

**ABBAY DEVELOPMENTS LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30 April 2015**

TUESDAY



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COMPANIES HOUSE

**ABBAY DEVELOPMENTS LIMITED**

**COMPANY INFORMATION**

**DIRECTORS :** C. H. Gallagher (Chairman)  
L. G. Fraquelli (Managing Director)  
W. P. Callinan  
D. J. Dawson  
I. A. Mortimer  
S.D. Critchell

**SECRETARY :** D. J. Dawson

**REGISTERED OFFICE :** Abbey House  
2 Southgate Road  
Potters Bar  
Hertfordshire EN6 5DU  
  
Telephone : Potters Bar (01707) 651266  
Fax : Potters Bar (01707) 646836

**REGISTERED NO. :** 0348843

**AUDITORS :** Ernst & Young  
Chartered Accountants  
Ernst and Young Building  
Harcourt Centre  
Harcourt Street  
Dublin 2  
Ireland

**BANKERS :** Barclays Bank plc  
Barclays Business Centre  
St. Albans Branch  
Blenheim Gate  
22/24 Upper Marlborough Road  
St. Albans  
Hertfordshire AL1 3AL

**SOLICITORS :** Dickins Shiebert Limited  
Matthew House (first floor)  
45/47 High Street  
Potters Bar  
Hertfordshire EN6 5AW

**ABBHEY DEVELOPMENTS LIMITED**

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**ABBEE DEVELOPMENTS LIMITED****STRATEGIC REPORT**

The directors present their strategic report for the year ended 30 April 2015.

**RESULTS FOR THE FINANCIAL YEAR**

The profit for the year after taxation amounted to £22,633,682 (2014: profit £11,296,187). During the year, no dividends were paid (2014: Nil), which leaves a retained profit for the year of £22,633,632 (2014: profit £11,296,187).

During the year the Company sold 514 units (2014: 353 units) with turnover of £107,470,902 (2014: £75,124,741) generating an operating profit of £28,582,808 (2014: profit £14,655,829). Trading has been buoyant throughout the year. Sales, supported by the 'Help to Buy' scheme have continued to be brisk. At the year end the Company owned or controlled land with the benefit of planning permission for the supply of 1,557 plots.

A review of the Company's business is given in the 2015 Annual Report the intermediate holding company, Abbey plc.

**KEY PERFORMANCE INDICATORS**

Measurement of the Company's performance is consistently applied and control is exercised by management. The Company uses the following key performance indicators to evaluate its performance:

1. *Financial Performance Compared to Budget*  
The company has a budgeting system in place whereby actual performance is measured against budget, both financial and non-financial, on a monthly reporting timetable.
2. *Unit Reservations*  
The company reviews the weekly net sales reservations and weekend site visitor numbers.
3. *Development Site Profit Margin*  
The company evaluates the gross profit margin of each development site on a monthly basis.

**PRINCIPAL RISKS AND UNCERTAINTIES**

Company law requires the Company to give a description of the principal risks and uncertainties which it faces. Abbey Developments' business, in which it is engaged, is constantly evolving and the list below of the principal risks and uncertainties for the Company are constantly changing:

- \* The Company is engaged in speculative development, which is by its nature highly risky. Occasional substantial losses are a cyclical factor of its business.
- \* The Company operates in a very competitive market and therefore it is essential that the Company continues to compete successfully.
- \* Any reduction in economic growth in the UK may adversely affect revenue and margins.
- \* The Company's performance will be affected by fuel and raw material prices and the cyclical changes of the producers of these raw materials.
- \* The Company is subject to substantial laws, regulations and standards such as environmental, health and safety and building regulations, which could result in additional costs related to compliance with these laws and regulations.
- \* Any adverse economic interest rate changes will impact on the Company.

**FUTURE DEVELOPMENTS**

The short term outlook is good. The company is targeting a significant increase in turnover this year and whilst margins may be eroded a satisfactory year is in prospect.

The longer term outlook is more uncertain. House prices in the UK now reflect the easy money conditions of the last two years and may struggle to advance rapidly in an environment of rising interest rates and possibly sluggish wage growth.

By order of the board



D. J. Dawson  
Secretary

7 July 2015

## DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 30 April 2015.

### PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The Company's principal activities during the year continued to be residential housing and land development. The Company intends to continue and develop its activities.

