A DEVELOPMENT
BUSINESS

ANNUAL REPORT & FINANCIAL STATEMENTS

for the period ended 31 March 2021

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Officers and professional advisers

Directors

Steven Norris
Susan Freeman
David Meek
Jeremy Miller
Richard Steer
Stephen Cox
James Heuerman-Williamson
David Lewis
Neil Gough

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Banker

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Auditor

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Chairman's Statement

Steve Norris FRICS
Chairman

In the course of the last financial period it was agreed between the Board of This Land and our Shareholder, Cambridgeshire County Council, that it would be advantageous to both if the Company's financial year was coterminous with that of the Council and therefore this report covers a period of 15 months to the end of March 2021. Throughout this period the Company has continued to deliver on its long term development plan to deliver decent homes consistent with local planning policy while at the same time funding interest payments on the initial loans extended to the Company by its Shareholder and ensuring that in due course the Company is in a position to repay such capital as is outstanding to its Shareholder on time. At the time of writing I can confirm that 36% of the homes for which we have consent or are in the process of delivering are affordable homes and we have every intention of continuing to put affordable homes at the forefront of all our developments.

£19m
sales

36% affordable homes
– the homes for which we have consent or are in the process of delivering

During the last 15 months each of our sites was assessed for its financial viability and only sites that were considered financially viable as investment propositions are being progressed through to construction. What was clear from the outset was that early cash receipts were vital to the success of our long term plan so the Board determined that in some cases sites would be sold with the benefit of planning consent. The effect of our having delivered this increase in value in the period resulted in consented sales of £16m and unconsented sales of £3m to March 2021. The long term plan assumes the purchase of other sites in future years both from our Shareholder and from third parties and also envisages the Company acting as a promote developer where using our in-house skill base allows us to deliver exceptional profits on cost.

The current Covid pandemic did disrupt our activity for a time in the spring of 2020 but our activity was back to normal levels by the end of summer 2020. The housing market in Cambridgeshire remains strong with prices generally above anticipated levels not least because of rail connectivity to London and the increasing attraction of working from home as a consequence of the pandemic. During this period our Chief Executive Officer, David Gelling, tendered his resignation which the Board accepted. I take this opportunity to thank David for all his efforts during the early stages of the development of This Land and wish him well for the future. I am pleased to report however that our former Strategic Land Director, David Lewis was unanimously appointed as Acting Chief Executive Officer and he, together with our Chief Financial Officer, James Heuerman–Williamson and the rest of the excellent This Land team are delivering exceptional value for our Shareholder with every prospect of even better results to come in future years. I thank them and all our colleagues for their sterling efforts during this particularly difficult year for everyone.

The Company has been greatly aided by the advice and support of the Independent Non-Executive Directors who joined the Company in 2019. I cannot speak highly enough of their individual contributions both in terms of advice, insight, market understanding and financial expertise. I am grateful to them all for having given far more time to the Company than they perhaps appreciated when they agreed to join the Board. We have also benefitted from the advice and wise counsel of our local authority board members and are grateful to them for ensuring that our relationship with our Shareholder is consistently constructive and helpful. We look forward to continuing to fulfil our long term plan for the benefit of our Shareholder and the people of Cambridgeshire.

School visit to archaeological dig site in Burwell, Cambridgeshire

Acting Chief Executive Officer's Statement

David Lewis
Acting CEO

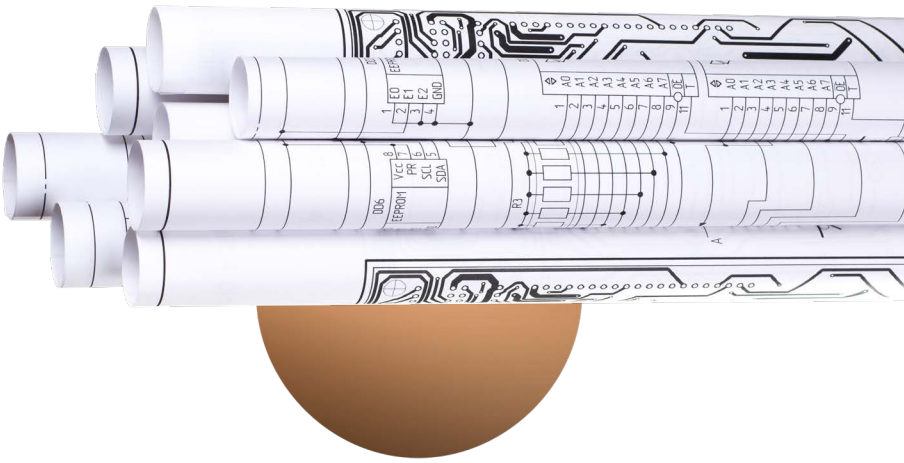
It has been an exceptional period for This Land, a period during which the Company has been able to excel both financially and in terms of achieving many of its key business objectives. This ensures the Company is well on target to deliver much-needed housing across Cambridgeshire, including a significant proportion of new affordable homes.

Strong Financial Performance

In what has been a strong financial period, in which the financial statements show annual turnover of £19m being achieved (2019: Nil) resulting in an Operating Profit before Interest on loans and Tax of £704,297 (see Note 6) (2019: Loss £11,764,149). This follows a period of major investment where we have:

- Paid £8m in interest payments to our Shareholder
- Secured new land for development
- Invested in significant numbers of new planning applications across the region
- Met the costs of development work on new sites

This has resulted in the Company being in a strong cash position with £18m of funds available to take the Company forward over the next 12 months.



A fundamental aim of the Company is to be able on expiry to repay capital advanced to it by our Shareholder, and pay interest on those advances in a timely fashion. The Company developed a long-term cash flow plan over a 10 year period setting the revenue, cost and profit assumptions for each of our schemes alongside the repayment of interest and loans.

That plan was completed during the previous financial year and is updated regularly to ensure that the Company is on track to deliver those objectives. I am pleased to report that the Company is indeed on track to meet these important financial objectives.

In pursuit of these objectives, the Company took the commercial decision to dispose of a number of underperforming assets in accordance with our business plan. These disposals were made against the background of a firm housing market, largely unaffected by the Covid pandemic thus allowing the Company to maximise returns and to return funds to our Shareholder more quickly than anticipated. To date, all of the disposals have been ahead of estimates placing us in an even stronger financial position.

These assets were in Willingham, Litlington, Cottenham, Shepreth and Russell Street, Cambridge.

Since the balance sheet date we have agreed terms for the disposal of additional sites in the next 12 months at Trap Road, Wicken, Milton Road, Norwood Road, Queens Street and Hereward Hall.

We undertook a strategic review of how we operate in order to reduce operational costs and risk to the business. This included the restructuring of employees' roles and responsibilities and the decision to outsource the construction of our homes to third parties.

As a result of these changes, we have been able to significantly reduce our operational costs on an annual basis and also de-risk the business by outsourcing key operations. We continue to review all ongoing contracts with third-party providers to ensure we have the best level of service.

During the last 15 months planning applications have been submitted at Station Road, March, Hartford, Landbeach, Soham, Brampton, Worts Causeway, Wicken, Ditton Walk, Fitzwilliam Road, Norwood Road, Hereward Hall, Queens Street, Malta Road and Over.

This represents a significant amount of work in progressing these sites for development, and I would like to thank the team and the consultants we employ for all of their efforts.

The vast majority of these sites have now either secured a consent or are awaiting determination.

Progress at our site at Ditton Walk has gone well as we have benefitted from a strong housing market. Of the 14 dwellings, the vast majority are either exchanged or reserved.

Archaeological work has started in Burwell in anticipation of the start of construction work in the coming months, and site mobilisation has commenced in Over, in preparation for a start on site.

Construction is scheduled to start at Fitzwilliam Road, Brampton, Worts Causeway, Ditton Walk (phase 2) and Malta Road shortly.

The number of planning applications and the start of construction on numerous projects clearly demonstrates the progress that This Land has made over the past year. It is important to recognise that the development process from site acquisition to securing planning and the commencement of development can take a number of years to complete.

Our portfolio includes three large sites at Worts Causeway, Burwell and Soham. We will provide infrastructure to open up these sites and then sell on as serviced parcels. Our current plan is that we will develop the later phases of these sites ourselves.

Good progress has been made across all three sites, with the first phase disposals expected to be completed over the current financial period.

At Burwell, we secured detailed planning permission for infrastructure to open up the site, and at Worts Causeway, we secured outline planning permission for 230 new homes, of which 40% will be affordable.

At Soham Eastern Gateway, we submitted a revised hybrid application, and we hope to secure planning permission later this year.

The 10-year cash flow model assumes the disposal of underperforming assets to generate funds for the purchase of new land and assets. This includes securing new opportunities to generate a greater return. The last 12 months have been active, and we have agreed terms on a number of promotional sites where we promote land on behalf of third parties. We have also purchased land in Hertfordshire with a view to promoting through the forthcoming review of the local plan process. The purchase of new assets to secure a greater return is an important strategy for the business, as all housebuilders need to replenish stock.

Of the portfolio of homes originally purchased from our Shareholder, Cambridgeshire County Council, 36% of the properties will be delivered as affordable housing either through social renting or shared ownership, which is well in excess of the local planning policy requirement. Our former sites at Litlington, Willingham and March are providing a total of 137 new affordable homes.

