



**Willsgrove Developments Limited**  
(formerly Bovale Limited)

Abbreviated financial statements

Year ended 31 December 2015

*Registered number: 02594369*

*(As modified for Sections 444 and 449 of the  
Companies Act 2006)*

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COMPANIES HOUSE



# Willsgrove Developments Limited

(formerly Bovale Limited)

## Abbreviated Financial Statements

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# Willsgrove Developments Limited

(formerly Bovale Limited)

## Directors and other information

### Directors

M. Bailey  
A. Gleeson (appointed 10 July 2015)  
T. Bailey (resigned 10 July 2015)

### Secretary

A. Gleeson (appointed 10 July 2015)  
T. Bailey (resigned 10 July 2015)

### Registered office

Martin Kaye LLP  
The Foundry  
Euston Way  
Telford  
Shropshire  
United Kingdom

### Auditor

KPMG  
Chartered Accountants  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
Ireland

### Bankers

NAMA  
Treasury Buildings  
Grand Canal Dock  
Dublin 4  
Ireland

Allied Irish Bank  
4 Belmont  
Shrewsbury  
Shropshire  
United Kingdom

### Solicitors

Martin Kaye LLP  
The Foundry  
Euston Way  
Telford  
Shropshire  
United Kingdom

### Registered number

02594369



**KPMG**  
**Audit**  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
D02 DE03  
Ireland

## **Independent auditor's report to the members of Willsgrove Developments Limited under pursuant to Section 449 of the Companies Act 2006**

We have examined the abbreviated financial statements on pages 5 to 12 together with the financial statements of Willsgrove Developments Limited for the year ended 31 December 2015 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with section 449 of the Companies Act, 2006. Our work has been undertaken so that we might state to the company's members those matters we are required to state to them in such report and no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the directors, as a body, for our work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

### **Basis of opinion**

We conducted our work in accordance with special bulletin 2008/4 (*The special auditor's report on abbreviated accounts in the United Kingdom*) issued by the Financial Reporting Council. In accordance with that bulletin we have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered have been properly prepared.

### **Opinion on financial statements**

In our opinion the directors are entitled under section 444(3) of the Companies Act 2006, to annex to the annual return of the company abbreviated financial statements and those abbreviated financial statements have been properly prepared in accordance with the regulations made under that section.

### **Other Information**

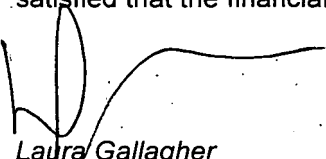
On 4 August 2016 we reported as auditors to the members of the company on the financial statements prepared under section 396 of the Companies Act 2006 and our report included the following paragraph.



**Independent auditor's report to the members of Willsgrove Developments Limited  
under pursuant to Section 449 of the Companies Act 2006 (continued)**

**Emphasis of matter – going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures set out in the notes of the financial statements in relation to the preparation of the financial statements on a going concern basis. The Company has outstanding bank loans which are repayable on demand. The directors are in ongoing discussions with NAMA. While progress has been made during the period, the outcome of these discussions represents a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The directors are confident that discussions with NAMA will be satisfactorily concluded. On this basis the directors are satisfied that the financial statements should be prepared on the going concern basis.



*Laura Gallagher*  
**For and on behalf of**  
**KPMG**

**Chartered Accountants, Statutory Audit Firm**  
1 Stokes Place  
St. Stephen's Green  
Dublin 2

19 September 2016

## Willsgrove Developments Limited

(formerly Bovale Limited)

### Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with *FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must 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 year.

In preparing those 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures 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 adequate accounting records that are sufficient to show and explain the company's transaction and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure the financial statements are 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.

On behalf of the board



M. Bailey  
Director



A. Gleeson  
Director



# Willsgrove Developments Limited

(formerly Bovale Limited)