### DIVIDENDS

The Directors have not authorised or paid any dividends for the financial year ending 30 April 2015 (2014: £nil).

### IMPORTANT EVENTS SINCE THE YEAR END

There have been no significant events affecting the company since the year end.

### CORPORATE SOCIAL RESPONSIBILITY

We are fully committed to operating ethically and responsibly in relation to employees, customers, neighbours and all other stakeholders.

#### Employees

The board commends and thanks the management and staff of the Company for their continued loyalty, efforts and commitment.

The average number of employees during the year is set out in note 4 to the financial statements.

#### Disabled Employees

The Company gives every consideration to applications for employment from disabled persons where the requirements of the job may be adequately fulfilled by a handicapped or disabled person.

Where existing employees become disabled, it is the Company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion wherever appropriate.

#### Employee Involvement

The continuing Company policy with regard to employee consultation and involvement is that there should be effective communication with all employees who, subject to practical and commercial considerations, should be consulted on and involved in decisions that affect their current jobs and future prospects. The achievement of this policy has to be treated flexibly in accordance with the varying circumstances and needs of the Company but, in all cases, the emphasis is on communication at the local level. Details of the Company's financial results are circulated each half and full year and periodic staff meetings are also held to discuss various aspects of the Company's business.

#### Health and Safety

The Company pays particular adherence to health and safety matters.

#### Environment

The Company pays particular adherence to applicable environmental legislation and request that our employees and subcontractors are aware of their responsibilities in this regard. The Company supports various charities and local events.

### POLITICAL AND CHARITABLE CONTRIBUTIONS

There were no political contributions during the year and donations for charitable purposes amounted to £1,320 (2014: £1,100).

### DIRECTORS AND THEIR INTERESTS

Mr. L.G. Fraquelli and Mr. D.J. Dawson retire by rotation from the Board at the Annual General Meeting and, being eligible, offer themselves for re-election.

The directors who held office at the end of the financial period had, at no time, any beneficial interest in the shares of the Company or any group company except for the following: Mr. C. H. Gallagher and Mr. L.G. Fraquelli were directors of the intermediate holding company, Abbey plc, and their interests in the shares of Abbey plc are disclosed in that company's directors' report.

**ABBEY DEVELOPMENTS LIMITED****DIRECTORS' REPORT (continued)****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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Statements and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

- \* select suitable accounting policies and then apply them consistently;
- \* make adjustments and 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; 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 responsible for keeping proper accounting records that 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.

**DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who were members of the board at the time of approving the directors' report are listed under Company information above. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- \* to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditors are unaware; and
- \* each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

**AUDITORS**

A resolution to reappoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the board



D. J. Dawson  
Secretary

7 July 2015

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBEY DEVELOPMENTS LIMITED**

We have audited the financial statements of Abbey Developments Limited for the year ended 30 April 2015 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Note of Historical Cost Profits, the Balance Sheet and the related notes 1 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Director's Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBEY DEVELOPMENTS LIMITED (Continued)**

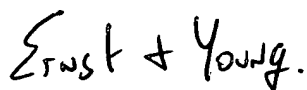
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion 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.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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.



*Frank O'Keeffe (Senior statutory auditor)  
for and on behalf of Ernst & Young, Statutory Auditor  
Dublin  
7 July 2015*



**ABBHEY DEVELOPMENTS LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2015**

	Note	2015 £	2014 £
TURNOVER - continuing operations	2	107,470,902	75,124,741
COST OF SALES			
- Operating		(74,477,363)	(56,456,197)
GROSS PROFIT		32,993,539	18,668,544
ADMINISTRATIVE EXPENSES		(3,870,510)	(3,578,418)
OTHER OPERATING INCOME	3	382,640	384,875
OPERATING PROFIT - continuing operations	3	29,505,669	15,475,001
Interest receivable	6	41,372	29,918
Interest payable	7	(964,233)	(849,090)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		28,582,808	14,655,829
Taxation	8	(5,949,126)	(3,359,642)
PROFIT FOR THE FINANCIAL YEAR	19	22,633,682	11,296,187

**ABBAY DEVELOPMENTS LIMITED****STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 30 APRIL 2015**

	<b>2015 £</b>	<b>2014 £</b>
Profit for the financial year	22,633,682	11,296,187
Unrealised surplus on revaluation of investment properties	-	40,000
Total gains recognised for the financial year	<u>22,633,682</u>	<u>11,336,187</u>