Longer term, This Land will support the delivery of hundreds of affordable homes, either by ourselves or through third-party developers. A key part of our strategy is to provide housing choices for all. We will also look to deliver additional affordable homes through other means, including the government's new First Homes initiative.

Since the Balance Sheet date the Company has completed the sale of land at Shepreth and received the full sales value in cash, welcomed our first four residents at Ditton Walk (legal completions commenced in June), repaid a loan from Cambridgeshire County Council of £2m six weeks earlier than the specified term date, sold a piece of land at Wicken for £500k.

The Group continues with its business plan intentions and the immediate future events include: starting on site at Mill Road Over, Fitzwilliam Road, Brampton, Worts Causeway, Ditton Walk (phase 2) and Malta Road. Marketing, for sale, small parcels of land at Burwell and Worts Causeway.

Whilst the Group is committed to innovation and best practice it does not intend to establish a specific research and development programme.

This Land is committed to delivering sustainability and has set up a new Task Group within the business to ensure that the Company continues to minimise its impact on the Cambridgeshire environment.

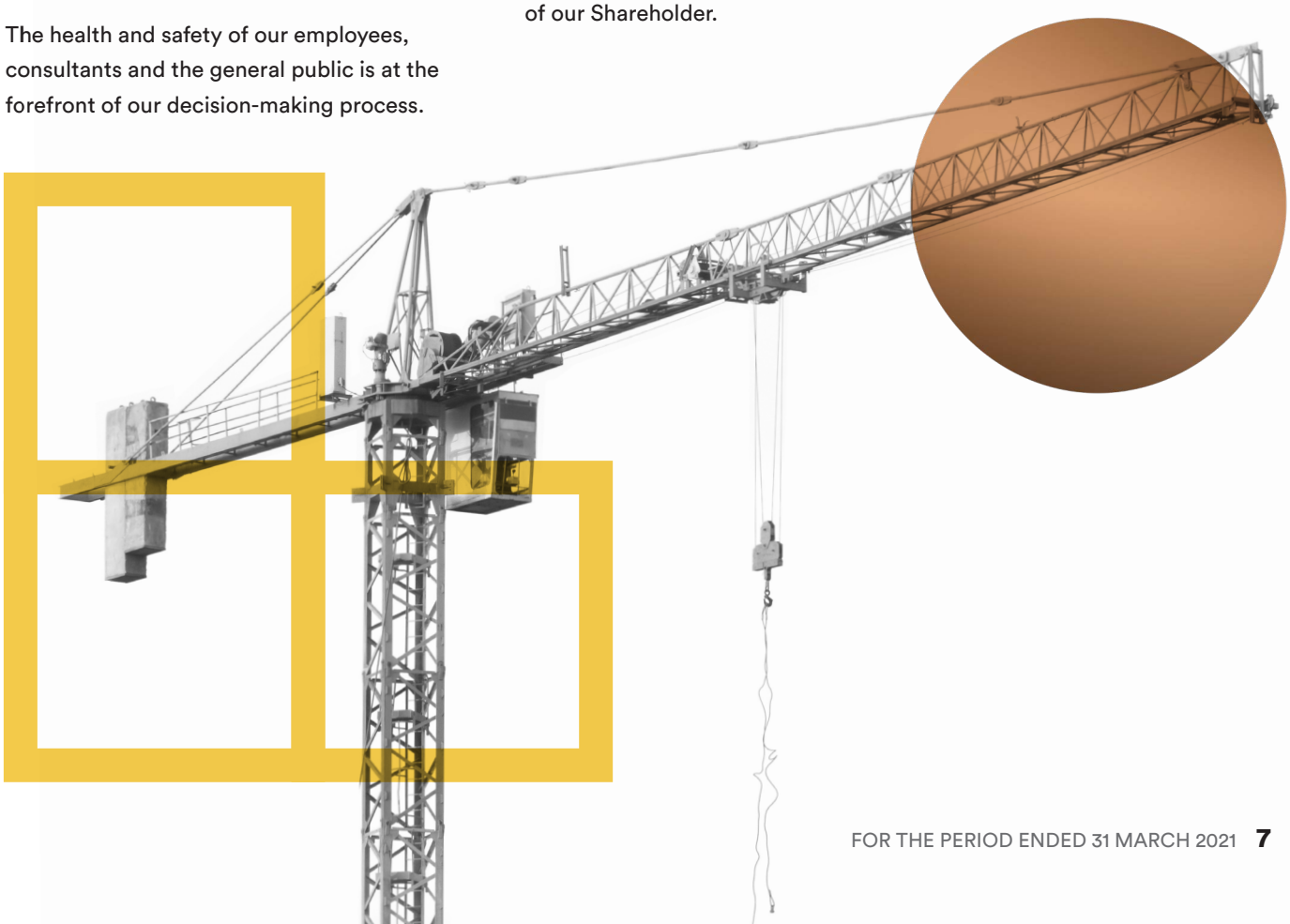
Our homes already achieve the highest levels of sustainability in terms of energy savings and we strive to ensure that we deliver excellence at all times by protecting local habitats, minimising the impact of climate change and reducing our carbon footprint by building a local supply chain, resilient design and careful selection of materials.

The health and safety of our employees, consultants and the general public is at the forefront of our decision-making process.

Earlier in the year we made a strategic decision to outsource construction contracts to third parties, which also included a review of our approach to health and safety.

This includes the use of systems that reports near misses with regular site inspections by an independent third party. I'm pleased to report that there have been no serious or reportable accidents in the last year, and we will continue to be proactive in reducing all risks.

Finally, may I take this opportunity to thank our Shareholder, Board and employees for their continued support and assistance. This has been a pivotal period for the business. The Company is in a far stronger position as we move on to the next stage of our growth and deliver both the financial and social objectives of our Shareholder.



Corporate Governance Statement

The Board is responsible for maintaining a strong and effective system of governance throughout the Group; proportionate to the size and nature of the Group and the interests of its Shareholder.

As the Company grew and developed through 2020 and 2021, further enhancements were made to the corporate governance structure of the Group.

Board composition

As at the date of this report, the Board consists of nine Directors, being an Independent Non-Executive Chairman, four Independent Non-Executive Directors, two Non-Executive Directors appointed as Shareholder representatives and two Executive Directors. Their names, responsibilities and other details are set out below.

David Gelling stood down as Chief Executive on 31 January 2021 and was replaced by David Lewis, who was appointed as Acting Chief Executive with effect from 1 February 2021 and as a Board Director on 8 February 2021.

Steve Norris FRICS
Independent Non-Executive Chairman

Steve Norris FRICS, an Eminent Fellow of the Royal Institution of Chartered Surveyors was appointed on 1 November 2018. An acknowledged expert in transportation, infrastructure and property, Steve has chaired UK public (LSE and AIM) businesses and is a board member of Cubic Corporation a NYSE quoted company. He is currently Chairman of Soho Estates Ltd, Driver Group plc, This Land Ltd, Future-Built Ltd, EVO.PM Ltd, London Resort Company Holdings Ltd, Sanctuary Investments Ltd, Evtec Automotive Ltd and a non-executive Director of a number of private companies. He advises on large scale planning issues and development. Steve is a member of the Remuneration and Nominations Committee, the Audit Committee and the Investment Committee.

Richard Steer
Independent Non-Executive Director and Chair of the Remuneration and Nominations Committee

Richard Steer, world-wide Chairman of Gleeds, the property and construction consultancy, was appointed on 22 February 2019. Richard was appointed Chairman of Gleeds in 1999 and has grown the business into a global organisation with a turnover of over £200 million and 71 offices around the world. Committed to Corporate Responsibility, Richard participates in Gleeds' community activities and has advised the UK Government on housing, apprenticeships and the skills shortage debate. Richard is Chair of the Remuneration and Nominations Committee.

Jeremy Miller
Independent Non-Executive Director and Chair of the Audit Committee

Jeremy Miller, former Senior Independent Director of Countryside Properties was appointed on 22 February 2019. Jeremy has over 30 years' investment banking experience working for leading financial services firms. Prior to 1985, he qualified as a Chartered Accountant with KPMG and had been seconded to The Takeover Panel. He is Chairman of The National Merchant Buying Society, one of the UK's largest co-operative societies. Jeremy is a member of the Investment Committee and Chair of the Audit Committee.

David Meek
Independent Non-Executive Director and Chair of the Investment Committee

David Meek, a globally active property developer, financier and investor was appointed on 22 February 2019. David has over 30 years' experience in senior executive and non-executive roles at global banking institutions and always been proactively involved in the voluntary and charity sectors; chairing Getting on Board he is also a trustee of The British Liver Trust and a mentor at Cambridge University. David is a member of the Audit Committee and Chair of the Investment Committee.

Susan Freeman
Independent Non-Executive Director

Susan Freeman, a partner of Mishcon de Reya, the leading law firm specialising in property was appointed on 22 February 2019. In addition to her roles at the Company and Mishcon de Reya, Susan is on the Board of Advisors of real estate investment company Seaforth Land and of flexible working company Work-Life. Susan is also on the Diversity & Inclusion Advisory board of Property Week and is an active member of a number of property-related organisations, including Vice Chair of the British Property Federation's newly formed Technology and Innovation Group. Susan writes for Property Week on property industry issues. Susan is a member of the Remuneration and Nominations Committee.

