

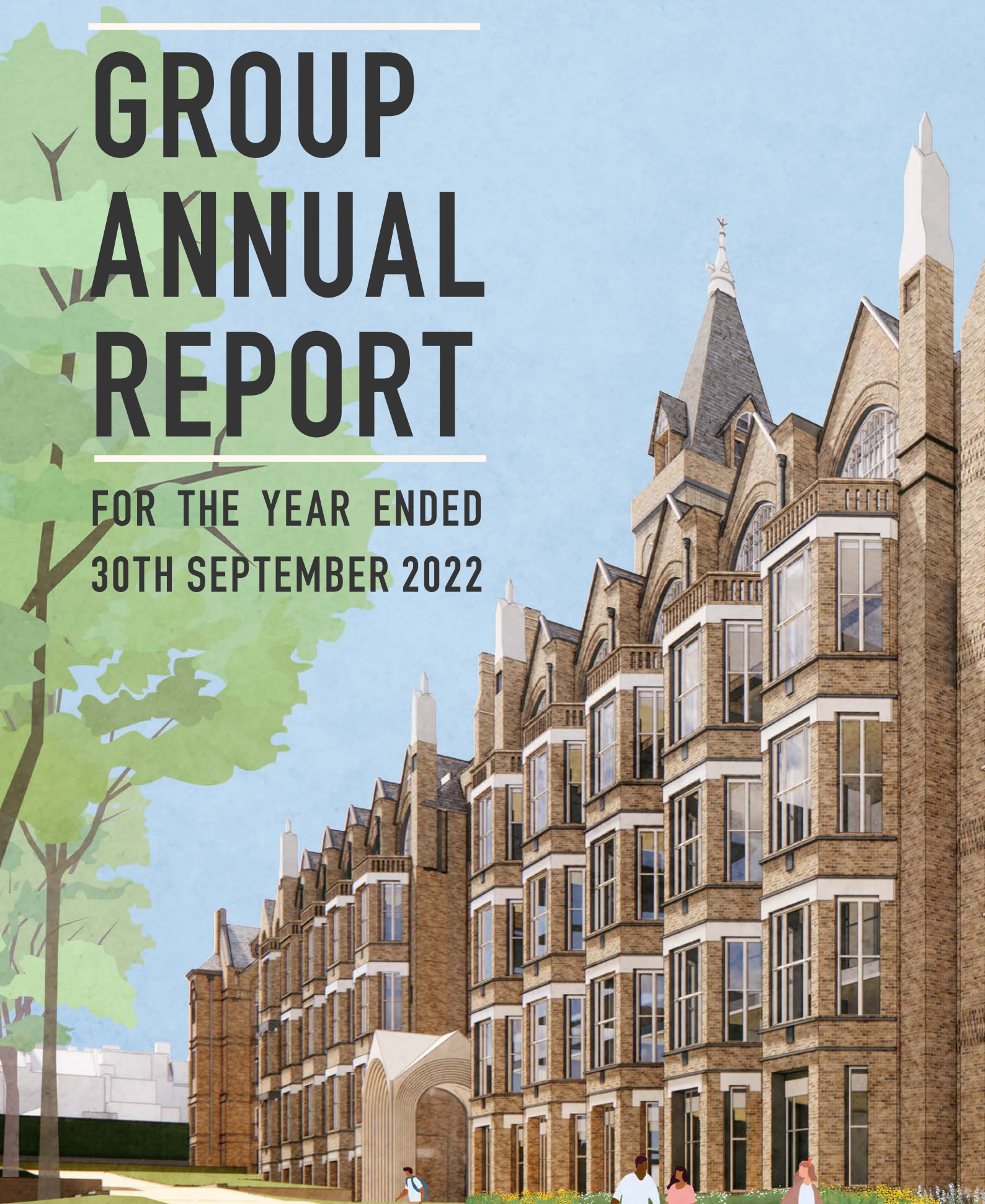
SevenCapital<sub>plc</sub>

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# GROUP ANNUAL REPORT

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FOR THE YEAR ENDED  
30TH SEPTEMBER 2022



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FINANCIAL REPORT



# A LETTER FROM OUR CHAIRMAN

BAL SOHAL

Factoring in Brexit, the Covid-19 pandemic, the war in Ukraine and interest rate rises, the UK's economy and subsequently the property market should arguably have taken a severe downturn. Yet even now as we're moving through 2023, even the IMF is having to retract its previous predictions on the UK going into recession and admit a "subdued" 0.4% growth prediction. Whilst they may have stated that as "subdued", growth remains a positive story.

However, much as in previous years, the UK hasn't had an easy ride, and the need for businesses to navigate a precarious and unpredictable economy continues, with no room for complacency.

Without the Government's various actions with regards to stamp duty cuts and reinforcing higher mortgage lending to encourage momentum amongst homebuyers, the UK property market could have followed a very different road, albeit none of it has been without some volatility. Energy price increases and rising interest rates across the latter half of 2022 impacted buyer confidence, which resulted in a slowdown in activity.

At this point, when thinktanks predict further doom and gloom in the months to come, it proves a challenge to businesses in our industry when strategizing the way forward in order to both protect the company and enable it to push ahead with pipeline plans.

Nevertheless, we were able to push forward with our renewed strategy at SevenCapital, focusing on opportunities as previously laid out, particularly within the London market. Our emphasis over the past 24 months has remained on repositioning from regional developer to a more London centric approach, which as a Board we agree is the right course to follow to position the business for a more sustainable future with wider scope for scalability and growth.

Reflected in our annual figures, this has seen our previously aggressive sales approach take more of a backseat, instead drilling down into land, location, strategy and readying ourselves for the next period as we plan to bring our refreshed SevenCapital product to market.

As we begin to progress through 2023 I am pleased to share that our focus on the London market over the past 12 months has translated into a further pipeline of opportunities that the team is actively pursuing.



Meanwhile, we remain committed to our ESG goals, with all future developments incorporating responsible, sustainable design and materials and a constant review into our ways of carrying out our everyday activities. Simultaneously we are considerate of our local communities and those in which we operate, taking the opportunity to give back where we can.

Our continued support of Birmingham Children's Hospital, as just one example, has seen us recently named one of their 100 Heroes, and we look to continue our support of this incredible charity which works so hard to support the lives of our future generations. We are also proud to support Richard House Children's Hospice and their commitment to children with life limiting conditions and their families. Equally we are actively seeking out additional opportunities to support local initiatives that work to enrich the lives of those living within the locality of our upcoming development sites.

Overall, the past year has been economically challenging, whilst we simultaneously continued to push forward with our actions on repositioning SevenCapital. Whilst progress does not show through our figures, I am pleased we have still managed to increase our operating profit margin.

#### SIGNED BY



Balbinder Sohal, Chairman





# A STATEMENT FROM OUR GROUP MANAGING DIRECTOR

DAMIEN SIVITER

The past 12 months have been challenging, however, with a great team behind us we are still able to maintain very high standards, and progress continues to be made across the business with achieving new standards and targets laid out over the past 12-24 months. Our significant and highly considered shift in our core business, to place greater emphasis on serving the London market, has seen significant adjustments made across the business over the latter few years and, whilst the fruits of our labour may not yet be showing financially, we are laying the foundations of a very strong future.

Over the past 12 months we have strengthened both our sales and marketing teams, under the expertise of our sales and marketing directors, Simon Howard and Sarah Morris, respectively. Both teams have been working hard and I have full confidence they will be instrumental in our future success.