**NOTE OF HISTORICAL COST PROFITS  
FOR THE YEAR ENDED 30 APRIL 2015**

	<b>2015 £</b>	<b>2014 £</b>
Reported profit on ordinary activities before taxation	28,582,808	14,655,829
Historical cost profit on ordinary activities before taxation	<u>28,582,808</u>	<u>14,655,829</u>
Historical cost profit on ordinary activities after taxation	<u>22,633,682</u>	<u>11,296,187</u>

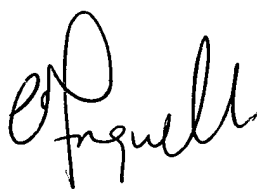
**ABBAY DEVELOPMENTS LIMITED**  
Company number: 0348843

**BALANCE SHEET AS AT 30 APRIL 2015**

	Note	2015 £	2014 £
<b>FIXED ASSETS</b>			
Tangible assets	9	300,972	218,385
Investment property	10	730,000	730,000
Investments	11	3	3
		<hr/>	<hr/>
		1,030,975	948,388
<b>CURRENT ASSETS</b>			
Stocks	12	113,372,306	81,055,108
Debtors	13	1,443,147	2,707,269
Cash at bank and in hand		39,034,774	13,433,311
		<hr/>	<hr/>
		153,850,227	97,195,688
<b>CREDITORS: Amounts falling due within one year</b>	14	(75,235,190)	(41,131,745)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		78,615,037	56,063,942
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		79,646,012	57,012,330
<b>CREDITORS: Amounts falling due after more than one year</b>	15	(500,003)	(500,003)
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS LIABILITIES</b>		79,146,009	56,512,327
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	5,000,000	5,000,000
Property revaluation reserve	17	161,604	161,604
Profit and loss account	19	73,984,405	51,350,723
		<hr/>	<hr/>
<b>SHAREHOLDERS' FUNDS</b>	18	79,146,009	56,512,327
		<hr/>	<hr/>

L. G. Fraquelli  
Director

7 July 2015



**ABBEY DEVELOPMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2015**

**1 ACCOUNTING POLICIES**

**(a) Accounting convention**

The accounts are prepared on the going concern basis, under the historical cost convention and in accordance with generally accepted accounting practice in the United Kingdom.

**(b) Cash flow statement**

The provisions of Financial Reporting Standard 1 (Revised 1996) "Cash Flow Statements", exempts subsidiary undertakings from the requirement to prepare a cash flow statement where 90% or more of the voting rights are controlled by a group that prepares publicly available consolidated financial statements in which the subsidiary undertaking's results are included. The Company has availed of this exemption.

**(c) Tangible Assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided by the Company to write off the original cost, less estimated residual value, of tangible fixed assets over their estimated useful economic lives in equal instalments, as follows:

Plant and machinery	- 8 years
Motor vehicles	- 3 years
Fixtures and fittings	- 4 years
Computers	- 2 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable.

**(d) Investment properties**

Investment properties consist of land and buildings which are held for long-term rental yields and capital appreciation. Investment properties are carried at their valuation and will be re-valued in accordance with the requirement of SSAP 19 'Accounting for Investment Property' by external surveyors and periodically thereafter.

**(e) Stocks**

Stocks are stated at the lower of cost and net realisable value.

**(i) Building land and roads**

Building land and roads are stated at the lower of cost and net realisable value less an appropriate proportion relating to plots sold in the case of estates in the course of development.

**(ii) Raw materials and bought in stocks**

The cost of raw materials and bought in stocks comprises net invoice price on an average cost basis.

**(iii) Work in progress**

The cost of uncompleted and unsold new properties comprises direct labour and material costs. No profits are taken until houses are conveyed on legal completion to third parties.

Net realisable value is estimated selling price less all further costs to completion and less all costs to be incurred in marketing and selling.

**(f) Pensions**

The Company funds pension benefits for eligible employees through participation in a group defined benefit scheme and through contributions to defined contribution and personal pension schemes. The assets of these schemes are held in trust funds separate from the Company's finances.