Stephen Cox
Non-Executive Director and Shareholder Representative

Stephen Cox, Executive Director, Place and Economy, for Cambridgeshire County Council and Peterborough City Council, was appointed to the Board on 21 November 2019 as a Shareholder representative and is not deemed independent. Stephen is a member of the Audit Committee and the Remuneration and Nominations Committee.

Cllr Neil Gough
Non-Executive Director and Shareholder Representative

Cllr Neil Gough, elected member of Cambridgeshire County Council and elected member and Deputy Leader of South Cambs District Council, was appointed to the Board on 6 July 2021 as a Shareholder representative. Neil has spent most of the last 20 years at Vodafone holding senior roles in strategy, policy and business development. Prior to this Neil spent 18 years at BP holding posts ranging from senior economic advisor to treasury to business development. Neil holds a Masters degree in Economics from Cambridge and an MBA from Chicago Booth School of Business. Neil is a member of the Audit Committee, Investment Committee and the Remuneration and Nominations Committee.

David Lewis
Acting Chief Executive Officer

David Lewis was appointed as Acting Chief Executive Officer with effect from 1 February 2021, having joined the Company in January 2019 as Strategic Land Director. David has been successfully promoting land for the last 18 years, often specialising in larger, more complex schemes.

James Heuerman-Williamson
Chief Financial Officer

James Heuerman-Williamson was appointed as Chief Financial Officer on 17 August 2020. James has more than 30 years' experience in finance and property development and has held finance Director level roles at Berkeley Group Plc, Barratt Developments Plc and Crest Nicholson Plc. As well as being a chartered accountant, James is a member of the Institute of Directors and has a Master's degree in finance.

Kate O'Neill
Company Secretary

Kate O'Neill was appointed as Company Secretary on 21 November 2019. Prior to her appointment, Kate was General Counsel and Company Secretary of a fast-growing, innovative manufacturing company, after practising corporate law in London. She is also Board Secretary of Equiti Capital UK Ltd, a provider of bespoke Forex and CFD liquidity.

The Board

The Board has overall responsibility for the strategy and management of the business, which is conducted in accordance with a rolling 10 year business plan prepared by the Board and approved by the Company's Shareholder. The Board reviews performance of the business and ensures a regular dialogue with the Shareholder.

The Board meets six times a year although additional meetings may be convened as required from time to time. The standard agenda includes reports from the Acting Chief Executive Officer and the Chief Financial Officer and such other executives as appropriate. In addition, it monitors the health and safety of employees, contractors and sub-contractors and regularly ensures that the corporate risk register is up to date and credible. At every meeting any conflicts of interest or related party transactions involving Directors are duly noted. Directors receive formal papers before each Board meeting, to enable them to make informed decisions on the matters under consideration.

In addition to formal Board meetings, the Chairman maintains regular contact with the Acting Chief Executive and the Chief Financial Officer.

During the year, the Board adopted a formal schedule of matters reserved for its decision, including approvals of substantial contracts, acquisitions of interests in shares, creation or disposal of subsidiaries, creation of loans or encumbrances, approval of treasury or dividend policies and oversight of risk management and internal control systems.

A review of board effectiveness is planned for 2021, the results of which will be reviewed by the Board and actions agreed to address the findings.

Board Committees

In discharging its responsibilities, the Board is supported by the following committees:

- Audit Committee
- Investment Committee
- Remuneration and Nomination Committee

Each Committee works from clearly defined terms of reference which are regularly reviewed by the Board and updated as appropriate. Committees have a remit to recommend action where appropriate to the main Board which will consider, and if agreed, act on such recommendations. Committees are not authorised to act independently of the main Board.

Audit Committee

The Audit Committee members are appointed by the Board on the recommendation of the Nomination Committee in consultation with the Chairman of the Audit Committee. The committee chair is an Independent Non-Executive Director and the committee shall be comprised of a majority of Independent Non-Executive Directors of the Board for the time being and a representative of the Company's Shareholder.

The members who served on the Committee during the period were:

- Jeremy Miller (Chair)
- Steven Norris
- David Meek
- Stephen Cox

Jeremy Miller is considered to have recent and relevant financial experience and is a member of the ICAEW.

Under the terms of reference adopted in September 2019 and updated in May 2021, the Committee's responsibilities include:

- Reviewing the integrity and content of the financial statements;
- Reviewing the adequacy and effectiveness of the Group's internal controls and risk management policies;
- Reviewing the adequacy and effectiveness of the Group's compliance, whistleblowing and fraud policies;
- Review and approve or disallow any related party transactions presented to it;
- Review and approve the annual audit plan and review the audit findings with the external auditor; and
- Assess the objectivity and independence of the external auditor and review their remuneration and performance.

During 2020, the Committee met once and considered further matters by circulation.

Investment Committee

The Investment Committee members are appointed by the Board on the recommendation of the Nomination Committee in consultation with the Chairman of the Investment Committee. The purpose of the Committee is to assist the Board in overseeing the real estate investment activities of the Group.

The Committee Chair must be an Independent Non-Executive Director with the Committee comprising three or more Directors, at least two (2) of whom must be Independent Non-executive Directors and one of whom must be a representative of Cambridgeshire County Council.

The members who served on the Committee during the period were:

- David Meek (Chair)
- Jeremy Miller
- Cllr Joshua Schumann (retired 6 July 2021)
- Steven Norris
- Susan Freeman (retired 27 May 2021)

The Committee will meet at least twice a year and some of its responsibilities include:

- The review and challenge of proposed real estate investments, developments and divestments presented to it;
- Reviewing and recommending to the Board an appropriate risk adjusted 'hurdle rate of return' for various categories of real estate investment; and
- Reviewing management's key assumptions used in assessing transactions and preparing forecast.

During 2020, the Committee met four times.

Remuneration and Nomination Committee

A Remuneration and Nomination Committee has been established, with members appointed by the Board. The Committee Chair must be an Independent Non-Executive Director, with the Committee being made up of a majority of the Independent Non-Executive Directors together with one of more representatives of the Company's Shareholder.

The members who served on the Committee during the period were:

- Richard Steer (Chairman)
- Cllr Joshua Schumann (retired 6 July 2021)
- Susan Freeman
- Stephen Cox
- Steven Norris

Some of the Committee's responsibilities include:

- Determining and recommending to the Board, the framework or broad policy for the remuneration of the Company's chairman, executive Directors and company secretary;
- Review and recommend to the Board the design of, and determine targets for, any performance related pay scheme operated by the Company.
- Regularly reviewing the structure, size and composition of the Board and make recommendations to the Board with regards to any changes; and
- Give full consideration to succession planning for Directors and other senior executives of the Company.

The Committee meets at least once a year and at any other times as necessary. During 2020, the Committee met three times.

Risk Management process

The Board recognises the importance of the risk management process on all of the Group's activities and reviews and monitors key risks and emerging risks that the Company faces, the risk appetite of the Company and the processes in operation to mitigate these, supported by the Audit Committee. A detailed risk register is maintained and reviewed on a regular basis as part of the management reporting process, resulting in the regular assessment of each risk. The severity of each risk is determined based upon a defined scoring system, assessing risk impact and likelihood.

Internal Audit

The Board closely monitored the possible requirement for an internal audit function throughout 2020 and into 2021. In consultation with the Company's Shareholder, it was determined in 2021 to appoint an external provider of internal audit services. Following a tender process, in June 2021 the Audit Committee approved the appointment of Smith & Williamson to provide internal audit services for a three year term.

Land for proposed new scheme at Willingham, Cambridge

Strategic Report

The Directors present their Strategic Report for the 15 month period ended 31 March 2021.

James Heuerman-Williamson
Chief Financial Officer

James Heuerman-Williamson

16th September 2021

Review of the business and future developments

This Land Limited (the 'Company' and together with its subsidiaries the 'Group') was incorporated on 17 June 2016. The principal activity of the Company is to act as a holding company, whilst the principal activity of the Group is the acquisition of land and property and the development of land and property for subsequent sale. The Company and Group is a wholly-owned subsidiary of Cambridgeshire County Council.

During the period, the Group held 21 development sites as work in progress and one property, as an investment property. There were disposals of 4 development sites during the period, resulting in revenue of £18,211,000 and the sale of two properties at a further site, resulting in revenue of £1,121,500. Further disposals are expected throughout the following financial years. The Group has a 10 year business plan which is approved by the Board, this business plan is reviewed annually and is the strategic document giving direction to the executive management team. The cash position remains strong and disposals and acquisitions are planned years in advance to ensure the Company has clear direction and remains cash positive. Work in Progress is recognised on the balance sheet at cost less impairment, the current strength of the balance sheet will improve as further disposals are made and the market value of the sale of the land and houses are released to the Income Statement. All borrowing is planned to be repaid within the term dates of the loan contract.

2020 was an extraordinary year due to the adverse impact of the pandemic, Covid-19, on most businesses including the Group. Initially the sites were closed during the government restrictions which delayed construction by approximately two months. All office based employees followed the protocol for working from home unless it was absolutely necessary to attend either the office or site. Strict Covid working policies have been implemented and remain in place as at the date of these financial statements.

Going Concern

In determining the appropriate basis of presentation of the financial statements, the Directors are required to consider whether the Company can continue in operational existence for at least one year from the date of signing these financial statements.

As at 31 March 2021 the Company has £18m of cash at bank and stock of £82.9m. The Company is forecast to be profitable and the long term loans that the Company has with its parent are not due for repayment during the next 5 years. All loans are expected to be repaid in full at or before their term date.

