

Registered number: 11414209

STONEWATER DEVELOPMENTS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

STONEWATER DEVELOPMENTS LIMITED

COMPANY INFORMATION

Directors	Angus Michie (Chair) Anne Costain Hursh Shah
Company secretary	Anne Harling
Registered number	11414209
Registered office	Suite C, Lancaster House Grange Business Park Enderby Road Whetstone Leicester LE8 6EP
Independent auditors	BDO LLP 55 Baker Street London W1U 7EU
Principal bankers	Barclays Bank Level 11 1 Churchill Place London E14 5HP
Principal solicitors	Devonshires Solicitors 30 Finsbury Circus London EC2M 7DT
Internal auditors	RSM Risk Assurance Services LLP St Phillips Point Temple Row Birmingham B2 5AF

STONEWATER DEVELOPMENTS LIMITED

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STONEWATER DEVELOPMENTS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2025

Principal activities

Stonewater Developments Limited ("the company") is a subsidiary of Stonewater (5) Limited. Stonewater (5) Limited has the power to appoint the directors of the company.

The purpose of the company is to support the Stonewater registered provider entities with the development activity by widening the scope of potential developments by selling fully or partially completed dwellings for open market sales to group entities and externally. The company will also provide design and build services to other group entities.

The company is funded by an intercompany loan from its parent Stonewater (5) Limited on arms' length terms. The turnover of £123.4 million is £32.6 million lower than last year due to a planned reduction, flexing the build program in response to current economic conditions.

Business review

The company made a loss of £1,061,000 during the year ended 31 March 2025 (2024: profit £943,000) after tax and interest. No gift aid payments have been paid to Stonewater (5) Limited this year (2024: £851,000). During the year, the company acquired a number of sites, which are being developed. All of these sites are in contract to deliver affordable homes to registered providers within the Stonewater Group.

Going concern

After making enquiries and reviewing the Group 30-year financial plan, updated for current economic and business assumptions including stress testing, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least 12 months from the date on which the financial statements were approved for release. The financial statements have therefore been prepared on a going concern basis.

As circumstances are particularly uncertain and outside our control, we will continue to carry out formal reviews on a regular basis.

Future outlook

The company will continue to develop residential properties in association with group companies.

Risks and uncertainties

The assessment, mitigation and management of risk are embedded throughout Stonewater and as such flows through to the company.

As well as a risk register, there is a comprehensive internal audit programme carried out by an external provider.

Group risks and uncertainties are disclosed in the consolidated financial statements.

Section 172 statement

The company was formed to support Stonewater Group with its development activities. It is a wholly owned subsidiary and does not have any employees. The directors, accordingly, do not consider that the interests of the company's employees or the need to act fairly between members of the company are relevant to the proper discharge of their duty under section 172. Each of these factors is considered by the wider group. The directors take guidance from the Group on matters relating impact of the company's operations on the community and environment.

STONEWATER DEVELOPMENTS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

The company's principal stakeholder is the parent company, Stonewater (5) Limited, a charitable registered society, which is the sole shareholder of Stonewater Developments Limited. The stakeholder voice is brought into the boardroom throughout the annual cycle through information provided by management and by directors who also serve on the board of the parent company. The Board of Stonewater Developments Limited consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of the stakeholders, and in doing so have regard (amongst other matters) to:

- a) the likely consequences of any decision in the long term,
- b) the need to foster the company's business relationships with suppliers, customers and others, and
- c) the desirability of the company maintaining a reputation for high standards of business conduct.

As the Board of Directors, our intention is to behave responsibly and ensure that management operate the business in a responsible manner, operating within the high standards of business conduct and good governance expected for a business such as ours. The intention is to nurture our reputation, through both the construction and delivery of our plan, which reflects our responsible behaviour.

The Board considers the following to be the key decisions and considerations it has made during the year to 31 March 2025.

Board decision

The Board considered the risk appetite of the company.

Consideration

Resolved that the company is operating within the group's risk appetite.

Consideration

This promotes the wider aims of the Stonewater Group in meeting the needs of its charitable beneficiaries.

This report was approved by the board and signed on its behalf.