## Abbreviated balance sheet

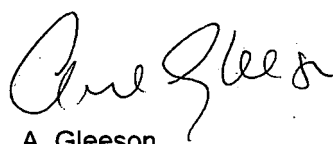
as at 31 December 2015

|   | Note | 31 December<br>2015<br>£ | 31 December<br>2014<br>£ | 1 October<br>2013<br>£ |
|---|------|--------------------------|--------------------------|------------------------|
| <b>Fixed assets</b>                                   |      |                          |                          |                        |
| Tangible assets                                       | 2    | 2,822                    | 3,749                    | 2,494                  |
| Investment property                                   | 3    | 2,135,000                | 2,135,000                | 5,053,912              |
| Unlisted investments                                  | 4    | 117,209                  | 117,209                  | 117,209                |
| Financial assets                                      | 5    | 7                        | 7                        | 7                      |
|   |      | <u>2,255,038</u>         | <u>2,255,965</u>         | <u>5,173,622</u>       |
| <b>Current assets</b>                                 |      |                          |                          |                        |
| Stocks  | 6    | 28,230,947               | 27,484,000               | 31,785,072             |
| Other debtors   | 10   | 133,618                  | 228,430                  | 33,634                 |
| Debtors   | 7    | 63,970                   | 104,033                  | 165,502                |
| Cash in hand and at bank                              |      | 609,145                  | 652,924                  | 599,846                |
|   |      | <u>29,037,680</u>        | <u>28,469,387</u>        | <u>32,584,054</u>      |
| <b>Creditors: amounts falling due within one year</b> | 8    | <b>(95,458,916)</b>      | <b>(92,203,016)</b>      | <b>(93,968,263)</b>    |
|   |      | <u>(66,421,236)</u>      | <u>(63,733,629)</u>      | <u>(61,384,209)</u>    |
| <b>Net current liabilities</b>                        |      | <b>(66,421,236)</b>      | <b>(63,733,629)</b>      | <b>(61,384,209)</b>    |
|   |      | <u>(64,166,198)</u>      | <u>(61,477,664)</u>      | <u>(56,210,587)</u>    |
| <b>Net liabilities</b>                                |      | <b>(64,166,198)</b>      | <b>(61,477,664)</b>      | <b>(56,210,587)</b>    |
|   |      | <u>(64,166,198)</u>      | <u>(61,477,664)</u>      | <u>(56,210,587)</u>    |
| <b>Capital and reserves</b>                           |      |                          |                          |                        |
| Called up share capital                               | 9    | 3                        | 3                        | 3                      |
| Profit and loss account                               |      | (64,166,201)             | (61,477,667)             | (56,210,590)           |
|   |      | <u>(64,166,198)</u>      | <u>(61,477,664)</u>      | <u>(56,210,587)</u>    |
| <b>Shareholders' deficit</b>                          |      | <b>(64,166,198)</b>      | <b>(61,477,664)</b>      | <b>(56,210,587)</b>    |
|   |      | <u>(64,166,198)</u>      | <u>(61,477,664)</u>      | <u>(56,210,587)</u>    |

The balance sheet has been prepared in accordance with the provisions applicable to companies subject to the small company regime. The directors confirm that the Company is eligible to file abbreviated financial statements in accordance with Section 444 of the Companies Act 2006.

On behalf of the board

  
M. Bailey  
Director

  
A. Gleeson  
Director



# Willsgrove Developments Limited

(formerly Bovale Limited)

## Notes

*forming part of the financial statements*

### 1 Accounting policies

Willsgrove Developments Limited ("the Company") is a company limited by shares and incorporated and domiciled in the United Kingdom. These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102") as issued in August 2014. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the Company has made some measurement and recognition adjustments. An explanation of how the transition to FRS 102 has affected financial position and financial performance of the Company is provided in note 11.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. The Company meets the definition of a small company and is exempt from the requirements under FRS 102 to prepare a statement of cash flows. The key judgement in these accounts relates to the use of the going concern assumption.

#### ***Going concern***

The Company's loan facilities with National Asset Management Agency ("NAMA") have expired and have not been formally renewed. Notwithstanding this fact NAMA has continued to provide financial support to the Company but there is a material uncertainty about whether the loans will be formally renewed. The Company had net current liabilities and net liabilities at 31 December 2015. The ability of the Company to continue as a going concern is dependent on the continued support of its lenders, the National Asset Management Agency ("NAMA"). The Company has been in ongoing discussions with NAMA. The directors are confident that these discussions will be satisfactorily concluded.

While progress has been made during the year, these conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern and therefore, to continue realising its assets and discharging its liabilities in the normal course of business. On the basis of the information outlined in the preceding paragraphs, the directors have prepared the financial statements on a going concern basis. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

#### ***Basic financial instruments***

##### ***Trade and other debtors / creditors***

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

##### ***Interest-bearing borrowings classified as basic financial instruments***

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

##### ***Cash and cash equivalents***

Cash and cash equivalents comprise cash balances and call deposits.



# Willsgrove Developments Limited

(formerly Bovale Limited)

## Notes (continued)

### 1 Accounting policies (continued)

#### **Investment property**

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition

- i. investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and
- ii. no depreciation is provided in respect of investment properties applying the fair value model.

This treatment, as regards the Company's investment properties, may be a departure from the requirements of the Companies Acts concerning depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Any gain or loss arising from a change in fair value is recognised in profit or loss. Rental income from investment property is accounted for as described in the Turnover accounting policy.

Investment properties are valued on an annual basis by a third party or by the directors.