The future financial performance is dependent on the wider England economic environment which requires a demand for homes to be maintained or increased in the medium term future. Other factors that could affect the financial performance of the Company are buyer confidence, competitor pricing, falling housing prices, a higher requirement for affordable housing, increase in cost or lack of materials due to Brexit or other border restrictions.

Whilst Covid has impacted site delivery it has not, as of the date of this report, affected the longer term expectations that the Directors have for the outlook of the business or the basis of preparation of the financial statements under a Going Concern principle. When preparing the business plan the Directors have been cautious in assessing the timescales for disposals of land and the values of expected house prices.

The Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the wider Group and therefore the Company has adequate resources to continue in operational existence for at least 12 months from the date of these financial statements and therefore the Going Concern basis is the correct preparation of these financial statements.

Principal risks and uncertainties

The Directors have established procedures to evaluate anticipated known risks to the Group. There is still a certain degree of uncertainty about the outlook beyond 2021 with instability characterising the global economy.

The principal risks facing the Company going forward are as follows:

- A contraction of the economy leading to large scale unemployment with the demand for houses diminishing
- Lack of materials and labour due to Brexit or a 4th/5th wave of the Covid pandemic
- Reduction in the supply of mortgages
- Increased requirement for affordable housing through legislation
- Breaches in health and safety resulting in punitive fines
- Fundamental failure of the company's IT platforms

Key performance indicators

Each site is monitored based on the expected internal rate of return and return on capital. Sites that fail to meet this criteria are considered sub-optimal sites and are put to the open market for sale. Cash flows and cash positions are monitored regularly in updated monthly forecasts and then assessed against the annual business plan.

The Company qualifies as a medium-sized entity under s465 of the Companies Act 2006, and is therefore exempt from the requirements of s172 relating to stakeholder reporting.

Directors' Report

The Directors present their annual report and the audited consolidated, financial statements for the fifteen month period ended 31 March 2021. On 4 December 2020, the Company's year end was extended from 31 December 2020 to 31 March 2021 to be co-terminus with the year end of its parent undertaking.

Principal activities

The principal activity of the Company is to act as a holding company, whilst the principal activity of the Group is the acquisition of land and property and the development of land and property for subsequent sale. The Company and Group is a wholly-owned subsidiary of Cambridgeshire County Council.

Results and dividends

The Group made a loss for the period amounting to £3,420,920 (year ended 31 December 2019: loss of £11,810,560).

The Directors do not propose the payment of a dividend for the period (2019: £nil).

Review of the business

A full review of the business for the period and to the date of this report can be found in the CEO's Statement on page 4.

Directors

The Directors who held office throughout the period and to the date of the report except as noted, were as follows:

Steven Norris

Susan Freeman

David Meek

Jeremy Miller

Richard Steer

Stephen Cox

Joshua Schumann (Appointed on 9 July 2020) - (Resigned 6 July 2021)

James Heuerman-Williamson (Appointed on 17 August 2020)

David Lewis (Appointed on 8 February 2021)

Christopher Malyon (Resigned on 9 July 2020)

David Gelling (Resigned on 31 January 2021)

Neill Gough (Appointed on 6 July 2021)

Going Concern

The accounts have been prepared on a going concern basis, (see note 3).

The Directors have assessed the expected future performance and cash flows of the Group and Company, as well as the availability of long-term funding. The Directors are confident that performance will be in line with the business plan.

Based on the above the Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence over the twelve months from the date of approval of these financial statements. For these reasons they continue to adopt the going concern basis of accounting in preparing the financial statements.

Subsequent events

See note 23 to these financial statements for details of subsequent events.

Director's Indemnity

Qualifying third party indemnity provisions have been in place throughout the period for the benefit of the Directors.

Disclosure of information to auditor

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

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Independent auditors

The auditors, RSM UK Audit LLP, have indicated their willingness to continue in office and will be automatically reappointed in accordance with section 487 of the Companies Act 2006.

Approved and signed on behalf of the Board of Directors on 16th September 2021.

James Heuerman-Williamson

James Heuerman-Williamson - Director

Statement of Directors' Responsibilities

Company law requires the Directors to prepare Group and Company financial statements for each financial period. The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

The Directors have elected under company law to prepare the Group financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and to prepare the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the Company and of the profit or loss of the Group and of the Company for that period. In preparing these financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements that may differ from legislation in other jurisdictions.

Interior of show home at Cityglades, Cambridgeshire

Independent auditor's report

to the members of This Land Limited

Opinion

We have audited the financial statements of This Land Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the period ended 31 March 2021 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and International Accounting Standards in conformity with the requirements of the Companies Act 2006 The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (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's affairs as at 31 March 2021 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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. Our evaluation of the Directors' assessment of the Group's and Parent Company's ability to continue to adopt the going concern basis of accounting included evaluating management's cash flow forecasts to the period to 30 September 2022. We concluded that the Directors' assessment was appropriate in the circumstances and have no key observations to make.

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

Our responsibility is to read the other information and, in doing so, consider whether

the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' report 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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement (set out on page 21), the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the 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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the Group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the Group and Parent Company operate in and how the Group and Parent Company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are International accounting standards, FRS 101, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety. We performed audit procedures to inquire of management and those charged with governance whether the Company is in compliance with these law and regulations and inspected legal expenditure and board minutes in the period to identify any potentially undisclosed non-compliance.

The audit engagement team identified the risk of management override of controls and valuation of development sites as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and challenging judgments and estimates applied in the valuation of development sites and impairment using the assistance of a valuation specialist.

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Howard Freedman
(Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB
Date : 17 September 2021

Consolidated Statement of Comprehensive Income for the period ended 31 March 2021

	Note	Period ended 31 March 2021	Year ended 31 December 2019
		£	£
Revenue	5	19,332,500	-
Rental income		72,024	34,407
Cost of sales		(17,716,714)	(595)
Gross profit		**1,687,810**	**33,812**
Administrative expenses		(4,603,142)	(4,217,830)
Impairment of inventories	14	-	(7,577,724)
Operating loss	6	**(2,915,332)**	**(11,761,742)**
Gain / (Loss) on disposal of property, plant & equipment	12	4,882	(2,407)
Finance charges	9	(510,470)	(46,411)
Loss before taxation		**(3,420,920)**	**(11,810,560)**
Taxation	10	-	-
Loss after taxation attributable to the owners of the parent		**(3,420,920)**	**(11,810,560)**
Other comprehensive income		-	-
Total comprehensive income for the period attributable to the owners of the parent		**(3,420,920)**	**(11,810,560)**

All results in the current financial period derive from continuing operations.

Consolidated Statement of Financial Position
as at 31 March 2021

	Note	31 March 2021	31 December 2019
		£	£
ASSETS			
Non-current assets			
Investment property	11	2,476,460	2,463,582
Property, plant and equipment	12	44,498	102,137
Right-of-use building	12	-	140,157
		2,520,958	**2,705,876**
Current assets			
Trade and other receivables	13	2,476,593	560,971
Inventory	14	82,908,976	83,234,798
Cash and cash equivalents	19	18,332,726	3,776,559
		103,718,295	**87,572,328**
Total Assets		**106,239,253**	**90,278,204**
Liabilities			
Current liabilities			
Trade and other payables	15	(4,467,297)	(6,226,850)
Lease liabilities	16	-	(145,978)
Borrowings	17	(2,040,000)	(8,491,500)
		(6,507,297)	**(14,864,328)**
Net current assets		**97,210,998**	**72,708,000**
Liabilities			
Non-current liabilities			
Borrowings	17	(113,824,500)	(87,985,500)
Total Liabilities		**(120,331,797)**	**(102,849,828)**
Net liabilities		**(14,092,544)**	**(12,571,624)**
Equity			
Share capital	18	5,850,950	3,950,950
Retained earnings		(19,943,494)	(16,522,574)
Total Shareholder equity		**(14,092,544)**	**(12,571,624)**

The consolidated financial statements for This Land Limited, on pages 28 to 58, Company registration number 10237292, were approved by the Board of Directors and authorised for issue on 16th September 2021 and signed on its behalf by: James Heuerman-Williamson

James Heuerman-Williamson
Chief Financial Officer

Consolidated Statement of Changes in Equity
for the period ended 31 March 2021

	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 January 2019	1,791,850	(4,712,014)	(2,920,164)
Comprehensive income:			
Loss for the year	-	(11,810,560)	(11,810,560)
Other comprehensive income for the year	-		
Total comprehensive income for the year	**-**	**(11,810,560)**	**(11,810,560)**
Transactions with owners – recognised directly in equity:			
Issue of share capital	2,159,100	-	2,159,100
Balance at 31 December 2019	**3,950,950**	**(16,522,574)**	**(12,571,624)**
Comprehensive income:			
Loss for the period	-	(3,420,920)	(3,420,920)
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period		**(3,420,920)**	**(3,420,920)**
Transactions with owners – recognised directly in equity: Issue of share capital	1,900,000	-	1,900,000
Balance at 31 March 2021	**5,850,950**	**(19,943,494)**	**(14,092,544)**