Anne Costain
Director

Date: 6 August 2025

STONEWATER DEVELOPMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The directors present their report and the financial statements for the year ended 31 March 2025.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.

Results and dividends

The loss for the year, after taxation, amounted to £1,061,000 (2024: *profit* £943,000).

The directors do not recommend the payment of a dividend (2024: £nil).

Directors

The directors who served during the year were:

Angus Michie (Chair)
Anne Costain
Hursh Shah

Future developments

The company will continue to develop residential properties in association with group companies and to provide design and build services to the Group.

STONEWATER DEVELOPMENTS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

BDO were re-appointed as Stonewater's external auditors for 2024/25 on 23 December 2024, by the Board.

Beever and Struthers were appointed as the external auditors for 2025/26 on the 30th of July 2025 in accordance with section 489 of the Companies Act 2006.

This report was approved by the board on 6 August 2025 and signed on its behalf.

A handwritten signature in dark ink, appearing to be 'Anne Costain', with a long horizontal stroke extending to the right.

Anne Costain
Director

STONEWATER DEVELOPMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STONEWATER DEVELOPMENTS LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Stonewater Development Limited ("the Company") for the year ended 31 March 2025, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

Other information

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

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

STONEWATER DEVELOPMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STONEWATER DEVELOPMENTS LIMITED

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.

Other Companies Act 2006 reporting

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 year 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.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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.

STONEWATER DEVELOPMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STONEWATER DEVELOPMENTS LIMITED

Extent to which the audit was capable of detecting irregularities, including fraud

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

Non-compliance with laws and regulations

Based on:

- our understanding of the Company and the industry in which it operates;
- discussion with management and those charged with governance; and
- obtaining an understanding of the Company's policies and procedures regarding compliance with laws and regulations;

we considered the significant laws and regulations to be the applicable accounting framework and the Companies Act 2006.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be Health & Safety, Building Safety, data protection and Employment legislation.

Our procedures in respect of the above included:

- review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- review of financial statement disclosures and agreeing to supporting documentation;
- involvement of tax specialists in the audit; and
- review of legal expenditure accounts to understand the nature of expenditure incurred

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- obtaining an understanding of the Company policies and procedures relating to:
 - detecting and responding to the risks of fraud; and
 - internal controls established to mitigate risks related to fraud.
- review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

Based on our risk assessment, we considered the area most susceptible to fraud to be management override of controls.

Our procedures in respect of the above included:

- testing a sample of journal entries throughout the year that met defined risk criteria, as well as a random sample, by agreeing to supporting documentation;
-

STONEWATER DEVELOPMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STONEWATER DEVELOPMENTS LIMITED

- assessing significant estimates made by management for bias, in particular in relation to recoverability of intercompany debt.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

DocuSigned by:

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Elizabeth Kulczycki (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

Date: 13 August 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

STONEWATER DEVELOPMENTS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	2025 £000	2024 £000
Turnover	2	123,400	156,030
Cost of sales		(120,372)	(152,220)
Gross profit		3,028	3,810
Administrative expenses		(933)	(781)
Operating profit		2,095	3,029
Interest receivable and similar income	5	214	236
Interest payable and financing costs	6	(3,370)	(2,322)
(Loss)/profit before tax		(1,061)	943
Tax on profit on ordinary activities		-	-
Profit and total comprehensive income for the year		<u>(1,061)</u>	<u>943</u>

All activities relate to continuing operations.
The notes on pages 13 to 19 form part of these financial statements.

STONEWATER DEVELOPMENTS LIMITED
REGISTERED NUMBER: 11414209

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	2025 £000	2024 £000
Current assets			
Stocks	9	19,403	1,127
Debtors: due after more than one year	10	-	1,958
Debtors: amounts falling due within one year	10	25,895	58,567
Restricted cash		-	1,303
Cash at bank and in hand		1,531	100
		<u>46,829</u>	<u>63,055</u>
Creditors: amounts falling due within one year	11	(19,146)	(16,995)
Net current assets		<u>27,683</u>	<u>46,060</u>
Total assets less current liabilities		<u>27,683</u>	<u>46,060</u>
Creditors: amounts falling due after more than one year	12	(28,750)	(45,900)
Net (liabilities)/assets		<u><u>(1,067)</u></u>	<u><u>160</u></u>
Capital and reserves			
Profit and loss account		(1,067)	160
		<u><u>(1,067)</u></u>	<u><u>160</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 6 August 2025.



