

COMPANY NUMBER 1499944

ABBAY MANOR DEVELOPMENTS LIMITED

ANNUAL REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2014

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ABBAY MANOR DEVELOPMENTS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2014

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ABBAY MANOR DEVELOPMENTS LIMITED

COMPANY INFORMATION

DIRECTORS

N R S TIMMIS
G R TIMMIS
J A S TIMMIS

SECRETARY

I P BOWKER

AUDITORS

BDO LLP
KINGS WHARF
20-30 KINGS ROAD
READING
BERKSHIRE RG1 3EX

REGISTERED OFFICE

THE ABBEY
PRESTON ROAD
YEOVIL
SOMERSET
BA20 2EN

ABBAY MANOR DEVELOPMENTS LIMITED**STRATEGIC REPORT**

The Directors submit their Strategic Report for the year ended 28 February 2014.

PRINCIPAL ACTIVITIES

The company is based in the United Kingdom and its principal activities are those of Industrial and Commercial Property Developers, together with the Management of Industrial and Commercial Units. There has been no significant change in the company's activities during the year.

REVIEW OF THE BUSINESS & FUTURE DEVELOPMENTS

Sales during the year were less than the previous year but remained at a satisfactory level. They comprised the construction of 41 social housing units at Chard, Somerset, the sale of the one remaining flat at Conner Downs in Cornwall and of residential development land at Firepool, Taunton to Crest Nicholson.

In the forthcoming year the directors anticipate sales of further serviced development land at its Firepool site, together with the completion of the social housing at Chard, Somerset.

The company will continue to promote both turnkey developments and land sales from its business parks, and to leverage its strategic development holdings. In addition the directors continue to promote its joint venture business park with South Somerset District Council and monitor the market for new development opportunities.

PRINCIPAL RISKS AND UNCERTAINTIES

The company's activities expose it to a number of risks including liquidity, price and credit risk. The company does not use derivative financial instruments.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of medium-term and short-term debt finance. All finance is in sterling and secured, and the company has access to £7.3m of bank facilities being provided on a committed basis for another year, of which none was drawn at the year-end. The company is a net lender of £8.7m to associated companies with strong balance sheets at year-end, and a borrower of £7.3m from shareholders who control the company.

Price risk

The company is exposed to market movements in the property and development sector, and this has had an impact on this year's results. However, the company has considerable experience of this sector and maintains a long-term strategy designed to address both positive and negative market movements.

Credit risk

The company's principal financial assets are stocks and work in progress. The credit risk associated with these is not significant, and amounts presented in the balance sheet are net of allowances for any doubtful receivables.

All transactions are entered into and settled in sterling and therefore the company is not exposed to movements in foreign currencies.

BY ORDER OF THE BOARD



I P BOWKER

SECRETARY

DATED:

12 August 2014

ABBAY MANOR DEVELOPMENTS LIMITED

REPORT OF THE DIRECTORS

The Directors submit their Annual Report and audited financial statements for the year ended 28 February 2014.

DIRECTORS

The Directors of the Company who served during the year are as follows:

N R S Timmis
G R Timmis
J A S Timmis

The principal activities, review of the business and future developments are detailed in the Strategic Report above.

RESULTS AND DIVIDEND

Detailed results for the year are as shown in the financial statements on pages 6 to 20. A dividend of £119,131 was paid during the year.

AUDITORS

The auditors, BDO LLP have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware;
and
- the directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

BY ORDER OF THE BOARD



I P BOWKER

SECRETARY

DATED:

12 August 2014

ABBEY MANOR DEVELOPMENTS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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 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 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 and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 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.

ABBEY MANOR DEVELOPMENTS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
YEAR ENDED 28 FEBRUARY 2014

We have audited the financial statements of Abbey Manor Developments Limited for the year ended 28 February 2014 which comprise the profit and loss account, the balance sheet, the cash flow statement, the statement of total recognised gains and losses and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the 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 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 statement of directors' responsibilities, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on FRC's website at www.frc.org.uk/auditscopeukprivate.

