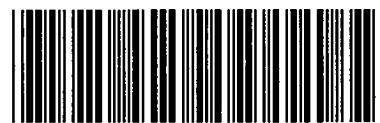


**Aster Homes Limited
Financial Statements
For the Year Ended 31 March 2014**

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COMPANIES HOUSE

Legal and Administrative Details

For the year ended 31 March 2014

Registered Office:	Sarsen Court, Horton Avenue, Cannings Hill, Devizes, Wiltshire, SN10 2AZ													
Legal Status:	<p>The company was incorporated under the Companies Act 1985 (now amended to the Companies Act 2006) as a limited company on 12 November 2007. The company, previously called Stillness Limited, changed its name to Mossfern Limited on 8 February 2008 and ceased to be a dormant company from 1 March 2011. On 27 July 2011 the company changed its name to Aster Homes Limited.</p> <p>Company registration number 6424046</p> <p>Aster Homes Limited ('the company' is a subsidiary of Aster Group Limited ('the group'))</p>													
Members of the board:	<p>The directors of the company who were in office during the year and up to the date of signing the financial statements were:</p> <p>Non-executive directors</p> <table><tr><td>Stephen Trusler</td><td>Chairman</td></tr><tr><td>Malcolm Curtis</td><td>Vice-Chairman</td></tr><tr><td>Sue Coulson</td><td>Retired 30 September 2013</td></tr><tr><td>Mark Jones</td><td></td></tr></table> <p>Executive directors</p> <p>Amanda Williams Martyn Blackman John Brace</p>		Stephen Trusler	Chairman	Malcolm Curtis	Vice-Chairman	Sue Coulson	Retired 30 September 2013	Mark Jones					
Stephen Trusler	Chairman													
Malcolm Curtis	Vice-Chairman													
Sue Coulson	Retired 30 September 2013													
Mark Jones														
Leadership Team:	<table><tr><td>Amanda Williams</td><td>Group Development Director</td></tr><tr><td>David Luke</td><td>Regional Development Director, Devon & Cornwall</td></tr><tr><td>Fiona Astin</td><td>Regional Development Director, Dorset & Somerset</td></tr><tr><td>Anna Kear</td><td>Regional Development Director, Wiltshire & Hampshire</td></tr><tr><td>Martyn Blackman</td><td>Development Programme Director</td></tr><tr><td>Clare Crawford</td><td>Commercial Director</td></tr></table> <p>Carolyn Filmore</p>		Amanda Williams	Group Development Director	David Luke	Regional Development Director, Devon & Cornwall	Fiona Astin	Regional Development Director, Dorset & Somerset	Anna Kear	Regional Development Director, Wiltshire & Hampshire	Martyn Blackman	Development Programme Director	Clare Crawford	Commercial Director
Amanda Williams	Group Development Director													
David Luke	Regional Development Director, Devon & Cornwall													
Fiona Astin	Regional Development Director, Dorset & Somerset													
Anna Kear	Regional Development Director, Wiltshire & Hampshire													
Martyn Blackman	Development Programme Director													
Clare Crawford	Commercial Director													
Company Secretary:	Carolyn Filmore													
Independent Auditors:	<p>PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 31 Great George Street Bristol BS1 5QD</p>													
Principal Bankers:	<p>Barclays Bank PLC Business Banking 3rd Floor Windsor Court 3 Windsor Place Cardiff CF10 3ZL</p>													
Principal Solicitors:	<p>Trowers and Hamlin's Sceptre Court 40 Tower Hill London EC3N 4DX</p>													
Corporate and Financial Advisors:	<p>TradeRisks Ltd 3 Devonshire Square London EC2M 4YA</p>													

Report of the directors

The directors submit their Report and Financial Statements for the year ended 31 March 2014.

Directors

The directors are listed on page 1. None of the directors held, at any time during the year, any beneficial interest in the shares of the company.

Future developments

There are no significant events that have affected the company since the year end.

Whilst the company does not undertake any specific research and development activities, the directors maintain a knowledge and interest in developments in the building industry, particularly with respect to energy efficiency and seek to make use of these developments wherever possible.