Consolidated Statement of Cash Flows for the period ended 31 March 2021

	Period ended 31 March 2021	Year ended 31 December 2019
	£	£
Operating activities		
Loss for the period	(3,420,920)	(11,810,560)
Adjusted for non-cash flow items:		
- Depreciation	304,916	235,748
- Finance charges	5,672	19,613
- (Gain) / Loss on disposal of property, plant & equipment	(4,882)	2,407
Operating cash flows before movement in working capital	**(3,115,214)**	**(11,552,792)**
(Increase) in receivables	(1,915,621)	(186,479)
Decrease / (Increase) in inventory	325,823	(46,202,334)
(Decrease) / Increase in payables	(1,759,554)	4,024,634
Net cash used in operating activities	**(6,464,566)**	**(53,916,971)**
Investing activities		
Purchases of property, plant and equipment	(18,469)	(112,959)
Purchase of investment property	(121,856)	-
Proceeds on disposal of property, plant and equipment	25,208	16,000
Net cash used in investing activities	**(115,117)**	**(96,959)**
Financing activities		
Proceeds from issue of shares	1,900,000	2,159,100
Proceeds from borrowing	27,879,000	49,991,000
Repayment of borrowings	(8,491,500)	-
Repayment of finance lease	(151,650)	(181,980)
Net cash from financing activities	**21,135,850**	**51,968,120**
Net increase / (decrease) in cash and cash equivalents	14,556,167	(2,045,810)
Cash and cash equivalents at the beginning of the period	3,776,559	5,822,369
Cash and cash equivalents at end of period	**18,332,726**	**3,776,559**

Interior of show home at Cityglades, Cambridge

Notes to the consolidated financial statements

For the period ended 31 March 2021

1. General information

This Land Limited (the 'Company') is a company incorporated in the United Kingdom under the Companies Act. The Company is a private company limited by shares and is registered in England and Wales. The address of the Group and Company's registered office is shown on page 2. On 4 December 2020, the year end of the Company was extended from 31 December 2020 to 31 March 2021, to be co-terminus with that of its Parent Entity.

The principal activities of This Land Limited (the 'Company') and its Subsidiaries (together, the 'Group') and the nature of the Group's operations are set out in the Directors' Report on pages 19 to 20.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Group and Company operates and is the presentation currency of the Group and Company.

2. Adoption of new and revised Standards

There are no new or revised standards that are applicable for the period beginning 1 January 2020 that would have a significant impact on the Group.

There are new and revised standards that have been issued that are not yet applicable for the period beginning 1 January 2020. The Directors do not believe that these will have a significant impact on the Group.

3. Significant accounting policies

Basis of accounting

The financial statements have been prepared on a going concern basis, under the historic cost convention and in accordance with International Financial Reporting Standards, (IFRS's) in conformity with the requirements of the Companies Act 2006 applicable to companies reporting under IFRS.
The principal accounting policies adopted are set out below.

The consolidated financial statements incorporate the financial statements of the Company and of the entities controlled by the Company, made up to 31 March of each period. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used, into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Going concern

The Directors have assessed the expected future performance and cash flows of the Group and Company, as well as the availability of long-term funding. The Directors are confident that performance will be in line with the business plan.

Based on the above the Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence over the twelve months from the date of approval of these financial statements. For these reasons they continue to adopt the going concern basis of accounting in preparing the financial statements.

Revenue

Revenue in respect of the sale of residential properties is recognised at the fair value of the consideration received or receivable, net of value added tax and discounts, on legal completion.

Where plots are sold part way through construction (e.g. affordable housing plots acquired by a housing association), the Group applies its policy on contract accounting when recognising revenue and profit. Revenue and costs are recognised by reference to the stage of completion of contract activity at the balance sheet date, reflecting the transfer of benefit to the customer. This is normally measured by surveys of work performed to date. When it is probable that the total costs on a construction contract will exceed total contract revenue, the expected loss is recognised as an expense in the Income Statement immediately. The application of this policy requires judgements to be made in respect of the total expected costs to complete for each site.

The Group has in place established internal control processes to ensure that the evaluation of costs and revenues is based upon appropriate estimates.

Revenue is recognised on land sales from the point of unconditional exchange of contracts as long as there are no significant obligations

remaining. Where the Group still has significant obligations to perform under the terms of the contract, revenue is recognised when the obligations are performed.

Rental income

The Group recognises rental income at the fair value of consideration receivable, when the Group becomes entitled to its receipt.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Retirement benefit costs

Payments to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the

Exterior of show home at Cityglades, Cambridge

balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

Fixtures and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method, on the following bases:

Motor Vehicles	25% per annum
IT equipment	33.33% per annum
Office equipment	25% to 50% per annum

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrappage of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Investment property

Investment properties are valued using the cost method. The initial cost of investment properties comprise of: the value of the land on which the property is, the cost of the construction work undertaken to bring the investment property to its current state, any associated professional fees required to bring the investment property to its current state, and any associated borrowing costs.

The investment properties are depreciated over a term of 25 years on a straight-line basis.

Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of work in progress comprises, the acquisition cost of land, construction costs, professional fees and capitalised borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable, variable selling expenses.

If cost falls below net realisable value then an applicable impairment provision is recognised in the income statement.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

If the transaction price differs from fair value at initial recognition, the Group will account for such difference as follows:

- if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised as a gain or loss on initial recognition (i.e. day 1 profit or loss); and
- in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

Financial assets

A financial asset is any asset that is:

- cash
- a contractual right to receive cash or another financial asset from another entity

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on financial assets. The measurement of the loss allowance depends upon the Company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain. Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Derecognition of financial assests

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

Equity instruments issued by the Group are recorded at the value of proceeds received.

Other financial liabilities

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Trade and other payables

Trade and other payables are measured at amortised cost.

Leases

The Group as lessee

The Group assesses whether a contract is or contains a lease, at the inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an administrative expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group as a lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements;

Carrying value of inventories

See information provided in note 14 to these financial statements.

Recognition of deferred taxation asset

See information provided in note 10 to these financial statements.

5. Revenue

	Period ended 31 March 2021	Year ended 31 December 2019
	£	£
Revenue from sale of houses	1,121,500	-
Revenue from sale of land	18,211,000	-
	19,332,500	**-**

6. Operating loss

Operating loss for the period has been arrived at after charging:

	Period ended 31 March 2021	Year ended 31 December 2019
	£	£
Revenue and rental income	19,404,524	34.407
Cost of sales (excluding finance costs)	(14,097,085)	(595)
Gross profit (excluding finance costs)	**5,307,439**	**33,812**
Administrative expenses	(4,603,142)	(11,795,554)
Operating profit / (loss) before finance costs	**704,297**	**(11,761,742)**
Finance cost on sold sites	(3,619,629)	-
Operating loss	**(2,915,332)**	**(11,761,742)**
Administrative expenses include:		
Office rental	57,272	-
Impairment of inventory	-	7,577,724
Non-executive Directors' fees	342,500	227,917
Employee costs (see note 7)	1,931,510	1,737,275
Auditor's remuneration (see note 8)	60,000	50,000
Depreciation/Amortisation	164,760	67,559
Amortisation of Right of Use Asset	140,157	168,188

7. Employee costs

	Period ended 31 March 2021	Year ended 31 December 2019
	Number	Number
Management	4	4
Operational	13	14
	17	**18**

Their aggregate remuneration comprised:

	Period ended 31 March 2021	Year ended 31 December 2019
	£	£
Wages and salaries	1,486,684	1,356,545
Social security costs	219,568	180,871
Other pension costs	106,291	99,398
Other benefits	118,967	100,461
	1,931,510	**1,737,275**

Directors remuneration is disclosed in note 20.

8. Auditor's remuneration

The analysis of the auditor's remuneration is as follows:

	Period ended 31 March 2021	Year ended 31 December 2019
	£	£
RSM UK Audit LLP Fees payable to the Group's auditor for the audit of the Group's annual accounts	60,000	52,500
	60,000	**52,500**

Non audit fees of £14,000 were paid to RSM Tax and Accounting Limited during the year, (2019: £13,333).

9. Finance charges

The analysis of the finance charged is as follows:

	Period ended 31 March 2021	Year ended 31 December 2019
	£	£
Interest on borrowings	504,798	26,798
Interest on leases	5,672	19,613
	510,470	**46,411**

10. Taxation

The analysis of the taxation charged is as follows:

	Period ended 31 March 2021	Year ended 31 December 2019
	£	£
Current taxation - UK corporation tax	-	-
Tax charge for the period	**-**	**-**

Corporation tax is calculated at 19% of the estimated taxable loss for the period.

	Period ended 31 March 2021	Year ended 31 December 2019
	£	£
The charge for the period can be reconciled to the loss in the consolidated income statement as follows:		
Loss before tax on continuing operations	(3,420,920)	(11,810,560)
Tax at the UK corporation tax rate of 19% (2019: 19%)	**649,975**	**745,560**
Adjusted for:		
- Non-deductible expenditure	**(24,623)**	**(5,990)**
- Unrecognised capital allowances	**(20,706)**	**(4,470)**
- Deferred tax not recognised	**(315,784)**	**4,663**
- Tax losses unrecognised	**(288,862)**	**(2,238,209)**
Tax charge for the period	**-**	**-**

Planned changes to reduce the UK corporation tax rate from 19% to 17% were reversed on 18 November 2019. On 3 March 2021, the Government announced that the UK corporation tax rate will increase from 19% to 25% with effect from 1 April 2023.

At 31 March 2021, tax losses were £19,718,513 (2019: £16,439,448). Tax losses will be carried forward and are potentially available for utilisation against taxable profits in future years. The potential tax benefit of the tax losses carried forward at 19% is £3,746,517 (2019: £3,123,495).