Meanwhile the marketing team specifically has been working to reposition and refresh the company brand as we evolve, developing a clear message and identity to better resonate with our audiences. This will be fully launched throughout 2023.

One of our key priorities across the company is our people and culture and we continue to make sure that our operations are fully inclusive, supportive and rewarding for every team member. A happy team creates a positive culture, which has a knock on effect on how we provide our services to customers and clients.

SIGNED BY



Damien Siviter,  
Group Managing Director



# MARKET OVERVIEW

## 06

The 12 months between October 2021 and October 2022 saw UK house prices continue to rise, however sentiment remains cautious.





## RECORD HOUSE PRICES

Low interest rates in the earlier half of 2022 saw buyer confidence continue to surge, with first time buyers making up the highest proportion (53%) of properties sold with a mortgage, with areas of particular demand seeing properties sell for above asking price.

This was mainly prompted by an ongoing imbalance of supply versus demand, fuelled mostly by low interest rates and the extended stamp duty holiday alongside other Government initiatives including the mortgage guarantee scheme promoting 95% mortgages, and the introduction of the new homes scheme.

However, with multiple interest rate rises over the latter half of 2022 the rate of growth tempered, with prices peaking in most areas in early Autumn, according to Land Registry data.

## FUTURE OUTLOOK

As we move into 2023, the sentiment remains cautious whilst growth is expected to return gradually with a positive forecast for the next five years, and the prime central London market is expected to outperform the rest of the UK for both house price and rental growth.

MAINSTREAM HOUSING MARKET	HOUSE PRICE GROWTH: 5 YEARS COMPOUND GROWTH TO 2027	RENTAL GROWTH: 5 YEARS COMPOUND GROWTH TO 2027
UK	6.2%	18.3%
North West	11.7%	
Yorkshire & The Humber	11.7%	
North East	11.7%	
West Midlands	8.9%	
East Midlands	8.9%	
South West	6.2%	
South East	3.0%	

LONDON HOUSING MARKET	HOUSE PRICE GROWTH: 5 YEAR COMPOUND GROWTH TO 2027	RENTAL GROWTH: 5 YEARS COMPOUND GROWTH TO 2027
London - all	-1.7%	18.4%
Prime central	13.5%	13.6%
Outer prime London	6.1%	

5 year growth figures for house prices and rental prices – [Savills](#)



# HOW WE MANAGE RISK

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

## FINANCIAL RISK

The company uses a number of financial instruments that at all times through the business cycle, aims 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 SevenCapital. The company's exposure to credit risk is comprised of cash and cash equivalents and trade and other receivables.
- **Liquidity risk:** The risk that the funding required for the business 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 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 it may not be able to secure funding for future developments. This is mitigated by its 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. 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 business 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 company 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. It also helps mitigate market credit risk by virtue of customers' deposits held from the point of unconditional exchange of contracts.

## EXTERNAL RISKS

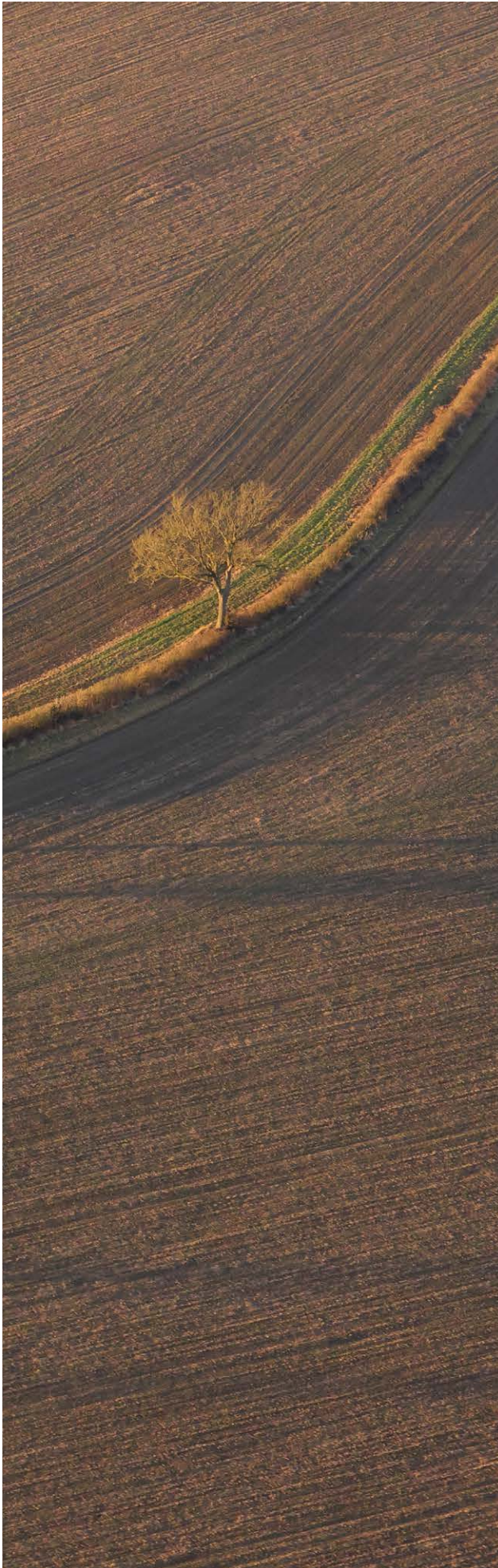
**Economic outlook:** As a property developer, our business is sensitive to wider economic factors such as changes in interest rates, employment levels and general consumer confidence. Some customers are also sensitive to changes in the sterling exchange rate in terms of their buying decisions or ability to meet their obligations under contract. 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 it believes 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 an implementable planning consent and with an understanding of local stakeholder needs.

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SevenCapital acquires land, where it meets its 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 as at monthly Board meetings. SevenCapital 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 environment 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 company 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.

## PROCUREMENT

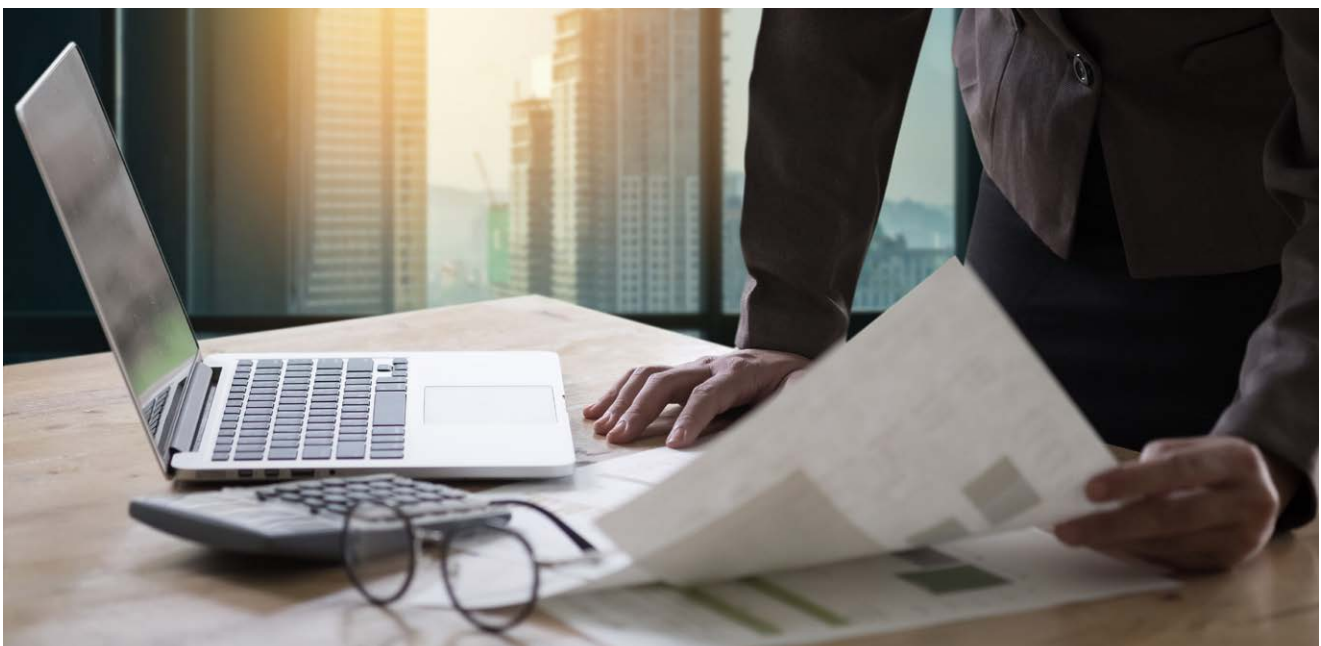
Access to quality contractors and suppliers is critical to our core business. Projects are tendered out for construction, and we continually work to maintain and nurture both existing and new relationships with good quality contractors, sub-contractors, suppliers and manufacturers. This ensures trust 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.