The directors do not anticipate any significant changes in the company's activities in the foreseeable future.

Aster Homes Limited continues to deliver in excess of 600 homes per annum on behalf of the Aster Group, the profits of which will be reinvested in the Aster Group.

Employee involvement

Aster Homes Limited is part of the Aster Group. Aster Group operates a framework for employee information and consultation which complies fully with the requirements of the Information and Consultation of Employees Regulations 2004. Each of the companies in the group has an inclusive Employee Consultative Forum, led by a member of the Group Leadership Team. During the year, the practice of providing employees with information about each of the individual companies, the group, and the wider operating environment, has continued through the intranet, through corporate employee newsletters and company-specific newsletters and colleague briefings.

Employees are encouraged to present their work-specific suggestions through a forum called 'Advise Aster', and are consulted regularly about strategies and policies. There are regular company briefings and team meetings held between local management and employees to allow a free flow of information and ideas. The group also has various notice boards and an online HR system which keeps employees informed of job opportunities and secondments. Group companies take part in the annual 'Best Companies to Work For' survey. This allows employees to comment, anonymously, on their experience as an Aster employee. The results are benchmarked against similar-sized organisations, to provide a guide about how the company may improve as an employer.

Disabled employees

Aster Homes Limited, as part of the Aster Group, responds positively to employment applications from people with disabilities where they meet the essential requirements for a vacancy. The group companies are accredited as "Positive About Disabled People" employers. This means the company will guarantee an interview for an applicant with a disability who has the necessary knowledge, skills and experience to undertake the job. Appointments will be made on merit. Full and equal opportunities are available to employees with disabilities for training, career development and promotion. If an existing employee acquires a disability, through accident or illness, the group will provide continuing employment wherever practicable in the same, or a suitable alternative position. Appropriate training and support will be provided to achieve this aim.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future given the support available from the Aster Group companies. For this reason, it continues to adopt the going concern basis in the financial statements.

Aster Homes Limited
Financial Statements for the year ended 31 March 2014

Report of the Directors (continued)

Code of governance

As part of the Aster Group, Aster Homes Limited has adopted the National Housing Federation's Code of Governance as its Governance Code and the National Housing Federation's Code of Conduct 2012 as its probity code. It is not compliant with one area of the Code of Governance. The Code states that "non-executive board members must be in the majority at board meetings" and that "...board members who are executive staff must normally be in a clear minority". At 31 March 2014, the Aster Homes Board, which is a commercial company, had six board directors and there was an equal number of non-executive and executive board directors. This followed the resignation of a non-executive and a decision was taken to postpone recruitment of replacements pending the outcome of Aster Group's Governance Review.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 prepared 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Results and dividends

The profit for the financial year amounted to £nil (2013: £34,000).

The directors do not recommend payment of a dividend in respect of the year ending 31 March 2014.

Attendance at board meetings

Set out below is a table of attendance at board meetings:

Aster Homes	Total	Possible	%
Non-executive directors			
Stephen Trusler	6	6	100%
Sue Coulson (retired 30 September 2014)	3	3	100%
Mark Jones	6	6	100%
Malcolm Curtis	6	6	100%
Executive directors			
John Brace	4	6	67%
Amanda Williams	6	6	100%
Martyn Blackman	6	6	100%

Aster Homes Limited
Financial Statements for the year ended 31 March 2014

Report of the Directors (continued)

Disclosure of information to auditors

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

- So far as each director is aware, there is no relevant audit information of which the group's auditors are not aware; and
- Each director has taken all the steps that they ought to have taken in their duty as a director in order to make themselves aware of any relevant audit information and to establish that the group's auditors are aware of that information.

This information is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

The Report of the Directors was approved by the board and signed by its order by:



Carolyn Filmore

Company Secretary

Date: 8 August 2014

Strategic Report

Review of the company's business

Aster Homes Limited is a commercial development company which aims to create excellent new homes for sale, and develop affordable homes for Aster Group companies and other housing associations. It plans to develop over 800 new affordable homes in the financial year 2015 (2014: 485).