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 28 February 2014 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and 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.



SIMON BROOKER (Senior Statutory Auditor) for and on behalf of
BDO LLP, Statutory Auditor, Reading, United Kingdom

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

Date: 12 August 2014

ABBEEY MANOR DEVELOPMENTS LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 28 FEBRUARY 2014**

	<u>Note</u>	<u>2014</u>		<u>2013</u>	
		<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Turnover: Company and share of Joint Venture			5,240		8,182
Less: Share of Joint Venture			<u>(5)</u>		<u>(7)</u>
<u>TURNOVER</u>	1		5,235		8,175
Changes in Stock and Work-in-Progress			<u>(556)</u>		<u>(2,243)</u>
			4,679		5,932
Other Operating Income	2		<u>49</u>		<u>41</u>
			4,728		5,973
External Charges			(2,605)		(1,364)
			<u>2,123</u>		<u>4,609</u>
Staff Costs	3	1,468		2,645	
Other Operating Charges		<u>149</u>		<u>176</u>	
			(1,617)		(2,821)
<u>OPERATING PROFIT FOR THE YEAR</u>	4		<u>506</u>		<u>1,788</u>
Share of Operating Profit in Joint Venture	7b		5		7
Interest Receivable		156		151	
Interest Payable and Similar Charges	5	<u>264</u>		<u>259</u>	
			(108)		(108)
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>			403		1,687
Tax on Profit on Ordinary Activities	6		(113)		(362)
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>			<u>290</u>		<u>1,325</u>

Movements in reserves are shown in note 13.

All profits and losses arise from continuing operations.

The notes on pages 10 to 20 form an integral part of these financial statements.


ABBAY MANOR DEVELOPMENTS LIMITED**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**
FOR THE YEAR ENDED 28 FEBRUARY 2014

	<u>2014</u> <u>£000</u>	<u>2013</u> <u>£000</u>
Profit for the Financial Year	290	1,325
Surplus/(Deficit) on Revaluation of Investment Properties	165	(496)
 Total Recognised Gains for the year	 <u>455</u>	 <u>829</u>

ABBHEY MANOR DEVELOPMENTS LIMITED
Company Number 1499944
BALANCE SHEET AS AT 28 FEBRUARY 2014

	<u>Note</u>	<u>2014</u>		<u>2013</u>	
		<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
<u>FIXED ASSETS</u>					
Tangible Assets	7a		5,816		5,651
Investments in Joint Venture:-	7b				
Share of Gross Assets		598		611	
Share of Gross Liabilities		<u>(6)</u>		<u>(24)</u>	
			592		587
			<u>6,408</u>		<u>6,238</u>
<u>CURRENT ASSETS</u>					
Stocks and Work-in-Progress	8	5,798		6,354	
Debtors	9	9,304		8,627	
Cash at Bank and In Hand		<u>992</u>		<u>596</u>	
		<u>16,094</u>		<u>15,577</u>	
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	10	<u>9,684</u>		<u>9,324</u>	
<u>NET CURRENT ASSETS</u>			<u>6,410</u>		<u>6,253</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			12,818		12,491
<u>CREDITORS:</u>					
Amounts Falling Due After More Than One Year	11		(39)		(35)
Provisions for Liabilities and Charges	16		(107)		(120)
			<u>12,672</u>		<u>12,336</u>
<u>CAPITAL AND RESERVES</u>					
Called Up Share Capital	12		2		2
Profit & Loss Account	13		10,970		10,799
Revaluation Reserve	13		1,700		1,535
<u>SHAREHOLDERS' FUNDS</u>	14		<u>12,672</u>		<u>12,336</u>

APPROVED AND AUTHORISED FOR ISSUE BY THE BOARD OF DIRECTORS



 N R S TIMMIS
 DIRECTOR

DATED: 12 August 2014

The notes on pages 10 to 20 form an integral part of these financial statements.