The Company has not recognised a deferred tax asset in respect of tax losses and temporary differences as it does not currently meet the recognition criteria of IAS 12 'Income Taxes'. The asset will be recognised in future periods when its recovery (against appropriate taxable profits) is considered probable.

11. Investment property

	Investment property	Land	Total
	£	£	£
Cost			
Balance as at 1 January 2020	1,882,108	605,000	2,487,108
Additions	121,856	-	121,856
Balance as at 31 March 2021	2,003,964	605,000	2,608,964
Accumulated depreciation			
Balance as at 1 January 2020	(23,526)	-	(23,526)
Charge for the period	(108,978)	-	(108,978)
Balance as at 31 March 2021	(132,504)	-	(132,504)
NBV as at 31 March 2021	**1,871,460**	**605,000**	**2,476,460**
NBV as at 31 December 2019	**1,858,582**	**605,000**	**2,463,582**

The fair value of the investment property and the land as at 31 March 2021 is £3,200,000 (December 2019: £2,930,000).

Land to the value of £605,000 (2019: £605,000) has been utilised as security against borrowings of the Group.

Rental income of £72,024 (2019: £34,407) has been received for the period in relation to this site.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12. Property, plant and equipment

	Motor Vehicles	IT equipment	Office equipment	Right of use assets - Buildings	Total
	£	£	£	£	£
Cost					
At 1 January 2019	33,020	17,430	11,688	-	62,138
Additions	44,139	24,201	44,619	308,345	421,304
Disposals	(22,250)	-	-	-	(22,250)
At 1 January 2020	54,910	41,630	56,307	308,345	461,192
Additions	18,101	-	368	-	18,469
Disposals	(33,020)	-	(8,208)	-	(41,228)
At 31 March 2021	**39,991**	**41,630**	**48,467**	**308,345**	**438,433**
Accumulated depreciation					
At 1 January 2019	(3,440)	(3,498)	(3,582)	-	(10,520)
Charge for the year	(16,254)	(11,697)	(16,082)	(168,188)	(212,221)
Disposals	3,843	-	-	-	3,843
At 1 January 2020	(15,851)	(15,195)	(19,664)	(168,188)	(218,898)
Charge for the period	(17,284)	(17,346)	(21,152)	(140,157)	(195,939)
Disposals	17,026	-	3,876	-	20,902
At 31 March 2021	**(16,109)**	**(32,541)**	**(36,940)**	**(308,345)**	**(393,935)**
Net book value as at 31 March 2021	23,882	9,089	11,527	-	44,498
Net book value as at 31 December 2019	39,059	26,436	36,643	140,157	242,294

Right-of-use assets

The lease expired on 31 October 2020 and was replaced by a short term lease on a month to month basis.

	2021
	£
Depreciation expense on right-of-use assets	140,157
Interest expense on lease liabilities	5,672

The total cash outflow for the period ended 31 March 2021 for leases amounted to £151,650.

13. Trade and other receivables

	31 March 2021	31 December 2019
	£	£
Trade receivables		44,321
Prepayments	196,128	124,277
Other receivables	2,280,465	47,032
VAT receivable	-	345,341
At 31 March 2021	**2,476,953**	**560,971**

The Directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

No credit losses have been recognised with regards to receivables given recent trading history of the business. Other receivables includes £2,225,000 receivable from the sale of land which was received in full in April 2021. All other balances are expected to be received in full.

14. Inventory

	Inventory
	£
Cost	
At 1 January 2019	92,518,045
Additions	10,686,249
Transfer to cost of sales	(17,716,714)
At 31 March 2021	**85,487,580**
Accumulated depreciation	
At 1 January 2019	(9,283,247)
Charge for the year	-
Disposals	6,704,643
At 31 March 2021	**(2,578,604)**
Net book value as at 31 March 2021	**82,908,976**
Net book value as at 31 December 2019	**83,234,798**

Land to the value of £61,079,863 (2019: £80,499,863) has been utilised as security against borrowings of the Group.

As at period end, finance cost of £13,265,924 (2019: £7,581,292) has been included in inventory.

Impairment of inventory

In order to determine the profit or loss that the Group recognises on its developments in a specific period, the Group allocates the total cost of each development between the proportion completing in the period and the proportion to complete in a future period. The assessment of the total costs to be incurred requires a degree of estimation due to the long-term nature of the Group's activities and because actual costs are subject to market fluctuations. Company management has established internal controls to review and ensure the appropriateness of estimates made on an individual development. A change in estimated margins on several sites (due, for example, to changes in estimates of cost inflation or a material reduction in house prices in the private market) could materially alter future profitability.

For the impairment calculation, future costs were based upon Management's best estimates of costs to complete for each individual development. Future sales prices were also based upon Management's best estimates of the sales price that will be achieved on each development, based upon current planned activity. Where it is anticipated that individual developments will be loss making, based on expected future selling price less total costs incurred and expected, an impairment has been recognised based upon the value of work in progress as at 31 March 2021 or the projected loss on the development, whichever is lower.

Where it is anticipated that a previously recorded impairment against an individual development no longer applies, and therefore that the individual development will no longer be loss making, the impairment is reversed.

As a result of the above, during the year, a net inventory impairment charge of £Nil (2019: £7,577,724) was recognised. This figure consists of an impairment charge of £Nil, (2019: £8,152,428) reduced by a reversal of previous year's impairment of £Nil, (2019: £574,704).

15. Trade and other payables

	31 March 2021	31 December 2019
	£	£
Trade payables	728,199	754,429
Amounts payable to Parent Entity	331,586	5,138,424
Accruals	1,170,916	320,200
Social security and other taxes	-	10,978
Other payables	4,746	2,819
VAT payable	2,231,850	-
	4,467,297	**6,226,850**

Trade payables principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 30 days.

16. Lease liabilities

	31 March 2021	31 December 2019
	£	£
Amounts falling due within one year:		
Lease liabilities	-	145,978
		145,978

Analysis of lease liabilities

	31 March 2021	31 December 2019
	£	£
Amount due for settlement:	-	-
Between one and five years	-	-
After five years	-	-
On demand or within one year		145,978
		145,978

The lease expired in October 2020 and a new short-term month to month lease was entered into in its place.

17. Borrowings

	31 March 2021	31 December 2019
	£	£
Secured borrowings at amortised cost	115,864,500	96,477,000
Loans from related parties	115,864,500	96,477,000
Unsecured borrowing at amortised cost	-	-
Loans from related parties	-	-
Amount due for settlement after 12 months	113,824,500	87,985,500
Amount due for settlement within 12 months	2,040,000	8,491,500

Amounts repayable to related parties of the Group carry interest of between 5.79% and 8.81% (2019: between 5.79% and 8.81%) per annum charged on the outstanding loan balances, payable twice a year.

All loans are secured against land held by the Group.

The weighted average interest rates paid during the period were as follows:

	15 month period ended 31 March 2021	Year ended 31 December 2019
	%	%
Secured borrowings at amortised cost		
Loans from related parties	7.31	7.35
Unsecured borrowing at amortised cost		
Loans from related parties	-	-

18. Share capital

	31 March 2021	31 December 2019
	£	£
Issued and paid		
5,850,950 - Ordinary shares at £1 each	5,850,950	3,950,950

During the period, 1,900,000 shares were issued at a par value of £1. 1,000,000 shares were issued on 20 May 2020 and 900,000 were issued on 13 November 2020. Each share has full rights in the Company with respect to voting, dividends and distribution.

19. Notes to the statement of cash flows

Cash and cash equivalents

	31 March 2021	31 December 2019
	£	£
Cash and bank balances	18,332,726	3,776,559

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less, net of outstanding bank overdrafts. The carrying amount of these assets is approximately equal to their fair value. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as shown below.

Analysis of changes in net debt

	1 January 2020	Cash Flow	Interest Charges	Other non-cash movements	31 March 2021
	£	£	£	£	£
Cash and bank balances	3,776,559	14,556,167	-	-	18,332,726
Borrowings*	(96,479,819)	(19,384,681)	-	-	(115,864,500)
Net debt	**(92,703,260)**	**(4,828,514)**	-	-	**(97,531,774)**

* Excludes accrued interest at 31 March 2021 of £331,586 (2019: £5,138,424) disclosed as part of amounts payable to Parent Entity, see note 15.

Balances at 31 March 2021 comprise:

	Non-current assets	Current assets	Current liabilities	Non-current liabilities	Total
	£	£	£	£	£
Cash and bank balances	-	18,332,726	-	-	18,332,726
Borrowings	-	-	(2,040,000)	(113,824,500)	(115,864,500)
Net debt	**-**	**18,332,726**	**(2,040,000)**	**(113,824,500)**	**(97,531,774)**

20. Related party transactions

	Period ended 31 March 2021	As at 31 March 2021	Year ended 31 December 2019	As at 31 December 2019
	£	£	£	£
Cambridgeshire County Council				
Borrowings	-	115,864,500	-	96,477,000
Rental income	(63,750)	(12,750)	(24,184)	(44,321)
Finance charge	9,582,007	331,586	6,050,008	5,138,424
Directors fees	96,249	17,500	35,000	26,250
	9,614,506	**116,133,774**	**6,060,824**	**101,597,353**

Cambridgeshire County Council is a related party of the Company as it is the Parent Entity

The amounts outstanding are secured as detailed in note 17 and will be settled in cash. No guarantees have been given or received.