# ESG COMMITMENTS

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We have a deep-rooted focus on preserving the planet and providing communities with the space to grow, develop and enhance their lifestyle. This is much more than a one-time effort and rather a continuous journey, whereby we remain committed to regularly reviewing and assessing our environmental impact and setting new targets and goals to continuously improve our efforts.





## GREEN COMMITMENTS

Our focus has always been on our people, communities and the environment. The way we think about our developments has continued to evolve as we look to continue to promote sustainable practices and build a more sustainable future.

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 as giving back to the communities we operate within.

Whilst focused 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: environment, communities and people.

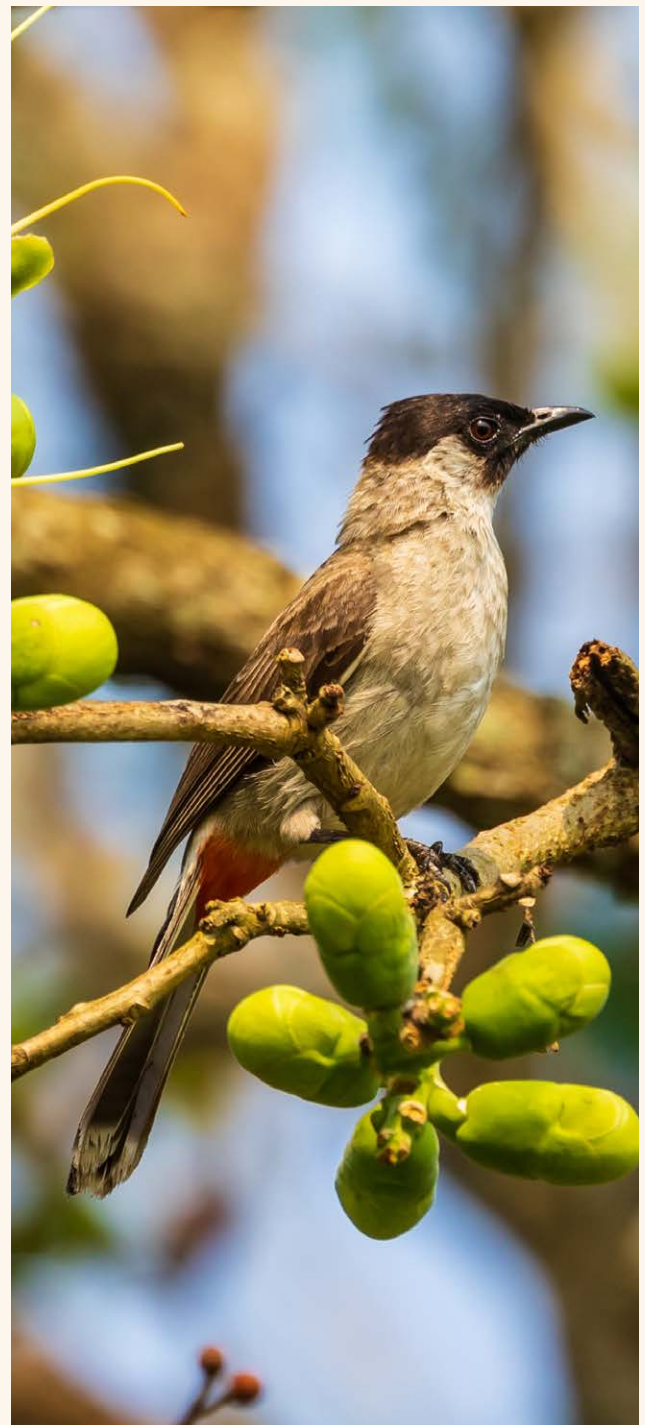
The importance of sustainability has become increasingly recognised in recent years, as we face growing environmental challenges such as climate change.

In order to best care for the environment, we strive to maximise building performance, in terms of energy efficiency, and quality of design. This includes exploring new and forward-thinking technology to integrate into our developments to achieve lower emissions, minimise waste and avoid any unnecessary additional costs for our customers.

To date, we have 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.





# 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 London Plan Policy SI 7 regarding reducing waste and supporting the circular economy.

## 3) CONSIDERING RESPONSIBLE DESIGN

Our experienced land and planning teams have a long track record of delivering new build projects on brownfield land. These projects are designed to positively transform and revitalise 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 current and future customers. 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 10 years, we have successfully delivered circa 5,000 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 thrive is the key driver behind all our developments.

## 1) DELIVERING AFFORDABLE HOUSING

We have a significant need for affordable housing and have already provided more than £8.4 million in affordable housing contributions circa 71,870 sq ft of affordable housing directly and a pipeline of over 300,950 sq ft planned for future delivery. Over the next 10 years, we have committed to delivering more than 1,000 affordable properties across the UK.

## 2) ENHANCING EXISTING COMMUNITIES

To date, the business has made in excess of £4.9 million in Community Infrastructure Levy (CIL) contributions and given more than £5.9 million towards other obligatory planning contributions, with a pipeline of more than £29.9 million of CIL contributions and £4.8 million other obligatory contributions still to come. As part of this commitment, we consistently go above and beyond the required obligations for community contributions and have been involved in projects including providing land for Covid-19 testing centres, local food banks, police and ambulance training.