Turnover generated by Aster Homes Limited in the year was £37,492,000 (2013: £16,691,000) of which £36,970,000 (2013: £15,022,000) came from Design & Build services provided to Aster Communities and Synergy Housing Limited. The increase in turnover reflects the increase in the volume of development activity which Aster Homes now undertakes on behalf of the group. There were no commercial sales of units at the scheme operated as a joint venture with Galliford Try in the year. However, income of £342,000 (2013: £nil) was generated by stage payments on the social housing element of the scheme and three sales were completed just after the year end. Other income of £180,000, (2013: £187,000) came from sales fees levied on Aster Communities and Synergy Housing Limited for first tranche shared ownership sales, sales fees levied on Zebra Property Solutions Limited, a fellow group company, for commercial sales, development agency fees and recovery of costs on aborted schemes.

During the year Aster Homes Limited formed a jointly owned Limited Liability Partnership (White Rock Land LLP) with Galliford Try Homes Limited to develop three sites in Devon. The company's investment in the LLP at year end was a £1 share and a loan of £10,441,000, including accrued interest, to fund the activities of the LLP. Commercial unit sales and stage payments on social housing are due to commence in the financial year 2015.

Operational performance

	2013/14 Target	2013/14 Actual	2012/13 Actual
Aster Homes Limited			
Commercial homes sales completed	10	-	9

Treasury policy

The group operates a centralised Treasury Management function whose primary purpose is to manage liquidity, funding, investment and the group's financial risk, including risk from volatility in interest rates and liquidity. It is the group's policy to have the Group Treasury Policy reviewed and approved by the Group Treasury Committee and the Group Board.

The group's exposure to interest rate fluctuations on its borrowings is managed by using fixed rate loans and interest rate swaps. It was our policy at the year end to manage interest rate risk by having at least 50% of debt subject to fixed rates for the medium to long term. As at 31 March 2014, 88% of debt was fixed (2013: 80%) for a weighted average maturity of 17.0 years (2013: 13.7 years). The increase follows the £200m fixed rate bond issue in December 2013.

The group finances its operations by a mixture of retained surpluses, borrowing from the capital markets and bank loans.

Principal risks and uncertainties

The company's principal risk is the failure to achieve budgeted margin on open market contracted schemes. The principal uncertainties are development costs and sales revenue which are monitored at regular site meetings and reported to the board quarterly.

Aster Homes Limited, as part of the Aster Group, maintains a risk register which is reviewed quarterly by the Group Leadership Team and twice yearly by the boards. A summary of the group's top five risks can be found in the consolidated financial statements of Aster Group.

The Strategic Report was approved by the board and signed on its behalf by:



Carolyn Filmore
Company Secretary

Date: 8 August 2014

Independent auditors' report to the members of Aster Homes Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its results and cash flows 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Aster Homes Limited, comprise:

- Balance Sheet as at 31 March 2014;
- Profit and Loss Account for the year then ended;
- Cash Flow Statement for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 Financial Statements (the "Annual 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.

Independent auditors' report to the members of Aster Homes Limited (continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Heather Ancient

Heather Ancient (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol

8 September 2014.

Profit and Loss Account
For the year ended 31 March 2014

		2014	2013
	Note	£'000	£'000
Turnover	2	37,492	16,691
Cost of sales	2	(35,168)	(15,285)
Gross profit		2,324	1,406
Administrative expenses		(2,158)	(1,120)
Operating profit	3	166	286
Interest receivable and similar income		154	-
Interest payable and similar charges		(171)	(6)
Profit on ordinary activities before taxation		149	280
Gift aid	20	(141)	(235)
Tax on profit on ordinary activities	6	(8)	(11)
Profit for the financial year	13	-	34

All amounts relate to continuing activities.

The notes on pages 12 to 19 form an integral part of these financial statements.

Company number: 6424046

There is no material difference in the profit as shown above and the historical cost equivalent.

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses for both current and prior years have been presented.