ABBAY MANOR DEVELOPMENTS LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 28 FEBRUARY 2014

	<u>Note</u>	<u>2014</u>	<u>2013</u>
		<u>£000</u>	<u>£000</u>
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>	15(a)	(263)	4,292
<u>(INJECTIONS) TO/DISTRIBUTIONS FROM JOINT VENTURE</u>		0	(123)
<u>RETURNS ON INVESTMENT AND SERVICING OF FINANCE</u>	15(b)	(257)	(294)
<u>TAXATION</u>		(227)	(1,149)
<u>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENTS</u>	15(b)	0	0
<u>ACQUISITIONS AND DISPOSALS</u>	15(b)	0	0
Cash (outflow)/Inflow Before Use of Liquid Resources and Financing		<u>(747)</u>	<u>2,726</u>
<u>FINANCING</u>			
Issue of shares			0
Increase/(Decrease) in Debt	15(b)	<u>1,143</u>	<u>(3,126)</u>
		1,143	(3,126)
<u>INCREASE/(DECREASE) IN CASH IN PERIOD</u>		<u>396</u>	<u>(400)</u>
<u>RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT</u>	15(c)		
Increase/(Decrease) in Cash in the Period		396	(400)
Cash (Inflow)/Outflow from Decrease in Lease Financing and Borrowings		(1,143)	3,126
Movement in Net Debt in the Period		<u>(747)</u>	<u>2,726</u>
Net Debt at 1 March		<u>(5,664)</u>	<u>(8,390)</u>
<u>NET DEBT AT 28 FEBRUARY</u>	15(c)	<u>(6,411)</u>	<u>(5,664)</u>

ABBAY MANOR DEVELOPMENTS LIMITED**ACCOUNTING POLICIES****a ACCOUNTING CONVENTION**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention as modified to include the revaluation of certain land and buildings.

Entities in which the company holds an interest on a long term basis and are jointly controlled by one or more other venturers under a contractual arrangement are treated as joint ventures. In the company accounts, joint ventures are accounted for using the gross equity method.

b GOING CONCERN

In considering the ability of the company to continue to trade as a going concern, the directors prepare rolling 12 month profit and cash flow forecasts for the companies under common control that fund this company that take account of all major inflows and outflows and any reasonably foreseeable impacts of the current economic situation. These projections show that these companies have not only eliminated their bank borrowings but that their cash reserves (including gilts) at the year-end were over £10m and forecast to grow further through 2014. In addition, the company has access to its own and those companies' committed bank facilities of £7.3m which will further enable it to take advantage of investment and development opportunities as they arise. As a result the directors have a reasonable expectation that the company will continue to meet its obligations as they fall due and accordingly have continued to prepare the accounts on the going concern basis.

c TURNOVER

Turnover represents the amount of sales and work invoiced, including rents collected on properties held for re-sale, excluding Value Added Tax and work in progress. Sales of development property and properties held for re-sale are accounted for at completion. Rent and other income received in respect of properties held for re-sale is included in turnover on a straight line basis over rent review periods.

Contract work in progress is recorded in turnover by reference to the stage of completion based on the value of work carried out to date. No profit is recognised until the contract has advanced to a stage where the total profit can be assessed with reasonable certainty.

d INVESTMENT PROPERTIES

It is the Company's policy to re-value freehold and leasehold investment properties to their open market value at the year end in accordance with Statement of Standard Accounting Practice 19.

No depreciation is provided in respect of the Company's investment properties. Although the Companies Act 2006 requires the depreciation of fixed assets, it is believed that the policy of not providing depreciation is necessary in order for the Financial Statements to show a true and fair view as market valuation is more relevant than a measure of consumption in regard to these assets. It is the Directors' policy to maintain the properties in good condition thus prolonging their useful life.

e DEPRECIATION

Depreciation is calculated to write off the cost of the assets, less their estimated residual value, over their estimated useful lives.