## 3) SUPPORTING EDUCATION & CHARITABLE ORGANISATIONS

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

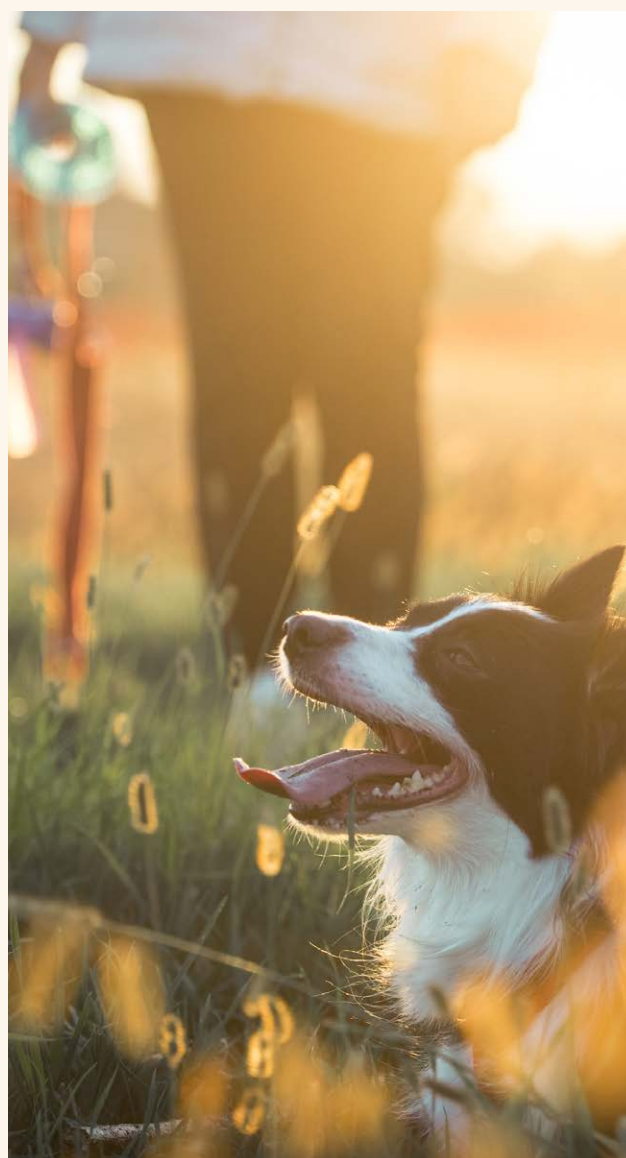


## 4) PROVIDING EMPLOYMENT OPPORTUNITIES

We are proud to support local job creation by actively recruiting or contracting skilled workers to boost employment within the areas we operate.

## 5) WIDER FINANCIAL CONTRIBUTIONS

The business generates around £15.9 million annually (excluding future pipeline) in council tax and business rate contributions, with this expected to continue as we look ahead to our future schemes.





# CORPORATE GOVERNANCE

## SERVICE TO OUR STAKEHOLDERS, CULTURE AND VALUES

SevenCapital's purpose is to build sustainable, thriving communities. We do this by transforming under-utilised areas into high quality new homes and community spaces designed to add 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 down to all of the teams within the company. These are truly ingrained in our people whose energy, passion and determination help to drive the business forward for the benefit of all our stakeholders.

## BOARD ACTIVITIES

Good governance plays a significant role in a successful business strategy and the Board's activities are instrumental to ensuring a strategy is appropriately and accurately devised and executed across the wider company.

The Board has maintained its focus on its revised strategy as laid out in previous reports, with attention paid in particular to reviewing, streamlining and improving existing strategies to better set the company up for future endeavours.

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

- Additionally, we continue to focus operations on achieving key priorities that will position SevenCapital as a world-class business, trusted to transform even the most challenging sites into exceptional places and to enforce our positive societal, economical and natural impact.
- 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 business continues to drive positive actions that address climate change to ensure that SevenCapital plays its 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.
- Consideration of ongoing political and economical challenges posed by the war in Ukraine and Brexit related supply chain shortages. The period covering 2021/22 has seen many of these issues sustain, affecting supply chains in particular, and the Board continues to focus on how best we can support our subcontractors and suppliers through maintaining transparency in work programs, payment practices and 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 2023, the Board will continue its program 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.
- The Board continues to engage with a wide and diverse range of business contacts and professional advisors in developing a strong candidate base.

# OUR PEOPLE

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Our talented, forward-thinking and committed team is the heart of our business. We actively hire and retain some of the best talent in the market, as well as promoting those who have demonstrated their skill and dedication.

2022 has seen several key hires within the business, including the expansion of our marketing and finance teams, bringing with them an abundance of unrivalled experience from a wide range of sectors and industries.

We work tirelessly to create an attractive work environment, which enables us to hire, promote and retain the best in the sector.





Our people play an integral role in making our brand a huge success. We endeavour to develop a culture whereby our workforce is happy and proud to come to work, treated fairly and have equal opportunities for employment, advancement, and success.

Our employment policy is simple. We hire the person most suitable to carry out the job, irrespective of gender, ethnicity, age, religion, disability or otherwise, and each person is treated with an equal level of respect. We pride ourselves on being an equal opportunities employer who is committed to continuously evolving practices, improving, and maintaining a culture of diversity, inclusion, and proactivity to make sure we attract and retain the best talent.

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 practices, projects and new businesses from our employees, giving each one equal consideration.

We actively promote and incentivise where good work is being produced and offer training and development, 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%.

## 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.

**DAMIEN SIVITER**

**GROUP MANAGING DIRECTOR**

Damien spearheads the investment and growth strategy across all brands within SevenCapital. 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 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.





## EXECUTIVE TEAM



### CHARLOTTE THURSFIELD

#### MANAGING DIRECTOR OF OPERATIONS

Charlotte has over 20 years' experience leading award-winning operations and customer service teams and has shaped the team at SevenCapital to deliver a best-in-class and hassle-free 360 degree service to customers. Under Charlotte's leadership the SevenCapital brand is now rated excellent on Trustpilot.

### 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.



### DEBRA MITCHELL

#### LEGAL BANKING DIRECTOR

Specialising in banking and finance, Debra advises with 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.

### SARAH MORRIS

#### PR & MARKETING DIRECTOR

Sarah leads the communications and PR strategy across SevenCapital and heads up the marketing team. With 15 years marketing and PR experience, Sarah's knowledge and expertise in brand building and positioning using a multi-platform and multi-discipline approach to meet brand, customer experience and commercial objectives is second to none.



## EXECUTIVE TEAM

### SIMON HOWARD

#### SALES & MARKETING DIRECTOR

With over 25 years' residential property experience, Simon is responsible for leading the global sales function at SevenCapital. 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.



### JESSICA CLAYTON

#### ASSET MANAGER

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



# FINANCIAL OVERVIEW

## FARDEEN NARIMAN

SevenCapital has delivered record operating profit margins against a backdrop of a difficult and uncertain global economy. This is testament to its unrelenting focus on delivering stakeholder value across the board. The last year has been unprecedented in terms of upheaval as we have witnessed a war on European soil for the first time in over 65 years. This has led to record increases in energy prices, high rates of inflation and an increase in interest rates to levels not seen since before the global financial crisis of 2008.

In spite of these headwinds, our gross margin and operating profit margin continue to strengthen, closely reflecting our philosophy of only selecting projects that meet our most stringent criteria. While company turnover reduced to £38.7 million for the year ended September 2022 (2021: £87.9 million), largely due to our focus on portfolio management, we have continued to search and originate optimal land transactions and building a pipeline for the future.

While the uncertain supply chain continues to impact the sector, a major hurdle has been the increasing cost of capital. The steady increase in the Bank of England rate has caused continuous margin erosion for several peers. However, our strong cash position and reputation as a premier developer has allowed us to continue to source capital at competitive rates. This has allowed us to considerably improve our gross margin to 29% (2021: 19%) and operating profit margin to 23% (2021: 18%) at a time when a majority of our peers have come under severe financial pressures.