Borrowings repayable to Cambridgeshire County Council carry interest of between 5.79% and 8.81% (2019: 5.79% and 8.81%) per annum charged on the outstanding loan balance (see note 17).

Remuneration of key management personnel

The remuneration of the key management personnel of the Company, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures. All personnel at the Director level are considered to be key management personnel. Fees payable to Cambridgeshire County Council relating to Directors are included in the related party transaction note above.

Aggregate key management personnel/Directors' remuneration:

The total amounts for Directors' remuneration in accordance with Schedule 5 to the Accounting Regulations were as follows:

	Period ended 31 March 2021	Year ended 31 December 2019
	£	£
Salaries, fees, bonuses and benefits in kind	546,354	450,056
Pension scheme contributions	30,634	22,436
	576,988	**472,492**

Amounts paid to the highest paid Director were as follows:

	Period ended 31 March 2021	Year ended 31 December 2019
	£	£
Salaries, fees, bonuses and benefits in kind	190,385	150,000
Pension scheme contributions	18,750	15,000
	209,135	**165,000**

As at 31 March 2021 three Directors are members of defined contribution pension schemes (2019: one).

Artist impression of prosed scheme in Foxton, Cambridgeshire

21. Retirement benefit scheme

Defined contribution schemes

The Group and Company operate defined contribution retirement benefit schemes for all qualifying employees. The assets of the schemes are held separately from those of the Group and Company in funds under the control of trustees. Where there are employees who leave the schemes prior to vesting fully in the contributions, the contributions payable by the Group and Company are reduced by the amount of forfeited contributions.

The total cost charged to income of £106,291 (2019: £98,798) represents contributions payable to these schemes by the Group at rates specified in the rules of the schemes. As at 31 March 2021, contributions of £nil (2019: £10,378) due in respect of the current reporting period had not been paid over to the schemes.

22. Financial instruments

The Group's financial instruments comprise of Shareholder loans, cash and cash equivalents, trade and other receivables and trade and other payables.

Credit risk and credit risk management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises principally from the Group's trade and other receivables and its cash balances. The Group gives careful consideration to which organisations it uses for its banking services in order to minimise credit risk.

The Group's policy is to manage credit risk by requiring proof of available funds or pre-approved financing in place prior to entering into a sale with a customer.

The concentration of the Group's credit risk is considered by counterparty. The Group holds all of its cash on deposit with one UK bank. At 31 March 2021, the concentration of credit risk held with that bank was £18,332,726 (2019: £3,776,559).

At 31 March 2021, the Group has a receivable of £2,225,000 relating to the sale of land. This has been received post year end.

There were no other significant concentrations of credit risk at the Statement of Financial Position date.

The Directors have considered the implications of IFRS 9: Financial Instruments and those relating to the Expected Credit Loss Provision. As the Group does have trade debt and only a low volume, no provision was required.

At 31 March 2021, the Group held no collateral as security against any financial asset. The carrying amount of financial assets recoded in the financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained. At 31 March 2021, no financial assets were past their due date. As a result there has been no impairment of financial assets during the year.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity risk is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or damage to the Group's reputation.

Land for proposed new scheme at Newbury farm, Cambridge

The Directors manage liquidity risk by regularly reviewing cash requirements by reference to short term cash flow forecasts and medium-term working capital projections prepared by management. The Group maintains regular contact with its Shareholder, with regard to its requirement for future funding. The Group also maintains good relationships with its banks, which have high credit ratings.

Interest rate risk

The Group's interest rate risk arises from certain of its borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group is also exposed to interest rate risk on cash and cash equivalents.

Interest rate risk management

The Group is exposed to minimal fair value interest rate risk because entities in the Group borrow funds at fixed interest rates. The risk is managed by the Group by ensuring that all interest charged is via borrowings from the Group's Shareholder at arm's length rates. The Group ensures that no interest is payable to third parties. The Group has a policy of not entering into any swap or forward rate contracts in order to minimise interest rate risk.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Group's long term business plan model is updated on a monthly basis to ensure that forecast cashflows are accurately predicted.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

No interest rate sensitivity analysis has been performed as all borrowings are at fixed interest rates.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Group's long term business plan model is updated on a monthly basis to ensure that forecast cashflows are accurately predicted.

Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The contractual maturity is based on the earliest date on which the Group may be required to pay.

31 March 2021

	Weighted average effective interest rate	Less than 1 year	1-5 years	5+ years	Total
	%	£	£	£	£
Non-interest bearing variable interest rate instruments	–	–	–	–	–
Fixed interest rate instruments	7.31	2,040,000	–	113,824,500	115,864,500

31 December 2019

	Weighted average effective interest rate	Less than 1 year	1-5 years	5+ years	Total
	%	£	£	£	£
Non-interest bearing variable interest rate instruments	–	–	–	–	–
Fixed interest rate instruments	7.35	8,491,500	–	87,985,000	96,477,000

Categories of financial instrument

	Period ended 31 March 2021	Year ended 31 December 2019
	£	£
Financial assets		
Cash and cash equivalents	18,332,726	3,776,559
Trade and other receivables measured at amortised cost	2,393,827	91,353
	20,726,553	**3,867,912**
Financial liabilities measured at amortised cost		
Trade and other payables	(2,168,394)	(6,226,850)
Lease liabilities	-	(145,978)
Borrowings	(115,864,500)	(96,477,000)
	(118,032,894)	**(102,849,828)**
Net position	**(97,306,341)**	**(98,981,916)**

Maturity of financial liabilities

All of the Group's financial liabilities and its financial assets at 31 March 2021 are either payable or receivable within one year, with the exception of borrowings of £113,824,500 (2019: £87,985,500), all being repayable in more than 5 years.

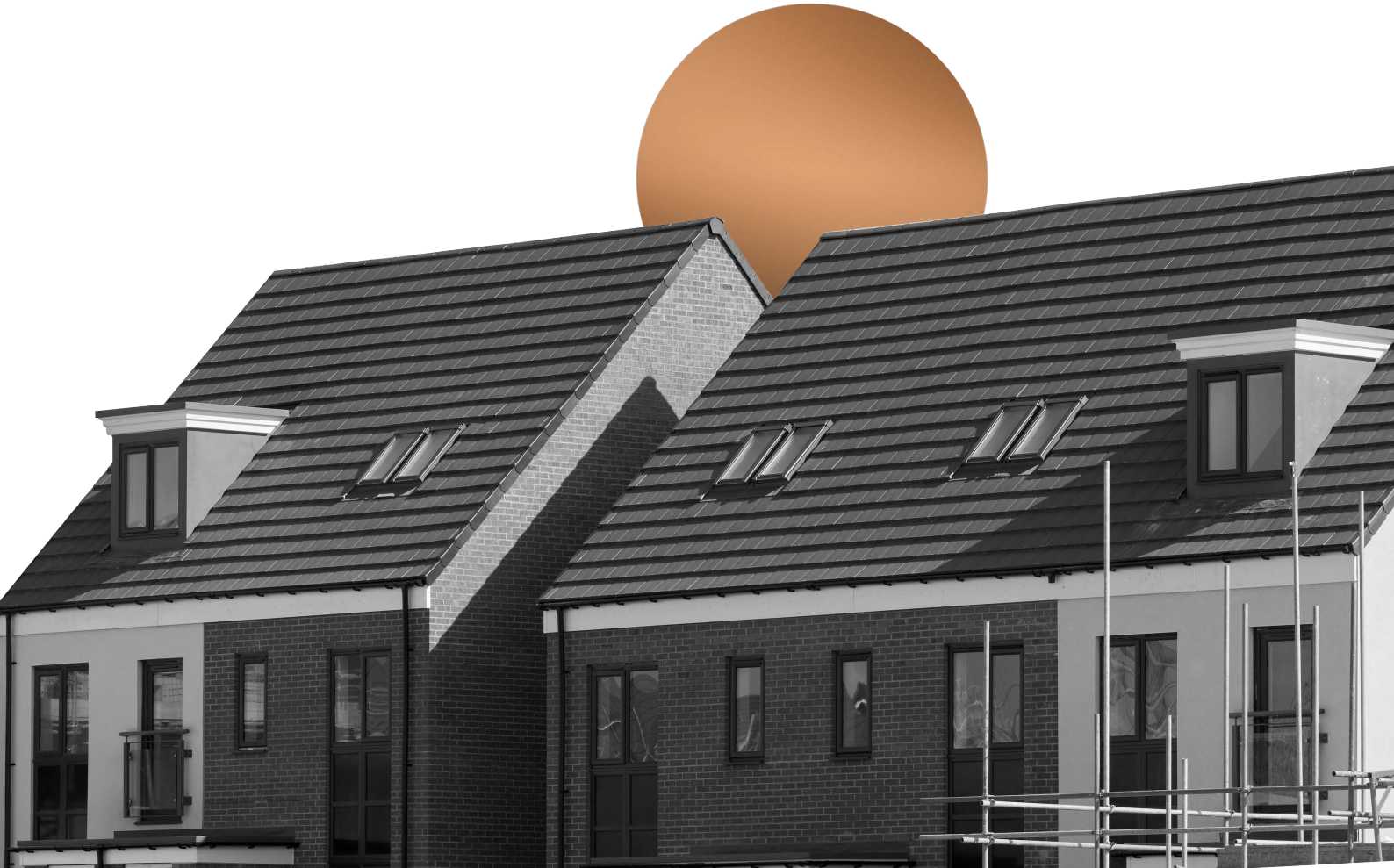
23. Subsequent events

On the 6 April 2021, £2,225,000 was received in relation to a land sale.