#### **Interest receivable and interest payable**

Interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest rate method.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to sell and complete. Stocks comprise of lands held for development.

# Willsgrove Developments Limited

(formerly Bovale Limited)

## Notes (continued)

|                                |                                  |
|--------------------------------|----------------------------------|
| <b>2 Tangible fixed assets</b> | <b>Plant and equipment<br/>£</b> |
| <b>Cost</b>                    |                                  |
| At 31 December 2014            | 41,667                           |
| Additions                      | 320                              |
|                                | <hr/>                            |
| <b>At 31 December 2015</b>     | <b>41,987</b>                    |
| <b>Depreciation</b>            |                                  |
| At 31 December 2014            | 37,918                           |
| Charge for the period          | 1,247                            |
|                                | <hr/>                            |
| <b>At 31 December 2015</b>     | <b>39,165</b>                    |
| <b>Net book value</b>          |                                  |
| At 31 December 2015            | 2,822                            |
|                                | <hr/>                            |
| At 31 December 2014            | 3,749                            |
|                                | <hr/>                            |
| <b>3 Investment property</b>   | <b>2015<br/>£</b>                |
| Balance at start of year       | 2,135,000                        |
| Revaluation during year        | -                                |
|                                | <hr/>                            |
| Balance at end of year         | 2,135,000                        |
|                                | <hr/>                            |

Investment property was valued on open market value basis in October 2014 by the property advisors, GVA. The directors conducted an internal valuation on the investment property as at 31 December 2015 and are satisfied that the value as at October 2014 still approximates fair value. The valuation, which is supported by market evidence, are prepared by considering the aggregate of the annual rents receivable from the properties and the potential for the redevelopment of the site. The key assumption in the valuation the land value per acre (£350,000).

# Willsgrove Developments Limited

(formerly Bovale Limited)

## Notes (continued)

### 4 Fixed asset investments

|  | 2015<br>£ | 2014<br>£ |
|--|-----------|-----------|
|--|-----------|-----------|

|  |         |         |
|--|---------|---------|
| Unlisted investments – Intercard Limited | 117,209 | 117,209 |
|--|---------|---------|

Intercard Limited is a private limited company with its registered office address at 2 Maylands Wood, Hall Road, Hemel Hempstead, Hertfordshire, HP2 7BH. The initial cost of this investment was £200,000. The Company holds 11% of the ordinary share capital of the entity (2014: 11%). As at 31 December 2015 Intercard Limited had net assets of £971,805. The directors are satisfied that the investment is not impaired as at 31 December 2015.

### 5 Financial assets

|  | 2015<br>£ | 2014<br>£ |
|--|-----------|-----------|
|--|-----------|-----------|

|                             |   |   |
|-----------------------------|---|---|
| Investments in subsidiaries | 7 | 7 |
|-----------------------------|---|---|

Investments held in the ordinary share capital of unlisted companies at the balance sheet date are as follows:

| Company name                                    | Percentage Shareholding | Description |
|---|-------------------------|-------------|
| The Mount (Chepstow) Management Company Limited | 100                     | Dormant     |
| Tea Hall Mills Freehold Limited                 | 100                     | Dormant     |
| Tea Mills Management Company Limited            | 100                     | Dormant     |
| TMMC Limited                                    | 100                     | Dormant     |

### 6 Stocks

|  | 2015<br>£ | 2014<br>£ |
|--|-----------|-----------|
|--|-----------|-----------|

|                  |            |            |
|------------------|------------|------------|
| Work in progress | 28,230,947 | 27,484,000 |
|------------------|------------|------------|

### 7 Debtors: amounts due within one year

|  | 2015<br>£ | 2014<br>£ |
|--|-----------|-----------|
|--|-----------|-----------|

|                                |        |        |
|--------------------------------|--------|--------|
| Trade debtors                  | 25,071 | 54,057 |
| Other                          | 37,183 | 49,976 |
| Amounts due from related party | 1,716  | -      |

|  |        |         |
|--|--------|---------|
|  | 63,970 | 104,033 |
|--|--------|---------|

# Willsgrove Developments Limited

(formerly Bovale Limited)

## Notes (continued)

| <b>8 Creditors: amounts falling due within one year</b> | <b>2015</b>       | <b>2014</b> |
|---|-------------------|-------------|
|   | <b>£</b>          | <b>£</b>    |
| Bank loans  | <b>94,374,847</b> | 90,959,868  |
| Trade creditors   | <b>68,025</b>     | 187,501     |
| Amounts owed to group undertakings                      | <b>363,621</b>    | 363,621     |
| Other taxation and social security                      | -                 | 1,095       |
| Other creditors   | <b>401,299</b>    | 439,807     |
| Loans to directors                                      | <b>251,124</b>    | 251,124     |
|   | <b>95,458,916</b> | 92,203,016  |