Balance Sheet as at 31 March 2014

		2014	2013
	Note	£'000	£'000
Debtors: amounts falling due after more than one year			
Intercompany loan to Whiterock LLP	7	10,454	-
Current assets			
Stocks	8	1,970	985
Debtors: amounts falling due within one year	9	4,926	2,435
Cash at bank and in hand		842	719
		<u>7,738</u>	<u>4,139</u>
Creditors: amounts falling due within one year	10	(5,422)	(2,674)
Total assets less current liabilities		12,770	1,465
Creditors: amounts falling due after more than one year			
	11	(12,770)	(1,465)
Net assets		<u>-</u>	<u>-</u>
Capital and reserves			
Called up share capital	12	-	-
Profit and loss account	13	-	-
Total shareholders' funds		<u>-</u>	<u>-</u>

The notes on pages 12 to 19 form an integral part of these financial statements.

The financial statements on pages 9 to 19 were approved by the board of directors and signed on its behalf by:

Vice Chairman:



Malcolm Curtis

Date: 8 August 2014

Company number: 6424046

The financial statements are prepared in accordance with the provisions applicable to entities subject to the small companies' regime.

Cash Flow Statement

For the year ended 31 March 2014

		2014	2013
	Note	£'000	£'000
Net cash (outflow)/inflow from operating activities	15	(11,182)	307
Financing	16	11,305	181
Increase in net cash		123	488

The notes on pages 12 to 19 form an integral part of these financial statements.

Notes to the Financial Statements

1. Principal Accounting Policies

1.1. Basis of accounting

The company is incorporated under the Companies Act 1985 (now amended to the Companies Act 2006) as a limited company. The financial statements have been prepared in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom. The financial statements are prepared on the going concern basis, under the historical cost convention. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

1.2. Turnover

Turnover represents proceeds for sales of housing properties developed for sale, amounts received or receivable for services carried out during the year and other income. Income from sales of properties built for sale is recognised at the legal completion of sale. Other income is recognised when, as a result of performing a service or otherwise meeting the requirements of any arrangement with a third party, the income falls due.

1.3. Development costs

Administration costs relating to development activities are included in stock value to the extent that they are part of the development process and directly attributable to bringing the properties into their intended use.

1.4. Capitalisation of interest costs

Interest costs relating to the construction of properties are added to stock value to the extent that they are incremental to the process and directly attributable to bringing the assets into their intended use.

1.5. Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation.

1.6. Provisions

Provisions are recognised where the group has an obligation as a result of a past event at the balance sheet date to incur future expenditure. The amount of provision is re-assessed each year in the light of estimated future income and costs as appropriate.

1.7. Accrued income

When, as a result of performing a service or otherwise meeting the requirements of any arrangement with a third party, income falls due but has not been invoiced in the year, an accrual is made for this income.

1.8. Deferred income

Where money has been received for goods or services not yet delivered, the amount is recorded as a liability on the balance sheet and classified as deferred income. Deferred income is recognised once the delivery has been made.

1.9. Management expenses

Direct employee, administration and operating costs have been apportioned to the relevant section of the income and expenditure account on the basis of the costs of the staff and to the extent that they are engaged in each of the operations dealt with in the financial statements.

Notes to the Financial Statements (continued)

1.Principal accounting policies (continued)

1.10. Interest payable

Interest on borrowings to finance property developments is charged to the cost of developments, to the extent that it accrues in respect of the period of development if it represents either:

- 1 interest on borrowings specifically financing the development programme after deduction of interest on social housing grant (SHG) in advance; or
- 2 interest on borrowings of the group as a whole after deduction of interest on SHG in advance to the extent that they can be deemed to be financing the development programme.

Other interest payable is charged to the income and expenditure account in the year.

1.11. Taxation

The company is liable to taxation on its profit and loss on ordinary activities. Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

1.12. Deferred taxation

Deferred taxation is provided using the full provision basis, in accordance with FRS 19 – 'Deferred Tax'. It is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

1.13. Value Added Tax (VAT)

The company is registered for VAT. None of its income is exempt for VAT purposes; therefore expenditure is shown exclusive of recoverable VAT. VAT payable or recoverable at the year-end is included as a current liability or asset.

