET INVESTMENTS – CONTINUED

## SEVEN LIVING (VICTORIA) LTD

Registered office: United Kingdom

Nature of business: Buying and selling of real estate

	%
Class of shares:	holding
A Ordinary	70.00

## SEVEN CAPITAL (HIGHGATE HILL) LTD

Registered office: United Kingdom

Nature of business: Buying and selling of real estate

	%
Class of shares:	holding
A Ordinary	98.00

## 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	
	2021 £	2020 £	2021 £	2020 £
Closing work in progress	154,394,114	150,160,861	2,854,867	1,500,095
Finished goods	4,258,558	5,735,795	3,808,558	4,408,785
	158,652,672	155,896,656	6,663,425	5,908,880

## 14. DEBTORS

	GROUP		COMPANY	
	2021 £	2020 £	2021 £	2020 £
Amounts falling due within one year:				
Trade debtors	781,436	372,544	6,000	-
Amounts owed by group undertakings	-	-	626,072	213,117
Other debtors	38,649,036	39,115,486	34,131,006	32,956,351
Directors' current accounts	-	64,649	-	-
VAT	259,749	-	-	-

## 14. DEBTORS – CONTINUED

	GROUP		COMPANY	
	2021 £	2020 £	2021 £	2020 £
Amounts falling due within one year:				
Deferred tax asset	231,722	98,636	-	-
Prepayments	140,103	60,297	92,075	40,485
	<b>40,062,046</b>	<b>39,711,612</b>	<b>34,855,153</b>	<b>33,209,953</b>
Amounts falling due after more than one year:				
Other debtors	7,317,720	7,320,420	-	-
Prepayments and accrued income	2,897,466	1,798,716	-	-
	<b>10,215,186</b>	<b>9,119,136</b>	<b>-</b>	<b>-</b>
Aggregate amounts	<b>50,277,232</b>	<b>48,830,748</b>	<b>34,855,153</b>	<b>33,209,953</b>
<b>DEFERRED TAX ASSET</b>				
Deferred tax	<b>231,722</b>	<b>98,636</b>	<b>-</b>	<b>-</b>

Included in Other debtors, balance of £3,743,210 (2020: £3,749,510) which is due from Seven Capital (Crocus) Limited, a company registered in England (Company Number: 10579440) and is repayable within 3 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 (2020: £3,574,510) due from Seven Capital (Bracknell) Limited a company registered in England (Company Number : 11452285) and is repayable within 3 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	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	1,824,897	4,836,919	154,954	19,784
Amount owed to group undertakings	-	-	3,412,499	13,381,894
Corporation Tax	3,344,646	8,988,249	1,358,230	58,509
Social security and other taxes	119,727	173,736	57,896	72,047
VAT	-	1,887,689	75,733	367,104
Other creditors	9,709,096	13,005,282	5,899,238	5,873,393
Directors' current accounts	80,930	60,966	80,930	60,965
Accrued expenses	1,912,362	3,167,531	34,455	385,632
	<b>16,991,658</b>	<b>32,120,372</b>	<b>11,073,935</b>	<b>20,219,328</b>

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

### GROUP

	2021 £	2020 £
Bank loans (see note 17)	13,870,596	-
Other loans (see note 17)	78,115,404	117,353,297
Other creditors	34,200,000	-
Accruals and deferred income	23,996,896	19,948,373
	<b>150,182,896</b>	<b>137,301,670</b>

Other creditors represent amount for purchase of land payable after one year.

Accruals and deferred income relates to accruals of £23,996,896 (2020: £19,948,373) 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

Amounts falling due between two and five years:	2021 £	2020 £
Bank loans - 2-5 years	13,870,596	-
Other loans - 2-5 years	78,115,404	117,353,297
	<b>91,986,000</b>	<b>117,353,297</b>

Included in other loans, amounts of £7,625,000 with interest rate of 24%, £10,908,421 with interest rates of 12%, £34,100,000 with interest rate of 8%, £21,175,000 with interest rate of 5%, and £4,306,982 with no interest which are repayable between two and five years.

## 18. SECURED DEBTS

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

## 19. DEFERRED TAX

### COMPANY

	2021 £	2020 £
Deferred tax	<b>7,272</b>	<b>15,584</b>



## 14. DEFERRED TAX – CONTINUED

GROUP	£
Balance at 1 October 2020	(98,636)
Credit to Profit and Loss Account and Other Comprehensive Income during year	(133,086)
Balance at 30 September 2021	(231,722)

COMPANY	£
Balance at 1 October 2020	15,584
Utilised during year	(8,312)
Balance at 30 September 2021	7,272

## 20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

NUMBER:	CLASS:	NOMINAL VALUE	2021 £	2020 £
50,000	A Ordinary	£1	50,000	50,000
NIL	B Ordinary	£1	-	5,000
			50,000	55,000

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 2020	34,707,510	10,000	34,717,510
Profit for the year	9,582,279		9,582,279
Purchase of own shares	(500,000)	5,000	(495,000)
At 30 September 2021	43,789,789	15,000	43,804,789

## 21. RESERVES – CONTINUED

COMPANY	RETAINED EARNINGS £	CAPITAL REDEMPTION RESERVE £	TOTALS £
At 1 October 2020	30,654,984	10,000	30,664,984
Profit for the year	11,052,391		11,052,391
Purchase of own shares	(500,000)	5,000	(495,000)
At 30 September 2021	41,207,375	15,000	41,222,375

## 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

**22. NON-CONTROLLING INTERESTS – CONTINUED**

	£
<b>BALANCE AT 30 SEPTEMBER 2020</b>	<b>17,293,680</b>
<b>CHANGES IN EQUITY</b>	
Dividends	(2,601,600)
Total Comprehensive income	<b>1,152,693</b>
<b>BALANCE AT 30 SEPTEMBER 2021</b>	<b>15,844,773</b>

The aggregate amount of the net loss after dividends for the year relating to non controlling shareholders is £1,448,907 (2020 : Profit of £4,696,885)

The non controlling interest liability as at 30.09.2021 was £15,844,773 (2020 : £17,293,680)

**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 group received dividend of Nil (2020: £2.1m) from an associated company registered in England.

**24. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is Balbinder Singh Sohal.