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 acquisitions in Birmingham and the wider South-East of England, however given

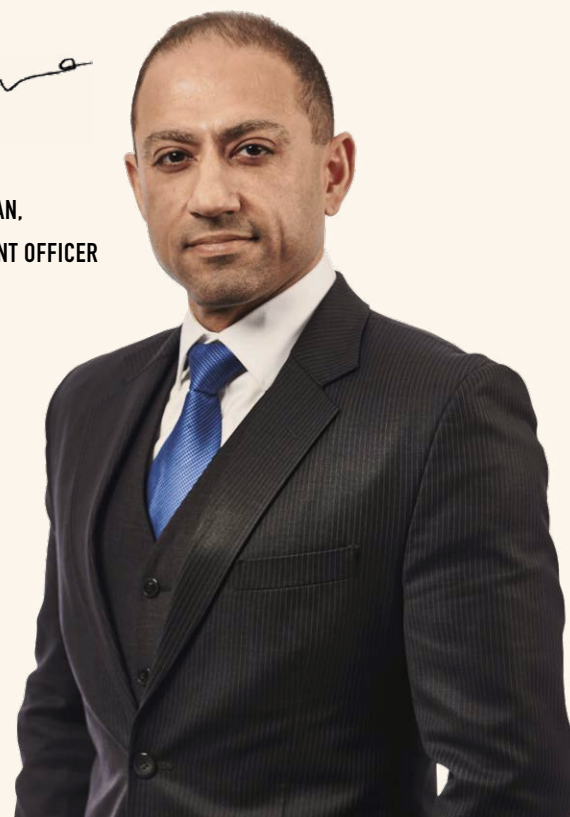
our recent successes in London, our plan moving forward is to focus our attention on site acquisitions there. We continue to concentrate on residential-led schemes within mixed use developments that serve the surrounding community. Strategically, the Group continues to focus on residential 'build-to-sell' 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. As this pipeline is executed and units are sold, we expect to see an increase in turnover over the coming years. The Group's net asset position has remained stable at £59 million (2021: £59.7 million). At 30 September 2022, the business had a net cash balance of £3.9 million (2021: 17.7 million)

SIGNED BY



**FARDEEN NARIMAN,**  
CHIEF INVESTMENT OFFICER



# FINANCIAL REPORT

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

FOR THE YEAR ENDED 30 SEPTEMBER 2022 FOR SEVENCAPITAL PLC



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**SEVEN CAPITAL PLC**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**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 2022

The directors present their strategic report of the company and the group for the year ended 30 September 2022.

#### PRINCIPAL ACTIVITY

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

#### REVIEW OF BUSINESS

Against the backdrop of a tough economic climate and continued uncertainty fuelled in parts by the war in Ukraine, the cost of living crisis, rising energy prices and rising interest costs, the Group has maintained its strong balance sheet position. We continue to exceed shareholder expectations by originating and executing on new and exciting development opportunities.

We continue to prioritise undervalued sites in the London market and are starting to see more opportunities as sellers and investors adjust to the new normal. More details are given on page 36.

#### KEY PERFORMANCE INDICATORS

While turnover has reduced, it remains a direct result of activity undertaken in the previous years. The UK economy has undergone a number of challenges, starting with the impact of Brexit and culminating with the current inflationary and high interest rate environment. However, management's focus has always been on maintaining and improving margins. We are pleased to report that in spite of tremendous pressures on the housing sector, we have increased our gross profit margin and operating profit margin as well as maintained our net assets at the same level. Total assets (less current liabilities) have also increased, primarily driven by our healthy inventory and work in progress. As always, we remain optimistic about the future and maintain the confidence to take advantage of new and exciting development opportunities. Further details can be seen on page 36 and 37.

#### 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 page 9.

## 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 3,4 and 5 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 page 9. Our overall strategy demonstrates the main direction of the Group, upon which the majority of strategic decisions are made.

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 18 and within the report of the directors on page 30.

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.

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 13-16.

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 13 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 18 of the Annual Report. The business carries a key value of respect which the Board enforces throughout all dealings with employees, partners, stakeholders and customers.

On behalf of the board:

A handwritten signature in black ink, appearing to be 'B. Sohal'.

Balbinder Singh Sohal—Director  
26th June 2023

## SEVEN CAPITAL PLC

### REPORT OF THE DIRECTORS

### FOR THE YEAR ENDED 30 SEPTEMBER 2022

The directors present their report with the financial statements of the company and the group for the year ended 30 September 2022.

#### DIVIDENDS

The total distributions for the year is Nil (2021 : £Nil)

#### DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2021 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.

#### 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  
26th June 2023



## 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 2022 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 2022 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 pages 30 and 31, 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.

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 WHEELAYS ROAD

EDGBASTON

BIRMINGHAM

WEST MIDLANDS

B15 2LD

26th June 2023

## CONSOLIDATED PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2022

	NOTES	2022 £	2021 £
<b>TURNOVER</b>	3	38,705,223	87,947,569
Cost of sales		27,332,995	71,113,681
<b>GROSS PROFIT</b>		11,372,228	16,833,888
Administrative expenses		5,770,708	4,598,834
		5,601,520	12,235,054
Other operating income		3,391,963	3,595,419
<b>OPERATING PROFIT</b>	5	8,993,483	15,830,473
Profit/loss on sale of operation	7	7160	-
		9,000,643	15,830,473
Interest receivable and similar income		1,101,005	1,527,267
		10,101,648	17,357,740
Interest payable and similar expenses	8	6,273,819	3,900,950
<b>PROFIT BEFORE TAXATION</b>		3,827,829	13,456,790
Tax on profit	9	1,467,517	2,568,13
<b>PROFIT FOR THE FINANCIAL YEAR</b>		2,360,312	10,888,654
<b>OTHER COMPREHENSIVE INCOME:</b>			
Loss on share buy back		-	(495,000)
Deconsolidation and investments of NCI		(2,285,496)	(153,682)
Income tax relating to components of other comprehensive income		-	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>		(2,285,496)	(648,682)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>74,816</b>	<b>10,239,972</b>
Profit attributable to:			
Owners of the parent		2,564,290	9,582,279
Non-controlling interests		(203,978)	1,306,375
		2,360,312	10,888,654
Total comprehensive income attributable to:			
Owners of the parent		2,564,290	9,087,279
Non-controlling interests		(2,489,474)	1,152,693
		<b>74,816</b>	<b>10,239,972</b>

The notes form part of these financial statements

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### 30 SEPTEMBER 2022

	NOTES	£	£ 2022	£	£ 2021
<b>FIXED ASSETS</b>					
Tangible assets	12		154,530		156,976
Investments	13				
Interest in associate			-		100
Other investments			32,665,712		46,722
			32,820,242		203,798
<b>CURRENT ASSETS</b>					
Stocks	14	152,002,728		158,652,672	
Debtors	15	79,151,025		50,277,232	
Cash at bank and in hand		3,922,896		17,740,414	
		235,076,649		226,670,318	
<b>CREDITORS</b>					
Amounts falling due within one year	16	30,616,364		16,991,658	
<b>NET CURRENT ASSETS</b>			204,460,285		209,678,660
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			237,280,527		209,882,458
<b>CREDITORS</b>					
Amounts falling due after more than one year	17		178,253,826		150,182,896
<b>NET ASSETS</b>			59,026,701		59,699,562
<b>CAPITAL AND RESERVES</b>					
Called up share capital	22		66,666		50,000
Capital redemption reserve	23		15,000		15,000
Retained earnings	23		45,934,735		43,789,789
<b>SHAREHOLDERS' FUNDS</b>			46,016,401		43,854,789
<b>NON-CONTROLLING INTERESTS</b>			13,010,300		15,844,773
<b>TOTAL EQUITY</b>			59,026,701		59,699,562