Anne Costain
Director

The notes on pages 13 to 19 form part of these financial statements.

STONEWATER DEVELOPMENTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025**

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 April 2024	-	160	160
Comprehensive income for the year			
Loss for the year	-	(1,061)	(1,061)
Transfer of prior year taxable profit under gift aid	-	(166)	(166)
At 31 March 2025	<u>-</u>	<u>(1,067)</u>	<u>(1,067)</u>

The notes on pages 13 to 19 form part of these financial statements.

STONEWATER DEVELOPMENTS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 April 2023	-	503	503
Comprehensive income for the year			
Profit for the year	-	943	943
Transfer of taxable profit under gift aid	-	(783)	(783)
Transfer of prior year taxable profit under gift aid	-	(503)	(503)
At 31 March 2024	-	160	160

The notes on pages 13 to 19 form part of these financial statements.

STONEWATER DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

In preparing the financial statements, the company has taken advantage of the following disclosure exemptions available to subsidiary undertakings in FRS 102:

- No cash flow statement has been presented;
- Disclosure in respect of the financial instruments have not been presented;
- Disclosure in respect of related party transactions with intra group companies.

This information is included in the consolidated financial statements of Stonewater Limited as at 31 March 2025 and these financial statements may be obtained from the registered office as disclosed on the Company Information page.

The financial statements are presented in Sterling (£'000) to the nearest thousand except where specifically stated otherwise.

The following principal accounting policies have been applied:

1.2 Going Concern

After reviewing consolidated budget for the next 12 months and based on normal strategic business planning and control procedures, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

The company utilised a credit facility from Stonewater (5) Limited to manage working capital requirements and the directors have obtained assurances from the directors of Stonewater (5) Limited that this facility will remain in place for at least 13 months from the date of signing the financial statements.

1.3 Turnover

Turnover represents fees receivable from the development services provided to other group undertakings. All turnover is generated within the UK.

1.4 Properties held for sale

Properties held for sale represent work in progress. Properties held for sale are stated at the lower of cost and expected sales proceeds less all costs to complete and sell. Cost comprises material, direct labour and direct development overheads.

STONEWATER DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies (continued)

1.5 Tax and gift aid

The company makes a qualifying donation of all taxable profits to a charitable group company. There was no gift aid paid during the period, for any remaining taxable profit not paid by the year-end, this will be paid within 9 months of the year end.

1.6 Valuation of Investment

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

1.7 Joint ventures

The Company holds an interest in a joint venture. A joint venture is a contractual arrangement whereby the company undertakes an economic activity that is subject to a joint control with third parties, and it has a share interest with these parties.

Joint ventures are accounted at cost in these financial statements and the equity accounting methods used in the consolidation results of the Company's parent. The company recognises any distributions received from its investment as income when received.

The investment in the joint Venture is held at costs less impairment. The recoverability of the investment is assessed by reviewing the future expected cashflows of the joint venture.

1.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

STONEWATER DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2. Analysis of turnover

	2025 £000	2024 £000
Provision of development services	16,039	27,825
Provision of design and build services	107,361	128,205
	<u>123,400</u>	<u>156,030</u>

3. Auditors' remuneration

During the year, the Company obtained the following services from the Company's auditors and their associates:

	2025 £000	2024 £000
Fees payable to the Company's auditors and their associates for the audit of the Company's financial statements	<u>26</u>	<u>22</u>

4. Employees

The directors are employed by Stonewater Limited. The directors' remuneration is incurred and paid by Stonewater Limited.

The company does not have any employees. The cost of staff is incurred and paid by Stonewater Limited.

Employee information, including pension costs and the cost of directors' and senior executives are disclosed in the consolidated financial statements.