The main rates and methods of depreciation are:

Plant, Equipment, Office Furniture, Fittings and Equipment	- At varying rates of between 5% and 33.3% straight line
--	--

ABBAY MANOR DEVELOPMENTS LIMITED**ACCOUNTING POLICIES****f STOCKS AND WORK-IN-PROGRESS****Stocks**

- i) Undeveloped land and buildings, where no planning application has been made, are valued at the lower of cost and the estimated net realisable value of each individual holding.
- ii) Completed industrial units are valued at the lower of cost and valuation on the basis of net realisable value, subject to existing tenancies. It is the policy of the Company to maintain these units in such condition that the value to the business is not impaired by the passage of time. Such expenditure is charged to profit and loss in the year in which it is incurred.

Work-in-Progress

- i) Work-in-progress in respect of buildings under construction for speculative trading is valued at the lower of cost and net realisable value. Cost comprises the costs attributable to the land, including expenditure on roadways and buildings under construction.
- ii) Long-term contracts in respect of buildings under construction are assessed on a contract-by-contract basis. These represent costs incurred, net of amounts transferred to cost of sales in respect of work recorded as turnover, less foreseeable losses and payments on account not matched with turnover.

g DEFERRED TAXATION

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that:

- deferred tax is not recognised on timing differences arising on re-valued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

h PENSIONS

The Company operates a Defined Contribution Pension Scheme. The assets of the Scheme are held separately from those of the Company in an independently-administered fund. Contributions are charged to the Profit and Loss account as they become payable in accordance with the rules of the scheme.

ABBEEY MANOR DEVELOPMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****1. TURNOVER**

The Directors are of the opinion that the Group carries on two classes of business, all of which are performed in the United Kingdom.

	<u>2014</u> £000	<u>2013</u> £000
Construction and sales of development properties	4,598	7,538
Rents receivable on investment properties	<u>637</u>	<u>637</u>
	<u>5,235</u>	<u>8,175</u>

2. OTHER OPERATING INCOME

Sundry Income	<u>49</u>	<u>41</u>
	<u>49</u>	<u>41</u>

3a. STAFF COSTS

Wages and Salaries	1,290	2,280
Social Security	178	315
Pension Contributions - defined contribution	<u>0</u>	<u>50</u>
	<u>1,468</u>	<u>2,645</u>

The average monthly number of employees during the Year was made up as follows:-

	<u>No.</u>	<u>No.</u>
Service, Administrative and Directors	<u>4</u>	<u>4</u>

3b. DIRECTORS' REMUNERATION

	<u>2014</u> £000	<u>2013</u> £000
Fees	0	0
Other Emoluments and Benefits	1,290	2,280
Pension Contributions	<u>0</u>	<u>50</u>
	<u>1,290</u>	<u>2,330</u>

The highest paid director received emoluments of £775,200 (2013: £1,705,000).

4. OPERATING PROFIT

	<u>2014</u> £000	<u>2013</u> £000
The operating profit is stated after charging:		
Fees payable to the company's auditor for the audit of the company's annual accounts	6	3
Tax services	<u>1</u>	<u>0</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

Borrowings wholly repayable within 5 Years other than by instalments:-

Bank Loans and Overdraft	0	0
Other Loans	<u>264</u>	<u>259</u>
	<u>264</u>	<u>259</u>

ABBEY MANOR DEVELOPMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

6.

TAX ON PROFIT ON ORDINARY ACTIVITIES

2014
£000

2013
£000

a)

Analysis of charge in the year:

Current Tax

Based on profit for the Year:

Corporation Tax at 23% (2013 24%)

Under/(Over) provision in respect of prior years

Total Current Tax

Deferred Tax

(Decrease)/Increase in deferred tax provision

Losses

Capital Allowances

Tax on profit on ordinary activities

90

36

126

0

(13)

113

368

0

368

0

(6)

362

b)

Factors affecting current tax charge:

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 23% (2013: 24%).