The financial statements were approved by the Board of Directors and authorised for issue on 26th June 2023 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 2022

	NOTES	£	2022 £	£	2021 £
<b>FIXED ASSETS</b>					
Tangible assets	12		95,496		90,929
Investments	13		170,153		51,324
			265,649		142,253
<b>CURRENT ASSETS</b>					
Stocks	14	4,997,799		6,663,425	
Debtors	15	49,349,313		34,855,153	
Cash at bank		3,037,441		10,692,751	
		57,384,553		52,211,329	
<b>CREDITORS</b>					
Amounts falling due within one year	16	12,180,302		11,073,93	
<b>NET CURRENT ASSETS</b>			45,204,251		41,137,394
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			45,469,900		41,279,647
<b>PROVISIONS FOR LIABILITIES</b>	21		18,144		7,272
<b>NET ASSETS</b>			45,451,756		41,272,375
<b>CAPITAL AND RESERVES</b>					
Called up share capital	22		66,666		50,000
Capital redemption reserve	23		15,000		15,000
Retained earnings	23		45,370,090		41,207,375
<b>SHAREHOLDERS' FUNDS</b>			45,451,756		41,272,375
Company's profit for the financial year			4,162,715		11,052,391

The financial statements were approved by the Board of Directors and authorised for issue on 26th June 2023 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 2022

	CALLED UP SHARE CAPITAL £	RETAINED EARNINGS £	CAPITAL REDEMPTION RESERVE £
BALANCE AT 1 OCTOBER 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
<b>CHANGES IN EQUITY</b>			
Issue of share capital	16,666	-	-
Total comprehensive income	-	2,144,946	-
BALANCE AT 30 SEPTEMBER 2022	66,666	45,934,735	15,000

	TOTAL £	NON-CONTROLLING INTERESTS £	TOTAL EQUITY £
BALANCE AT 1 OCTOBER 2020	34,270,910	17,293,680	51,564,590
<b>CHANGES IN EQUITY</b>			
Issue of share capital	(5,000)	-	(5,000)
Dividends	501,600	(2,601,600)	(2,100,000)
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
<b>CHANGES IN EQUITY</b>			
Issue of share capital	16,666	-	16,666
Dividends	-	(345,000)	(345,000)
Total comprehensive income	2,144,946	(2,489,474)	(344,528)
BALANCE AT 30 SEPTEMBER 2022	46,016,401	13,010,299	59,026,700

The notes form part of these financial statements

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2022

	CALLED UP SHARE CAPITAL £	RETAINED EARNINGS £	CAPITAL REDEMPTION RESERVE £	TOTAL EQUITY £
BALANCE AT 1 OCTOBER 2020	55,000	30,654,984	10,000	30,719,984
CHANGES IN EQUITY				
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
CHANGES IN EQUITY				
Issue of share capital	16,666	-	-	16,666
Total comprehensive income	-	4,162,715	-	4,162,715
BALANCE AT 30 SEPTEMBER 2022	66,666	45,370,090	15,000	45,451,756

The notes form part of these financial statements



## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2022

	NOTES	2022 £	2021 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	1	(12,534,297)	40,308,699
Interest paid		(6,273,819)	(3,900,950)
Tax paid		(3,283,530)	(8,344,825)
Net cash from operating activities		(22,091,646)	28,062,924
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of tangible fixed assets		(33,910)	(97,478)
Purchase of fixed asset investments		(32,620,000)	(99)
Sale of fixed asset investments		1,110	-
Interest received		1,101,005	1,527,267
Net cash from investing activities		(31,551,795)	1,429,690
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New loans in year		40,872,018	18,060,550
Loan repayments in year		(712,596)	(43,427,847)
Amount introduced by directors		-	84,613
Amount withdrawn by directors		(5,165)	-
Share issue		16,666	-
Share buyback		-	(500,000)
Dividends to Non controlling interests		(345,000)	(2,601,600)
Net cash from financing activities		39,825,923	(28,384,284)
<b>(DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(13,817,518)</b>	<b>1,108,330</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	2	<b>17,740,414</b>	<b>16,632,084</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	2	<b>3,922,896</b>	<b>17,740,414</b>

The notes form part of these financial statements

## NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2022

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

	2022 £	2021 £
Profit before taxation	3,827,829	13,456,790
Depreciation charges	36,357	22,522
Impairment of investments	-	1
Deconsolidation parent share	(419,504)	-
Deconsolidation	(2,285,496)	(153,682)
Finance costs	6,273,819	3,900,950
Finance income	(1,101,005)	(1,527,267)
	6,332,000	15,699,314
Decrease/ (increase) in stocks	6,649,944	(2,756,016)
Increase in trade and other debtors	(28,900,294)	(1,378,047)
Increase/(decrease) in trade and other creditors	3,384,053	28,743,448
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(12,534,297)</b>	<b>40,308,699</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 2022	30.9.22 £	1.10.21 £
Cash and cash equivalents	3,922,896	17,740,414
YEAR ENDED 30 SEPTEMBER 2021	30.9.21 £	1.10.20 £
Cash and cash equivalents	17,740,414	16,632,084

## 3. ANALYSIS OF CHANGES IN NET DEBT

	AT 1.10.21 £	CASH FLOW £	AT 30.9.22 £
<b>NET CASH</b>			
Cash at bank and in hand	17,740,414	(13,817,518)	3,922,896
	17,740,414	(13,817,518)	3,922,896
<b>DEBT</b>			
Debts falling due after 1 year	(91,986,000)	(40,159,422)	(132,145,422)
	(91,986,000)	(40,159,422)	(132,145,422)
<b>TOTAL</b>	<b>(74,245,586)</b>	<b>(53,976,940)</b>	<b>(128,222,526)</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 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 2022. A subsidiary is an entity that is controlled by the parent. The results of the subsidiary undertaking are included in the consolidated profit and loss account from the date that control commences to the date that control ceases. Control is established when the Company has power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

In the parent financial statements, investments in subsidiaries are carried at cost less impairment. All financial statements are made up to 30 September 2022.

#### 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.

### 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:

	2022 £	2021 £
Contracts	36,793,223	77,763,659
Consultancy	1,912,000	183,910
Others	-	10,000,000
	<b>38,705,223</b>	<b>87,947,569</b>

## 4. EMPLOYEES AND DIRECTORS

	2022 £	2021 £
Wages and salaries	3,042,431	2,048,850
Social security costs	355,125	201,256
Other pension costs	52,960	30,539
	<b>3,450,516</b>	<b>2,280,645</b>

#### 4. EMPLOYEES AND DIRECTORS - CONTINUED

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

	2022 £	2021 £
Administration	56	32

The average number of employees by undertakings that were proportionately consolidated during the year was 28 (2021 - 3).

	2022 £	2021 £
Directors' remuneration	275,151	183,561

Information regarding the highest paid director for the year ended 30 September 2022 is as follows:

	2022 £	2021 £
Emoluments etc	117,059	-

#### 5. OPERATING PROFIT

The operating profit is stated after charging:

	2022 £	2021 £
Depreciation - owned assets	36,356	22,522

#### 6. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	76,450	73,400

The auditors were also paid £17,490 for non audit services provided to the group



## 7. EXCEPTIONAL ITEMS

	2022 £	2021 £
Profit/ loss on sale of operation	7,160	-

## 8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022 £	2021 £
Other Loan Interest	6,273,819	3,900,950

## 9. TAXATION

### ANALYSIS OF THE TAX CHARGE

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

	2022 £	2021 £
<b>CURRENT TAX:</b>		
UK corporation tax	1,445,511	2,702,719
Overprovision tax last year	-	(195)
Total current tax	1,445,511	2,702,524
Deferred tax	22,006	(134,388)
Tax on profit	1,467,517	2,568,136

UK corporation tax was charged at 19% in 2021.