The loans from NAMA are secured by unlimited personal guarantees from one of the Company's directors, M.F Bailey and by fixed legal charges over the assets acquired with the funds advanced and a floating charge over all the Company's assets. The loans attract an interest rate of approximately 3% and are repayable on demand

| <b>9 Share capital</b>                    | <b>2015</b> | <b>2014</b> |
|---|-------------|-------------|
|   | <b>£</b>    | <b>£</b>    |
| <i>Allotted, called up and fully paid</i> |             |             |
| 2 Ordinary A shares of £1 each            | <b>2</b>    | 2           |
| 1 Ordinary B share of £1                  | <b>1</b>    | 1           |
|   | <b>3</b>    | 3           |

| <b>10 Other debtors</b> | <b>2015</b>    | <b>2014</b> |
|-------------------------|----------------|-------------|
|                         | <b>£</b>       | <b>£</b>    |
| Other debtors           | <b>133,618</b> | 228,430     |

Other debtors of £133,618 (2014: £228,430) consists of monies held on deposit by a solicitor on behalf of the Company.



# Willsgrove Developments Limited

(formerly Bovale Limited)

## Notes (continued)

### 11 Explanation of transition to FRS 102 from old UK GAAP

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 102. The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 December 2015 and the comparative information presented in these financial statements for the period ended 31 December 2014. In preparing its FRS 102 balance sheet, the Company has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP). An explanation of how the transition from UK GAAP to FRS 102 has affected the Company's financial position and financial performance is set out in the following table.

|   | Profit for the<br>period ended<br>31 December<br>2014<br>£000 | Equity as at<br>31 December<br>2014<br>£000 | Equity as at<br>transition<br>date<br>£000 |
|---|---|---|--|
| <b>Amount under old GAAP</b>                  | (5,539,078)   | (61,477,664)                                | (56,210,587)                               |
| Fair value movement on investment<br>property | 272,000   | -   | -  |
| <b>Amount under FRS 102</b>                   | <b>(5,267,078)</b>  | <b>(61,477,664)</b>                         | <b>(56,210,587)</b>                        |

Under FRS 102 Changes in the fair value of an investment property are taken to the Statement of Comprehensive Income. Under UK GAAP this gain was previously recognised in the Statement of total recognised gains and losses. Under FRS 102 it is recognised in the statements of total comprehensive income. No deferred tax liability has been recognised in relation to this fair value gain as the asset is currently valued at significantly less than its cost and no capital gain would arise based on its current valuation.

### 12 Interests of directors and secretary

The directors who served during the period and their interests in the company are as stated below:

|                   | 'A' Ordinary shares<br>31 December 2015 | 'A' Ordinary shares<br>31 December 2014 |
|-------------------|---|---|
| Michael F. Bailey | 2                                       | 1                                       |
| Thomas Bailey     | -                                       | 1                                       |
| Anne Gleeson      | -                                       | -                                       |

On 10 July 2015, Thomas Bailey transferred his shareholding to Michael F. Bailey.

## Willsgrove Developments Limited

(formerly Bovale Limited)

### Notes (continued)

#### 13 Related party transactions

By virtue of 1 Ordinary B Share issued to it on 25 January 2012, Bovale Developments (an unlimited company registered in the Republic of Ireland) has the sole power to appoint and remove the directors of Willsgrove Developments Limited.

Willsgrove Developments Limited owed £266,961 (2014: £266,961) and £96,660 (£96,660) to Bovale Developments and CT Partnership respectively at 31 December 2015, included within amounts owed to related parties.

Willsgrove Developments Limited is party to a joint venture known as Castle Farm Telford LLP ('CFT LLP') and is owed £1,716 by CFT LLP.

M F Bailey who is a director of the Company, is owed £251,124 by the Company at 31 December 2015 (2014: £251,124).

#### 14 Controlling party

The Company's parent is Bovale Developments. Bovale Developments is ultimately controlled by M F Bailey who is a resident of the Republic of Ireland. The Company meets the definition of a small Group to avail of the exemption from not preparing consolidated financial statements and the results of the Company are included in the financial statements of the Bovale Developments consolidated financial statements.

#### 15 Contingent liabilities

The Company, during the ordinary course of business, is party to ongoing litigation. The directors are satisfied that no material costs are likely to arise in relation to such litigation.

#### 16 Post balance sheet events

There have been no events since the balance sheet date that would require disclosure or adjustment to the financial statements.

#### 17 Approval of abbreviated financial statements

The abbreviated financial statements were approved by the board of directors on [ ] 2016.

2<sup>nd</sup> August