Profit on ordinary activities before taxation

Profit on ordinary activities multiplied by 23% (2013: 24%)

Under/Over provision in previous years

Depreciation under capital allowances

Land Remediation Relief

Total current tax (note 6a)

403

93

36

(3)

0

126

1,687

408

0

(4)

(36)

368

7a.

TANGIBLE FIXED ASSETS

Investment Properties
£000

Plant & Machinery
£000

Total
£000

Cost or Valuation:

As at 1 March 2013

Additions

Disposals

Surplus on Revaluation

As at 28 February 2014

Accumulated Depreciation:

As at 1 March 2013

Amounts Provided

Disposals

As at 28 February 2014

Net Book Values:

As at 28 February 2014

As at 1 March 2013

5,650

0

0

165

5,815

0

0

0

0

5,815

5,650

3

0

0

0

3

2

0

0

2

1

1

5,653

0

0

165

5,818

2

0

0

2

5,816

5,651

Investment properties were valued by J A S Timmis, a Director of this Company and a member of the Royal Institution of Chartered Surveyors, on the basis of open market value at the year end.

The comparable historical cost of these assets is £4,115,000, their accumulated depreciation had it been charged £610,000 and historical net book value £3,505,000. If the market value of these assets were realised a tax charge of £173,000 would arise accordingly.

ABBAY MANOR DEVELOPMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****7b. INVESTMENTS IN JOINT VENTURE**

The company has entered a joint arrangement with South Somerset District Council in a land development project, Lufton 2000 Joint Venture.

The company's 50% share of the trading result and the assets/liabilities are as follows:

	<u>2014</u> £000	<u>2013</u> £000
Sales	6	8
Cost of Sales	0	0
Other net income/(expenses)	(1)	(1)
	<u>5</u>	<u>7</u>
Stocks	550	549
Debtors	0	7
Bank	48	55
Net Current Assets	<u>598</u>	<u>611</u>
Creditors	<u>(6)</u>	<u>(24)</u>
Share of capital and reserves	<u>592</u>	<u>587</u>

8. STOCKS AND WORK-IN-PROGRESS

<u>Work-in-Progress</u>	3,625	4,181
<u>Stocks</u>		
Land & Building Stocks Held for Development & Resale	2,173	2,173
	<u>5,798</u>	<u>6,354</u>

9. DEBTORS

Trade Debtors	167	2,006
Other Debtors	18	1
Corporation Tax	96	0
Amounts owed by Related Companies	9,018	6,612
Prepayments	5	8
	<u>9,304</u>	<u>8,627</u>

All amounts shown under debtors fall due for payment within one year.

ABBEEY MANOR DEVELOPMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

10.	<u>CREDITORS:</u>	<u>2014</u>	<u>2013</u>
	<u>AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	<u>£000</u>	<u>£000</u>
	Bank Loans	0	0
	Other Loans	0	0
	Trade Creditors	201	54
	Payments on account	0	0
	Corporation Tax	0	5
	Other Taxes and Social Security	1	48
	Amounts owed to Related Companies	357	619
	Other Creditors	7,281	5,870
	Accruals and Deferred Income	1,844	2,728
		<u>9,684</u>	<u>9,324</u>

The undrawn bank overdraft is secured by way of a fixed charge over certain of the company's assets, and is committed for a further year.

11.	<u>CREDITORS</u>		
	<u>AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</u>		
	Sinking Funds	<u>39</u>	<u>35</u>
12.	<u>CALLED UP SHARE CAPITAL</u>		
	Authorised Equity		
	50,000 'A' Ordinary Shares of £1 Each	50	50
	50,000 'B' Ordinary Shares of £1 Each	<u>50</u>	<u>50</u>
		<u>100</u>	<u>100</u>
	Allotted, Called up and Fully paid Equity		
	1,000 'A' Ordinary Shares of £1 Each	1	1
	1,000 'B' Ordinary Shares of £1 Each	<u>1</u>	<u>1</u>
		<u>2</u>	<u>2</u>