**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:

	2022 £	2021 £
<b>PROFIT BEFORE TAX</b>	<b>3,827,829</b>	<b>13,456,790</b>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	727,288	2,556,790
<b>EFFECTS OF:</b>		
Expenses not deductible for tax purposes	205,183	2,067
Income not taxable for tax purposes	(988,191)	(997,414)
Capital allowances in excess of depreciation	(5,371)	(10,152)
Utilisation of tax losses	(1,416)	(3,971)
Deferred tax	10,871	(134,388)
Consolidation adjustments	988,189	897,953
Losses carried forward	536,724	275,664
Overprovision last year	3,248	(195)
Land remediation relief	(9,008)	(18,218)
<b>TOTAL TAX CHARGE</b>	<b>1,467,517</b>	<b>2,568,136</b>

**9. TAXATION - CONTINUED**

Tax effects relating to effects of other comprehensive income

2022	GROSS £	TAX £	NET £
Loss on share buy back	-	-	-
Deconsolidation and investments of NCI	(2,285,496)	-	(2,285,496)
	(2,285,496)	-	(2,285,496)
2021	GROSS £	TAX £	NET £
Loss on share buy back	(495,000)	-	(495,000)
Deconsolidation and investments of NCI	(153,682)	-	(153,682)
	(648,682)	-	(648,682)

## 10. 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.

## 11. DIVIDENDS

	2022 £	2021 £
A Ordinary shares of £1 each	-	-
Interim	Nil	Nil

## 12. TANGIBLE FIXED ASSETS

GROUP	SHORT LEASEHOLD £	FIXTURE AND FITTINGS £	TOTALS £
<b>COST</b>			
At 1 October 2021	39,190	255,928	295,118
Additions	-	33,910	33,910
At 30 September 2022	39,190	289,838	329,028
<b>DEPRECIATION</b>			
At 1 October 2021	3,332	134,810	138,142
Charge for year	7,611	28,745	36,356
At 30 September 2022	10,943	163,555	174,498
<b>NET BOOK VALUE</b>			
At 30 September 2022	28,247	126,283	154,530
At 30 September 2021	35,858	121,118	156,976

COMPANY	FIXTURE AND FITTINGS £
<b>COST</b>	
At 1 October 2021	222,595
Additions	21,420
At 30 September 2022	244,015
<b>DEPRECIATION</b>	
At 1 October 2021	131,666
Charge for year	16,853
At 30 September 2022	148,519

**NET BOOK VALUE**

At 30 September 2022	95,496
At 30 September 2021	90,929

**13. FIXED ASSET INVESTMENTS**

	GROUP		COMPANY	
	2022 £	2021 £	2022 £	2021 £
Participating interests	-	100	-	-
Other investments not loans	32,665,712	46,722	170,153	51,324
	32,665,712	46,822	170,153	51,324

**ADDITIONAL INFORMATION IS AS FOLLOWS:**

GROUP	INTEREST IN ASSOCIATE £	UNLISTED INVESTMENTS £	TOTALS £
<b>COST</b>			
At 1 October 2021	100	45,712	45,812
Additions	-	32,620,000	32,620,000
Disposals	(100)	-	(100)
At 30 September 2022	-	32,665,712	32,665,712
<b>NET BOOK VALUE</b>			
At 30 September 2022	-	32,665,712	32,665,712
At 30 September 2021	100	45,712	45,812

Investments (neither listed nor unlisted) were as follows:

	2022 £	2021 £
Other Investments	-	1,010



COMPANY	UNLISTED INVESTMENTS £
<b>COST</b>	
At 1 October 2021	50,314
Additions	120,000
Impairments	(161)
At 30 September 2022	170,153
<b>NET BOOK VALUE</b>	
At 30 September 2022	170,153
At 30 September 2021	50,314

**COMPANY**

Investments (neither listed nor unlisted) were as follows:

	2022 £	2021 £
Other Investments	-	1,010

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**

	CLASS OF SHARES		UNLISTED INVESTMENTS £
SEVEN CAPITAL (TINDAL) LTD	A Ordinary	50%	
SEVEN CAPITAL (BASINGSTOKE) LTD	B Ordinary	2%	
SEVEN CAPITAL MARK LIMITED	B Ordinary	39.2%	
		31.12.22	31.12.21
Aggregate capital and reserves		49,112,395	49,171,741
Loss for the year		(59,346)	(6,803,509)
SEVEN CAPITAL (BRACKNELL) LTD	Ordinary	50%	
SEVEN CAPITAL (CROCUS) LTD	Ordinary	50%	

## 13. FIXED ASSET INVESTMENTS - CONTINUED

## Subsidiaries

SEVEN CAPITAL (1 HAGLEY RD) LTD	Ordinary	96%
SEVEN CAPITAL (JQ) LTD	A Ordinary	90%
SEVEN CAPITAL (BRIDGEWATER HOUSE) LTD	A Ordinary	98%
SEVEN CAPITAL (BROADWAY) LTD	A Ordinary	98%
SEVEN CAPITAL (FABRIC SQUARE) LTD	Ordinary	100%
SEVEN CAPITAL (MADISON) LTD	A Ordinary	100%
SEVEN CAPITAL (PINEHAM) LTD	A Ordinary	84%
SEVEN CAPITAL (SUMMER HILL) LTD	A Ordinary	90%
SEVEN CAPITAL (ST. GEORGES) LTD	A Ordinary	90%
SEVEN CAPITAL (SLOUGH) LTD	A Ordinary	98%
SEVEN CAPITAL (HARBORNE) LTD	A Ordinary	90%
SEVEN CAPITAL (GROSVENOR) LTD	A Ordinary	84%
SEVEN CAPITAL (ERDINGTON) LTD	Ordinary	98%
SEVEN CAPITAL (BROADWAY RESIDENCIES) LTD	Ordinary	98%
SEVEN CAPITAL (STIRCHLEY) LTD	A Ordinary	98%
SEVEN CAPITAL (DMS) LTD	A Ordinary	98%
SEVEN CAPITAL (CHELMSFORD) LTD	A Ordinary	98%
SEVEN CAPITAL (SNOW HILL) LTD	A Ordinary	100%
SEVEN CAPITAL (M25) LTD	A Ordinary	100%
SEVEN CAPITAL (BLUEBIRD) LTD	A Ordinary	100%
SEVEN CAPITAL (KENSINGTON) LTD	A Ordinary	78.4%
SEVEN CAPITAL (CORBETT) LTD	A Ordinary	100%
SEVEN CAPITAL (NORTHFIELD) LTD	A Ordinary	100%
SEVEN CAPITAL (JCDS) LTD	Ordinary	100%
SEVEN CAPITAL (CS) LTD	Ordinary	80%
SEVEN CAPITAL (WYREHILL) LTD	A Ordinary	100%
SEVEN LIVING LTD	A Ordinary	100%
SEVEN LIVING (VICTORIA) LTD	A Ordinary	100%
SEVEN CAPITAL (HIGHGATE HILL) LTD	A Ordinary	98%
SEVEN HOMES (SC) LTD	Ordinary	100%

All subsidiaries are registered at 97 Park Lane Mayfair London W1K 7TG.