5. Interest receivable

	2025 £000	2024 £000
Bank interest receivable	74	91
Joint venture loan interest	140	145
	<u>214</u>	<u>236</u>

STONEWATER DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

6. Interest payable and financing costs

	2025	<i>2024</i>
	£000	<i>£000</i>
Interest payable to group undertakings	3,370	2,322
	<u>3,370</u>	<u>2,322</u>

7. Tax on profit on ordinary activities

In 2025, there was no tax charge (2024: £nil). The company makes a qualifying donation of all taxable profits to a charitable group company. The gift aid paid during the year is reflected in the accounts and any remaining taxable profit not paid by the year end will be paid within 9 months of the year end.

8. Fixed asset investments

Name	Country of incorporation	Proportion of voting rights/ordinary share capital	Nature of business	Nature of entity
Thakeham Newick LLP	England	50%	-	Incorporated company

Stonewater Developments Limited contributed £1 to the capital of the LLP.

In February 2023 Stonewater entered into a joint venture with Thakeham to build 39 homes at a site at Newick, East Suffolk. The 11 affordable units were to be purchased by Stonewater Limited with the remainder to be sold on the open market. Stonewater Developments Limited owns 50% of the Thakenham Newick LLP with Thakeham owning the other 50%. At 31 March 2025 Stonewater Limited has lent Thakeham Newick LLP £1.6m (2024: £6.7m) and there is a junior loan of £0.7m (2024: £1.9m) from Stonewater Developments Limited.

Work is progressing at the site and at the end of March 2025 there had been 20 completions and 5 reservations expecting to complete by the end of May 2025. The remaining 3 unsold units are forecast to sell by the end of September 2025.

At this stage the Directors have concluded that no impairment is required.

STONEWATER DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

9. Stocks

	2025	<i>2024</i>
	£000	<i>£000</i>
Stocks	19,403	<i>1,127</i>
	<u>19,403</u>	<i><u>1,127</u></i>

10. Debtors

	2025	<i>2024</i>
	£000	<i>£000</i>
Due after more than one year		
Joint venture loan	-	<i>1,958</i>
	<u>-</u>	<i><u>1,958</u></i>

	2025	<i>2024</i>
	£000	<i>£000</i>
Due within one year		
Amounts owed by group undertakings	25,182	<i>58,221</i>
Loan to joint venture	713	<i>-</i>
Other debtors	-	<i>346</i>
	<u>25,895</u>	<i><u>58,567</u></i>

The £0.7m loan to Thakeham Newick is repayable on 28 August 2025, at an interest rate of 5% plus the Bank of England base rate. Contractually the loan runs to 28 August 2025 and repayments will only happen when the joint venture sells a property and has cash.

STONEWATER DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

11. Creditors: Amounts falling due within one year

	2025 £000	2024 £000
Amounts owed to group undertakings	654	747
Other taxation and social security	26	9
Accruals	10,285	8,128
Retentions	8,181	8,111
	<u>19,146</u>	<u>16,995</u>

12. Creditors: Amounts falling due after more than one year

	2025 £000	2024 £000
Amounts owed to group undertakings	28,750	45,900
	<u>28,750</u>	<u>45,900</u>

The amount owed to group undertaking includes a £28,750,000 loan from Stonewater (5) Limited, the parent undertaking (2024: £45,900,000). This loan is borrowed under a £70m loan facility, expiring in 2029, and interest is charged at 4% plus the Bank of England base rate.

13. Share capital

	2025 £	2024 £
Authorised, allotted, called up and fully paid		
Ordinary share	<u>1</u>	<u>1</u>

The share capital of the Company consists of 1 share with a nominal value of £1, which carries no rights to dividends or other income.

STONEWATER DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

14. Capital commitments

At 31 March 2025 the Company had capital commitments as follows:

	2025 £000	2024 £000
Contracted for but not provided in these financial statements	2,330	2,330
	<u>2,330</u>	<u>2,330</u>

15. Controlling party

The company is a subsidiary undertaking of Stonewater (5) Limited, and its ultimate parent undertaking is Stonewater Limited, a registered society under the Co-operative & Community Benefit Societies Act 2014 and a registered social housing provider with the Regulator of Social Housing.

The consolidated financial statements of Stonewater Limited are available to the public and may be obtained from the Company Secretary, Suite C, Lancaster House, Grange Business Park, Enderby Road, Whetsone, Leicester, LE8 6EP.