ABBEEY MANOR DEVELOPMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****RIGHTS OF EACH CLASS OF SHARE**

'A' Ordinary Shares have the right of one vote per share. They are also entitled to the following:-

- a) The first £62,500 (multiplied by the RPI since 1st January 1991) of net dividends declared in each financial year, plus 1/2 of the excess over that amount.
- b) The first £162,500 (multiplied by the RPI since 1st January 1991) of trading profits after tax (excluding profits on disposal of fixed assets) in each financial year, to be credited to an 'A' share reserve.
- c) Profits or losses after tax on the disposal of any freehold or leasehold property held in fixed assets.

'B' Ordinary Shares have no entitlement to vote. They are entitled to the following:-

- a) ½ of the remainder of any dividend declared in excess of the first portion payable to the 'A' Ordinary Shares.
- b) The remainder of the trading profits after tax in excess of the first portion payable of the 'A' Ordinary Shares to be credited to a 'B' share reserve.

Where trading losses are made these are charged to the 'B' reserve before the 'A' reserve.

On winding up of the Company the 'A' Ordinary Shares will be repaid in preference to the 'B' Ordinary Shares.

13. RESERVES

	Revaluation Reserve £000	P&L "A" Reserve £000	P&L "B" Reserve £000	Total £000
As at 1 March 2013	1,535	2,374	8,425	12,334
Profit for the Year	0	290	0	290
Dividend paid	0	(119)	0	(119)
Surplus on revaluation	165	0	0	165
As at 28 February 2014	1,700	2,545	8,425	12,670

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £000	2013 £000
Profit for the Year	290	1,325
Dividend paid	(119)	(115)
Surplus/(Deficit) on revaluation	165	(496)
Net increase in shareholders' funds	336	714
Opening Shareholders' Funds	12,336	11,622
Closing Shareholders' Funds	12,672	12,336

ABBEEY MANOR DEVELOPMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****15. CASH FLOW STATEMENT****a) Reconciliation of Operating Profit to Net Cash Outflow from Operating Activities**

	<u>2014</u>	<u>2013</u>
	<u>£000</u>	<u>£000</u>
Operating Profit	506	1,788
Depreciation Charges	0	0
Decrease in Stocks and Works in Progress	556	2,243
Increase in Debtors	(541)	(1,630)
(Decrease)/Increase in Creditors	(784)	1,891
	<u>(263)</u>	<u>4,292</u>

b) Analysis of Cash Flows for Headings Netted in the Cash Flow Statement

	<u>2014</u>	<u>2013</u>
	<u>£000</u>	<u>£000</u>
Returns on Investments and Servicing of Finance		
Interest Received	116	119
Interest Paid	(254)	(298)
Dividends Paid	(119)	(115)
Net Cash Outflow for Returns on Investments and Servicing of Finance	<u>(257)</u>	<u>(294)</u>

Capital Expenditure and Financial Investment:

Sale of Property, Plant or Equipment	0	0
Receipts from Sale of Investments	0	0
Purchase of Property, Plant or Equipment	0	0
Net Cash Outflow for Capital Expenditure and Financial Investment	<u>0</u>	<u>0</u>

Financing:

Debt Due within One Year: Increase/(Decrease) in Short Term Borrowings	1,139	(3,140)
Sinking and Building Fund Transfers	4	14
Net Cash Inflow/(Outflow) from Financing	<u>1,143</u>	<u>(3,126)</u>

ABBEEY MANOR DEVELOPMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

c) Analysis of Net Debt

	At 1 March 2013	Cash Flow	At 28 February 2014
	£000	£000	£000
Cash in Hand and at Bank	596	396	992
Bank Loans and Overdrafts	0	0	0
		396	
Finance Leases	0	0	0
Debt Due Within One Year	(6,225)	(1,139)	(7,364)
Debt Due After More Than One Year	0	0	0
Sinking and Building Funds	(35)	(4)	(39)
		(1,143)	
	(5,664)	(747)	(6,411)