**ABBEY DEVELOPMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2015 (continued)**

**(f) Pensions (continued)**

It is not possible to identify the Company's share of the underlying assets and liabilities of the group defined benefit scheme which relate to the Company's employees. The scheme is therefore treated as a defined benefit plan in accordance with the provisions relating to multi-employer schemes as set out in Financial Reporting Standard 17 "Retirement Benefits". Accordingly, all pension contributions are charged to the profit and loss account as they become payable.

**(g) Leasing**

Operating lease rentals are charged to the profit and loss account as incurred.

**(h) Foreign Currencies**

The functional currency of the Company and the currency in which the financial statements are stated is British Pounds (£). Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward foreign currency contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date or if appropriate at the forward contract rate. All differences are taken to the profit and loss account.

**(i) Deferred Taxation**

Deferred tax is recognised in respect of all timing differences that have been originated but not reversed at the balance sheet date, where transactions or events have occurred at the balance sheet date that result in an obligation to pay more tax or a right to pay less tax in the future.

Deferred tax is measured on a non discounted basis at the tax rates that are expected to apply in the year in which the differences reverse based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**2 TURNOVER**

Turnover is net of vat and derives from one continuing activity, the sale of houses and land plots to third parties.

Revenue on housing developments and the respective profits are recognised when the property is structurally complete and legally transferred to the purchaser.

All business was transacted in the United Kingdom.

**ABBAY DEVELOPMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2015 (continued)**

**3 OPERATING PROFIT**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
The operating profit is stated after charging / (crediting):		
Management charge payable to parent undertaking	996,636	914,000
Depreciation of tangible fixed assets	116,659	94,967
Profit/(loss) on disposal of tangible fixed assets	944	(662)
Operating lease rentals:		
Rent of land and buildings	113,100	113,100
Hire of plant and machinery	650,626	413,498
Auditors' remuneration - audit fees	30,000	20,000
- non audit fees	6,000	6,000
Income from ground rents	(382,640)	(384,875)

**4 STAFF COSTS (INCLUDING DIRECTORS' REMUNERATION)**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,818,724	2,257,291
Social security costs	362,995	259,856
Pension costs	145,682	148,003
	<b>3,327,401</b>	<b>2,665,150</b>

The average monthly number of persons directly employed by the Company during the year, excluding subcontractors engaged on the Company's development sites, including directors was:

	<b>2015</b>	<b>2014</b>
	<b>No.</b>	<b>No.</b>
	<b>62</b>	<b>49</b>

**5 REMUNERATION OF DIRECTORS**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Emoluments in respect of qualifying services	603,616	566,397
Pension contributions	27,939	48,314
Retirement expense	34,583	-
	<b>666,138</b>	<b>614,711</b>

The number of directors to whom retirement benefits are accruing in respect of qualifying services under defined benefit scheme is 2 (2014: 2) and under defined contribution schemes is 1 (2014: 2).

The amounts in respect of the highest paid director were:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Emoluments in respect of qualifying services	296,167	255,083
Pension contributions	-	24,750
Retirement expense	34,583	-
	<b>330,750</b>	<b>279,833</b>

The accrued pension of the highest paid director at 30 April 2015 was nil (2014 : nil).

**ABBEEY DEVELOPMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2015 (continued)**

<b>6</b>	<b>INTEREST RECEIVABLE</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	Bank	41,372	29,918
	Other	-	-
		<hr/>	<hr/>
	Total interest receivable	41,372	29,918
		<hr/>	<hr/>
<b>7</b>	<b>INTEREST PAYABLE</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	Loans from parent undertaking	963,942	847,376
	Other	291	1,714
		<hr/>	<hr/>
	Total interest payable	964,233	849,090
		<hr/>	<hr/>
<b>8</b>	<b>TAXATION</b>		
	The tax charge is made up as follows:	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	Current tax:		
	UK corporation tax at 20.92% (2014: 22.83%)	5,947,789	3,362,769
	Adjustment in respect of previous year	(18,942)	(59)
		<hr/>	<hr/>
	Total current tax	5,928,847	3,362,710
	Deferred tax:		
	Originating and reversal of timing differences	20,279	(3,068)
		<hr/>	<hr/>
	Tax on profit on ordinary activities	5,949,126	3,359,642
		<hr/>	<hr/>
	The tax assessed for the year is different to the standard rate of corporation tax in the United Kingdom and is explained as follows:		
	Profit on ordinary activities before taxation	28,582,808	14,655,829
		<hr/>	<hr/>
	Profit on ordinary activities multiplied by the standard rate of corporation tax in the United Kingdom of 20.92% (2014: 22.83%)	5,979,523	3,345,926
	Effects of:		
	- Income not chargeable and expenditure not deductible for tax purposes	(9,903)	2,556
	- Capital allowances in excess of depreciation	7,919	(376)
	- Other timing differences	(29,750)	13,930
	- Adjustments in respect of previous year	(18,942)	-
		<hr/>	<hr/>
	Current tax charge for the year	5,928,847	3,362,036
		<hr/>	<hr/>