## Other significant holdings

SEVEN CAPITAL (GRANVILLE) LTD	Ordinary	85%
SEVEN CAPITAL (RIDLEY) LTD	Ordinary	85%
SEVEN CAPITAL (REGENCY PLACE) LTD	Ordinary	84%

During the year Seven Capital (Granville) Limited, Seven Capital (Ridley) Ltd and Seven Capital (Regency Place) Ltd entered into liquidation. Therefore, they are not consolidated within these financial statements.

## 14. STOCKS

	GROUP		COMPANY	
	2022 £	2021 £	2022 £	2021 £
Closing work in progress	148,215,506	154,394,114	1,570,577	2,854,867
Finished goods	3,787,222	4,258,558	3,427,222	3,808,558
	152,002,728	158,652,672	4,997,799	6,663,425

## 15. DEBTORS

	GROUP		COMPANY	
	2022 £	2021 £	2022 £	2021 £
Amounts falling due within one year:				
Trade debtors	481,062	781,436	396,844	6,000
Amounts owed by group undertakings	-	-	3,769,209	626,072
Other debtors	66,220,124	38,649,036	44,965,906	34,131,006
VAT	601,065	259,749	-	-
Deferred tax asset	205,221	231,722	-	-
Prepayments	332,917	140,103	217,354	92,075
	67,840,389	40,062,046	49,349,313	34,855,153
Amounts falling due after more than one year:				
Other debtors	7,314,420	7,317,720	-	-
Prepayments and accrued income	3,996,216	2,897,466	-	-
	11,310,636	10,215,186	-	-
Aggregate amounts	79,151,025	50,277,232	49,349,313	34,855,153
<b>DEFERRED TAX ASSET</b>				
Deferred tax	205,221	231,722	-	-

Included in Other debtors, balance of £3,739,910 (2021: £3,743,210) 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 (2021: £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.

## 16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		COMPANY	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	2,601,837	1,824,897	1,905,459	154,954
Amount owed to group undertakings	-	-	3,463,149	3,412,499
Corporation Tax	1,501,971	3,344,646	-	1,358,230
Social security and other taxes	108,723	119,727	90,694	57,896
VAT	-	-	31,790	75,733
Other creditors	24,115,672	9,709,096	6,462,249	5,899,238
Directors' current accounts	75,765	80,930	75,765	80,930
Accrued expenses	2,212,396	1,912,362	151,196	34,455
	30,616,364	16,991,658	12,180,302	11,073,935

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

	GROUP	
	2022 £	2021 £
Bank loans (see note 18)	13,158,000	13,870,596
Other loans (see note 18)	118,987,422	78,115,404
Other creditors	19,200,000	34,200,000
Accruals and deferred income	26,908,404	23,996,896
	178,253,826	150,182,896

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

Accruals and deferred income relates to accruals of £26,908,404 (2021: £23,996,896) for interest on the loans which are payable upon completion of the project.



## 18. LOANS

An analysis of the maturity of loans is given below:

	GROUP	
Amounts falling due between two and five years:	2022 £	2021 £
Bank loans - 2-5 years	13,158,000	13,870,596
Other loans - 2-5 years	118,987,422	78,115,404
	132,145,422	91,986,000

Included in other loans, amounts of £7,625,000 with interest rate of 24%, £8,988,421 with interest rates of 12%, £55,975,000 with interest rate of 5%, £43,516,068 with interest rate of 4%, and £2,882,931 with no interest which are repayable between two and five years.

## 19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

GROUP	NON-CANCELLABLE OPERATING LEASE	
	2022 £	2021 £
Within one year	152,000	-
Between one and five years	63,300	-
	215,300	-

## 20. SECURED DEBTS

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

## 21. DEFERRED TAX

COMPANY	2022 £	2021 £
Deferred tax	18,144	7,272

## 21. DEFERRED TAX – CONTINUED

COMPANY	£
Balance at 1 October 2021	7,272
Provided during year	10,872
Balance at 30 September 2022	18,144

The deferred tax liability at 30 September 2022 has been calculated based on the rate of 19% substantively enacted during the year.

GROUP	£
Balance at 1 October 2021	231,722
Provided during year	26,501
Balance at 30 September 2022	205,221

The deferred tax liability at 30 September 2022 has been calculated based on the rate of 19% substantively enacted during the year.

## 22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

NUMBER:	CLASS:	NOMINAL VALUE	2022 £	2021 £
50,000	A Ordinary	£1	50,000	50,000
16,666	B Ordinary	£1	16,666	-
			66,666	50,000

Allotted and issued:

NUMBER:	CLASS:	NOMINAL VALUE	2022 £	2021 £
16,666	B Ordinary	£1	16,666	-

The following shares were issued during the year for cash at par: 16,666 B Ordinary shares of £1. Each class of share has equal voting right and equal rights to dividends and distributions.

## 23. RESERVES

GROUP	RETAINED EARNINGS £	CAPITAL REDEMPTION RESERVE £	TOTALS £
At 1 October 2021	43,789,789	15,000	43,804,789
Profit for the year	2,564,290	-	2,564,290
Deconsolidation	(419,344)	-	(419,344)
At 30 September 2022	45,934,735	15,000	45,949,735
COMPANY	RETAINED EARNINGS £	CAPITAL REDEMPTION RESERVE £	TOTALS £
At 1 October 2021	41,207,375	15,000	41,222,375
Profit for the year	4,162,715		4,162,715
At 30 September 2022	45,370,090	15,000	45,385,090

## 24. 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
<b>BALANCE AT 30 SEPTEMBER 2019</b>	<b>12,596,795</b>

**CHANGES IN EQUITY**

Dividends	(7,100,000)
Total Comprehensive income	11,796,885
<b>BALANCE AT 30 SEPTEMBER 2020</b>	<b>17,293,680</b>

**CHANGES IN EQUITY**

Dividends	(2,601,600)
Total Comprehensive income	1,152,693
<b>BALANCE AT 30 SEPTEMBER 2021</b>	<b>15,844,773</b>

**CHANGES IN EQUITY**

Dividends	(345,000)
Total Comprehensive income	(2,489,473)
<b>BALANCE AT 30 SEPTEMBER 2022</b>	<b>13,010,300</b>

The aggregate amount of the net loss after dividends for the year relating to non controlling shareholders is £2,834,473 (2021: £1,448,907).

The non controlling interest liability as at 30.09.2022 was £13,010,300 (2021 : £15,844,773)

## 25. PENSION COMMITMENTS

Under the Company's defined contribution pension scheme, employees of the Company pay contribution to an independently administered fund, into which the Company also pays contribution based upon a fixed percentage of the employee's contribution. The Company has no further obligations once its contributions have been paid. Contributions paid for defined contribution scheme of £52,960 (2021 - £28,789) have been recognised in the Company's Profit and Loss Account. The pensions liability as at 30 September 2022 was £10,389 (2021 - £8,564).

## 26. 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 company received management charges totalling £1,367,000 (2021 - £nil) from its associated company Seven Capital Mark Limited which is registered in England and Wales. At the year end date total amount outstanding from Seven Capital Mark Limited was £332,080 (2021 - £nil).

During the year company received management charges totalling £115,000 (2021 - £20,000) from its associated company Seven Capital (Crocus) Limited which is registered in England and Wales. At the year end date total amount outstanding to Seven Capital (Crocus) Limited was £13,872 (2021 - £13,872).

## 27. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Balbinder Singh Sohal.