16. DEFERRED TAXATION

	Provided		Not Provided	
	2014	2013	2014	2013
	£000	£000	£000	£000
The full potential deferred tax liability is as follows:-				
Capital Allowances in Advance of Depreciation	107	120	0	0
Other Timing Differences	0	0	0	0
Tax on Revaluation Surplus	0	0	173	187
	107	120	173	187

17. CONTINGENT LIABILITIES

There are contingent liabilities as follows:

Performance bonds for £797,000 (2013: £175,690) in favour of the Company's bankers in connection with the construction of roads and sewers by the company.

H M Revenue & Customs are enquiring into aspects of the company's tax affairs in the year ended 28 February 2005, and have issued a determination for £538,000 (plus interest). The directors have appealed this determination and consequently no provision has been made for the potential liability in these financial statements.

18. CONTROLLING PARTIES

The Company was controlled throughout the current and previous financial years by its directors who owned 68.5% of the voting rights of the company between them and 100% of the voting rights of the company with members of their close family.

19. RELATED PARTIES

The following Companies which have had material transactions with Abbey Manor Developments Limited are related parties by virtue of N R S Timmis being a Director and majority shareholder of those Companies.

Trading during the year and balances at the year end were as follows:-

ABBEEY MANOR DEVELOPMENTS LIMITEDNOTES TO THE FINANCIAL STATEMENTS**Purchases of goods and services by the Company in the ordinary course of business from:-**

	<u>2014</u>	<u>2013</u>
	<u>£000</u>	<u>£000</u>
Abbey Manor Capital Partners Limited	320	0
Abbey Manor Group Ltd	141	141
YPH Waste Management Ltd	0	1
	<u>461</u>	<u>142</u>

Sales of goods and services by the Company in the ordinary course of business to:-

	<u>£000</u>	<u>£000</u>
Abbey Manor Group Ltd	1	0
YPH Waste Management Ltd	<u>52</u>	<u>60</u>

At 28 February 2014 balances outstanding with the Company shown within Amounts owed by Related Companies (note 9) were:-

Amount due from Abbey Manor Group Ltd	1,206	14
Amount due from Abbotsdale Homes Ltd	<u>7,812</u>	<u>6,598</u>

At 28 February 2014 balances outstanding with the Company shown within Amounts owed to Related Companies(note 10) were:-

Amount due to Abbey Manor Group Ltd	0	267
Amount due to Abbey Manor Developments (Western) Ltd	<u>357</u>	<u>352</u>

At 28 February 2014 outstanding balances owing to the Directors' and Shareholders' Loan Accounts, including those of material amounts for N Timmis and J Timmis, shown within Other Creditors (note 10) were:-

	<u>2014</u>				<u>2013</u>			
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
	N Timmis	J Timmis	Other	Total	N Timmis	J Timmis	Other	Total
Balance at 1 March	2,576	516	2,539	5,631	3,416	216	1,672	5,304
Funds introduced in the Year	845	300	1,283	2,428	330	300	1,844	2,474
Funds withdrawn in the Year	(539)	0	(507)	(1,046)	(1,170)	0	(977)	(2,147)
Balance at 28 February	<u>2,882</u>	<u>816</u>	<u>3,315</u>	<u>7,013</u>	<u>2,576</u>	<u>516</u>	<u>2,539</u>	<u>5,631</u>

Loan Accounts are either repayable on demand and attract interest at a rate of 1% over the base rate as published by the National Westminster Bank plc, or are on a committed basis and attract interest at a rate of between 3% and 4% over the base rate.

ABBAY MANOR DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

20. CAPITAL COMMITMENTS

Capital commitments contracted for but not provided for at 28 February 2014 were £Nil (2013: £Nil). No capital expenditure has been authorised by the Directors which had not been contracted for (2013: £Nil).