On 29 June 2021, a loan payable to Cambridgeshire County Council of £2,040,000 was repaid in full.

24. Controlling party

The ultimate parent and controlling entity, is Cambridgeshire County Council, a local authority within the United Kingdom. The smallest and largest Group to consolidate these financial statements is Cambridgeshire County Council. Copies of the consolidated financial statements of Cambridgeshire County Council can be obtained from **www.cambridgeshire.gov.uk/council/finance-and-budget/statement-of-accounts.**



This Land Limited (the Company) Financial Statements

Company Statement of Financial Position
As at 31 March 2021

	Note	31 March 2021	31 December 2019
		£	£
Assets **Non-current assets**			
Property, plant and equipment	28	44,498	102,137
Right-of-use building	28	-	140,157
Investments	29	400	400
Trade and other receivables	30	13,118,846	7,277,760
		13,163,744	**7,520,454**
Current assets			
Trade and other receivables	30	156,444	88,918
Cash and cash equivalents		85,070	3,764,947
		241,514	**3,853,865**
Liabilities **Non-current liabilities**			
Borrowings	33	-	(2,040,000)
Current liabilities			
Borrowings	33	(2,040,000)	-
Trade and other payables	31	(9,399,479)	(9,285,349)
Lease liabilities	32	-	(145,978)
		(11,439,479)	**(9,431,327)**
Net assets / (liabilities)		**1,965,779**	**(97,008)**

Equity			
Share capital	34	5,850,950	3,950,950
Retained earnings		(3,885,171)	(4,047,958)
Total shareholder equity		**1,965,779**	**(97,008)**

The Company reported a profit and total comprehensive profit for the financial period of £162,787, (period ended 31 December 2019: loss of £1,043,208). The financial statements for This Land Limited on pages 59 to 65, Company registration number 10237292, were approved by the Board of Directors and authorised for issue on 16th September 2021 and signed on its behalf by:

James Heuerman-Williamson
Chief Financial Officer

Company Statement of Changes in Equity
For the period ended 31 March 2021

	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 January 2019	**1,791,850**	**(3,004,750)**	**(1,212,900)**
Comprehensive income:			
Loss for the year	-	(1,043,208)	(1,043,208)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	**(1,043,208)**	**(1,043,208)**
Transactions with owners – recognised directly in equity:			
Issue of share capital	2,159,100	-	2,159,100
Balance at 31 December 2019	**3,950,950**	**(4,047,958)**	**(97,008)**
Comprehensive income:			
Profit for the period	-	162,787	162,787
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	**162,787**	**162,787**
Transactions with owners – recognised directly in equity:			
Issue of share capital	1,900,000	-	1,900,000
Balance at 31 March 2021	**5,850,950**	**(3,885,171)**	**1,965,779**

Notes to the Company financial statements
For the period ended 31 March 2021

25. Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100, 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, the Directors have elected to prepare the financial statements in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' and the requirements of the Companies Act 2006.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective and certain related party transactions.

Where required, equivalent disclosures are given in the consolidated financial statements.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7 Financial Instruments: Disclosures;
- IAS 7 Statement of Cash flows;
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors',(requirement for the disclosure of information when an entity has not applied a new IFRS that has beenissued but is not yet effective); and
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered intobetween two or more members of a Group.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are the same as those as set out in note 3 to the consolidated financial statements except as noted below.

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

There were no critical accounting judgements that would have a significant effect on the amounts recognised in the Parent Company financial statements or key sources of estimation uncertainty at the balance sheet date that would have a significant risk

26. Profit for the year

As permitted by s408 of the Companies Act 2006, no separate profit and loss account or statement of comprehensive income is presented in respect of the Parent Company. The profit attributable to the Company is disclosed on the face of the Company's Statement of Financial Position.

The auditor's remuneration for audit and other services is disclosed in note 8 to the consolidated financial statements.

27. Employee costs

All employees of the Group are also employees of the Company. The average monthly number of employees and their remuneration is therefore disclosed in note 7 to the consolidated financial statements.

28. Property, plant and equipment

	Motor vehicles	IT equipment	Office equipment	Right-of-use buildings	Total
	£	£	£	£	£
Cost					
At 1 January 2020	54,910	41,630	56,307	308,345	461,192
Additions	18,101	-	368	-	18,469
Disposals	(33,020)	-	(8,208)	-	(41,228)
At 31 March 2021	**39,991**	**41,630**	**48,467**	**308,345**	**438,433**
Accumulated depreciation					
At 1 January 2020	(15,851)	(15,195)	(19,664)	(168,188)	(218,898)
Charge for the year	(17,284)	(17,346)	(21,152)	(140,157)	(195,939)
Disposal	17,026	-	3,876	-	20,902
At 31 March 2021	**(16,109)**	**(32,541)**	**(36,940)**	**(308,345)**	**(393,935)**
Net book value as at 31 March 2021	**23,882**	**9,089**	**11,527**	**-**	**44,498**
Net book value as at December 2019	**39,059**	**26,436**	**36,642**	**140,157**	**242,294**

Refer to note 12 for further disclosures relating to the right-of-use building.

29. Investments

	31 March 2021	31 December 2019
	£	£
At cost		
At 1 January 2020	400	400
Additions during the year	-	-
At 31 March 2021	**400**	**400**

The Company has investments in the following subsidiary undertakings:

Subsidiary undertakings	Principle activity	Holdings	%
This Land Finance Limited	Finance	100 ordinary shares	100%
This Land Development Limited	Real estate development	100 ordinary shares	100%
This Land Asset Management Limited	Dormant	100 ordinary shares	100%
This Land Investment Limited	Dormant	100 ordinary shares	100%
CityGlades Residents Management Company Limited	Dormant	£1 Guarantee	100%

Registered address: All subsidiary undertakings have the following registered address:
Compass House, Vision Park, Chivers Way, Histon, Cambridgeshire CB24 9AD

30. Trade and other receivables

	31 March 2021	31 December 2019
	£	£
Amounts falling due within one year:		
Prepayments	128,993	54,258
Other receivables	27,451	34,660
At 31 March 2021	**156,444**	**88,918**

	31 March 2021	31 December 2019
	£	£
Amounts falling due within one year:		
Receivables from other Group companies	13,118,846	7,277,760
	13,118,846	**7,277,760**

The Directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value. Certain amounts owed by other Group companies are presented as an amount due after one year to reflect that although repayable on demand, the Directors do not intend to call in the balance in the short term as funding is linked to ongoing development projects.

No expected credit loss disclosures have been made with regards to receivables given recent trading history of the business. All balances are expected to be received in full, over the coming periods, as the Company's subsidiaries become cash generative after the completion of planned developments.

31. Trade and other payables

	31 March 2021	31 December 2019
	£	£
Trade payables	23,567	148,280
Amounts payable to Parent Entity	-	87,712
Amounts payable to Subsidiary undertakings	9,025,679	8,611,300
Accruals	127,200	155,659
Social security and other taxes	218,288	279,579
Other payables	4,745	2,819
	9,399,479	**9,285,349**

Trade payables principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 30 days (2019: 30 days).

32. Lease liabilities

	31 March 2021	31 December 2019
	£	£
Amounts falling due within one year:		
Lease liabilities	-	145,978
	-	**145,978**

Analysis of lease liabilities

	31 March 2021	31 December 2019
	£	£
Amount due for settlement:		
Between one and five years	-	-
After five years	-	-
	-	-
On demand or within one year	-	145,978
	-	**145,978**

The lease was exited during the period and a short-term ease entered into.

33. Borrowings

	31 March 2021	31 December 2019
	£	£
Secured borrowings at amortised cost Loans from related parties	2,040,000	2,040,000
	2,040,000	2,040,000
Unsecured borrowing at amortised cost Loans from related parties	-	-
Amount due for settlement after 12 months	-	2,040,000
Amount due for settlement within 12 months	2,040,000	-

Amounts repayable to related parties of the Company carry interest of 5.79% (2019: 5.79%) per annum charged on the outstanding loan balances payable twice a year.

The weighted average interest rates paid during the period were as follows:

	31 March 2021	31 December 2019
	%	%
Secured borrowings at amortised cost Loans from related parties	5.79	5.79
Unsecured borrowing at amortised cost Loans from related parties	-	-

34. Share capital

	31 March 2021	31 December 2019
	£	£
Issued and paid		
5,850,950 - Ordinary shares at £1 each	5,850,950	3,950,950

During the period, 1,900,000 shares were issued at a par value of £1. 1,000,000 shares were issued on 20 May 2020 and 900,000 were issued on 13 November 2020. Each share has full rights in the Company with respect to voting, dividends and distribution.

35. Subsequent Events

On 29th June 2021, a loan payable to Cambridgeshire County Council of £2,040,000 was repaid in full.

36. Controlling party

The immediate and controlling entity and ultimate parent, is CambridgeshireCounty Council, a local authority within the United Kingdom. The smallest and largest Group to consolidate these financial statements is Cambridgeshire County Council. Copies of the consolidated financial statements of Cambridgeshire County Council can beobtained from **www.cambridgeshire.gov.uk/council/finance-and-budget/statement-of-accounts.**

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