The deferred taxation on the asset revaluation of the investment property is £10,967 (2014: £12,710).

**ABBAY DEVELOPMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2015 (continued)**

**9 TANGIBLE ASSETS**

	Plant and Machinery £	Motor Vehicles £	Fixtures and Fittings £	Computers £	Total £
<b>Cost</b>					
At 1 May 2014	33,342	384,542	285,805	97,418	801,107
Additions	-	117,195	92,172	16,725	226,092
Disposals	-	(97,745)	(23,062)	-	(120,807)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 April 2015	33,342	403,992	354,915	114,143	906,392
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>					
At 1 May 2014	30,008	205,574	260,299	86,841	582,722
Provided during the year	-	84,133	17,464	15,063	116,660
Disposals	-	(72,537)	(21,425)	-	(93,962)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 April 2015	30,008	217,170	256,338	101,904	605,420
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>					
At 30 April 2015	3,334	186,822	98,577	12,239	300,972
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 April 2014	3,334	178,968	25,506	10,577	218,385
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**10 INVESTMENT PROPERTY**

	2015 £	2014 £
<b>Held at valuation</b>		
1 May	730,000	690,000
Revaluation Gain	-	40,000
	<hr/>	<hr/>
At 1 May and 30 April	730,000	730,000
	<hr/>	<hr/>

The investment property was valued at 30 April 2014 by external independent surveyors Glenny, Chartered Surveyors on an open use value basis. The directors reviewed that overall valuation at 30 April 2015 and considered that no adjustment was required.

Historical cost of investment property	568,396
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**ABBNEY DEVELOPMENTS LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2015 (continued)**
**11 FIXED ASSET INVESTMENTS**

		Investment in Subsidiary Undertakings £
Cost		
At 1 May 2014 and 30 April 2015		<u>3</u>
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Investment in subsidiary undertakings at original cost:		
At beginning and end of year	3	3
Loans to subsidiary undertakings:		
At beginning and end of year	<u>206,261</u>	<u>206,261</u>
Total cost of shares and loans	206,264	206,264
Provisions:		
At beginning and end of year	<u>(206,261)</u>	<u>(206,261)</u>
Net book value		
At 30 April 2015 and 30 April 2014	<u>3</u>	<u>3</u>

The Company owns directly 100% of the issued ordinary share capital of the following companies, both of which are incorporated in Great Britain:

Company	Nature of business	Registered office
Abbey New Homes Limited	) Dormant company	) Abbey House, 2 Southgate Road,
		) Potters Bar, Hertfordshire,
Abbey Homesteads Limited		) EN6 5DU

Group accounts are not prepared as the Company is a wholly owned subsidiary of a company incorporated in Great Britain, Abbey Group Limited.

**12 STOCKS**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Building land	86,049,592	61,905,722
Roads	6,809,005	5,934,724
Work in progress - residential housing developments including finished new houses unsold	19,844,466	12,643,361
Raw materials	669,243	571,301
	<u>113,372,306</u>	<u>81,055,108</u>

**13 DEBTORS**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade debtors	498,827	274,166
Amounts owed by group undertakings	500,000	500,000
VAT recoverable	265,230	1,681,425
Other debtors	66,343	58,563
Prepayments and accrued income	68,900	128,988
Deferred taxation	43,847	64,126
	<u>1,443,147</u>	<u>2,707,269</u>
Amounts falling due after more than one year included in debtors above are:		
Amount owed by group undertaking	500,000	500,000
Deferred taxation	43,847	64,126
	<u>543,847</u>	<u>564,126</u>

The deferred tax asset primarily relates to depreciation in excess of capital allowances.

**ABBAY DEVELOPMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2015 (continued)**

**14 CREDITORS: Amounts falling due within one year**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade creditors	17,270,471	11,476,835
Amounts owed to group undertakings	36,162,854	19,141,519
Amounts outstanding on land purchased	13,910,766	2,358,625
Corporation tax	3,309,966	1,745,352
Other taxation	146,550	106,979
Accruals and deferred income	4,434,583	6,302,435
	<b>75,235,190</b>	<b>41,131,745</b>

**15 CREDITORS: Amounts falling due after more than one year**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	500,003	500,003

**16 CALLED UP SHARE CAPITAL**

	<b>2015</b>	<b>Authorised, allotted and fully paid</b>		<b>2014</b>
	<b>No.</b>	<b>2015</b>	<b>2014</b>	<b>£</b>
		<b>£</b>	<b>No.</b>	
Ordinary shares of £1 each	5,000,000	5,000,000	5,000,000	5,000,000

**17 PROPERTY REVALUATION RESERVE**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
The property revaluation reserve comprises: <i>Investment Property (note 10)</i>		
At 1 May	161,604	121,604
Revaluation	-	40,000
At 1 May and 30 April	<b>161,604</b>	<b>161,604</b>

**18 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Balance at beginning of year	56,512,327	45,176,140
Profit for the financial year	22,633,682	11,296,187
Property revaluation reserve (Note 10)	-	40,000
Balance at end of year	<b>79,146,009</b>	<b>56,512,327</b>

**ABBAY DEVELOPMENTS LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2015 (continued)**
**19 PROFIT AND LOSS ACCOUNT**

	2015 £	2014 £
Balance at beginning of year	51,350,723	40,054,536
Profit for the financial year	22,633,682	11,296,187
	<hr/>	<hr/>
Balance at end of year	73,984,405	51,350,723
	<hr/>	<hr/>

**20 PENSION COSTS**

During the year ended 30 April 2015, the Company participated in a funded group scheme - The Abbey Group Limited Pension and Life Assurance Scheme (the Scheme) - a defined benefit scheme. Pension costs are assessed in accordance with the advice of a professionally qualified actuary. This pension scheme was closed to new entrants on 1 January 2001. With effect from 1 May 2006 pensionable salaries were frozen and the scheme also contracted back into SERPS.

Particulars of the most recent actuarial valuation for the scheme, as at 1 May 2011, are contained in the accounts of Abbey Group Limited.

Defined Benefit Scheme

The Company participates in a group defined benefit pension scheme. It is not possible to identify the Company's share of the underlying assets and liabilities which relate to the employees of Abbey Developments Limited. Accordingly, the Company treats the scheme as a defined contribution plan in accordance with the requirements of Financial Reporting Standard 17 "Retirement Benefits" relating to multi-employer schemes. During the year the Company contributed £90,596 (2014: £70,830) to the scheme. When valued on the basis of a defined benefit plan as set out in Financial Reporting Standard 17, the overall scheme shows a net balance sheet surplus of £2,919,000 (2014: surplus £2,973,000) before allowance for deferred tax.

Defined Contribution Schemes

The Company operates a number of defined contribution schemes to which the company has contributed £55,086 during the year to 30 April 2015 (2014: £77,173) and charged in full to the profit and loss account. There were no contributions unpaid or paid in advance at the end of the financial year (2014 : £nil).

**21 RELATED PARTY TRANSACTIONS**

Abbey Group Limited is the company's immediate parent company and Abbey plc is the company's intermediate parent company.

The Company has taken advantage of the exemption, under FRS 8, from disclosing transactions with wholly owned group companies, as it is a wholly owned subsidiary of Abbey plc, a company incorporated in the Republic of Ireland and listed on the ESM on the Irish Stock Exchange and AIM on the London Stock Exchange.

**22 SUBSEQUENT EVENTS**

There have been no significant events affecting the company since the year end.

**23 ULTIMATE PARENT UNDERTAKING**

The directors consider that the immediate parent undertaking of the Company and smallest group in which the Company is consolidated is Abbey Group Limited and the ultimate parent undertaking to be Shrewsbury Holdings Limited, a company incorporated in Jersey. Copies of the accounts of Gallagher Investments Limited, which is the largest group in which the Company is consolidated, can be obtained from its registered office at Pendragon House, 65 London Road, St. Albans, Hertfordshire, AL1 1LJ England.

**24 APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the Board of Directors on 7 July 2015.