Aster Homes Limited
Financial Statements for the year ended 31 March 2014

Notes to the Financial Statements (continued)

2. Turnover

	Turnover	2014 Cost of Sales	Gross Profit
	£'000	£'000	£'000
Income from joint arrangement	342	(300)	42
Design & build fees	36,970	(34,849)	2,121
Other income	180	(19)	161
Total	37,492	(35,168)	2,324

	Turnover	2013 Cost of Sales	Gross Profit
	£'000	£'000	£'000
Open market property sales	1,482	(1,289)	193
Design & build fees	15,022	(13,986)	1,036
Other income	187	(10)	177
Total	16,691	(15,285)	1,406

All Design & Build Fees in both years were as a result of trading with Aster Communities and Synergy Housing Limited.

3. Profit on ordinary activities for the year before taxation

	2014 £'000	2013 £'000
Profit on ordinary activities is stated after charging:		
Auditors' remuneration:		
In their capacity as auditors		
Financial statements audit	4	4
As tax advisors	2	2

Aster Homes Limited
Financial Statements for the year ended 31 March 2014

Notes to the Financial Statements (continued)

4. Directors' emoluments

No remuneration was paid to any members of the executive board. Of the company's executive directors during the year, Amanda Williams was paid by Synergy Housing Limited. John Brace and Martyn Blackman were paid by Aster Group Limited. None of these executive directors have been paid additional fees for their directorship of Aster Homes Limited and consequently none of their costs have been recharged to the company.

Non-executive directors

	2014	
	Aster Homes Limited Board	Other group boards and committees
	£	£
Mr Stephen Trusler	9,180	-
Mrs Sue Coulson	2,380	-
Mr Mark Jones	4,080	-
Mr Malcolm Curtis	3,528	3,527
Total	19,168	3,527

Expenses of £nil (2013: £2,360) were reimbursed during the year. No pension contributions were paid by Aster Homes Limited (2013: £nil), either for the directors paid by this company, or for those paid by other group companies.

	2013	
	Aster Homes Limited Board	Other group boards and committees
	£	£
Mr Stephen Trusler	7,757	-
Mrs Sue Coulson	3,487	-
Mr Mark Jones	3,487	-
Mrs Mary Miller	2,565	-
Mr Malcolm Curtis	1,546	5,466
Total	18,842	5,466

5. Employee Information

The company had no employees in the year (2013: none). Anyone working on Aster Homes Limited business was employed by Aster Group Limited and their costs were recharged to the company for this period. At 31 March 2014 operating costs included £1,821,309 (2013: £838,666) and assets held as stock included £6,423 (2013: £ nil) of costs recharged.

Aster Homes Limited
Financial Statements for the year ended 31 March 2014

Notes to the Financial Statements (continued)

6. Tax on profit on ordinary activities

	2014	2013
	£'000	£'000

(a) Analysis of the charge in the year

The tax charge on the profit on ordinary activities was as follows:

Current tax

UK corporation tax charge for the year	8	11
Tax on profit on ordinary activities	8	11

The tax assessed for the year differs from the standard rate of corporation tax in the UK as explained below:

(b) Factors affecting tax charge for the year

Profit on ordinary activities before taxation	8	45
Profit on ordinary activities at 23% (2013: 24%)	2	11
Effects of:		
Marginal relief	(1)	(1)
Items not allowable for tax purposes	7	1
Current tax year charge	8	11

A number of changes to the UK corporation tax system were announced in the March 2013 UK budget Statement. These were substantively enacted as part of the Finance Bill 2013 on 2 July 2013. These reduce the main rate of corporation tax to 21% from 1 April 2014 and to 20% from 1 April 2015.

These changes had been substantively enacted at the balance sheet date and, therefore, are included in these financial statements. Accordingly, the closing deferred tax asset in these financial statements has been recognised at 20%.

Aster Homes Limited
Financial Statements for the year ended 31 March 2014

Notes to the Financial Statements (continued)

7. Debtors: amounts falling due after more than one year

	2014	2013
	£'000	£'000
Loans to related party		
Loan principal	10,301	-
Accrued interest	153	-
	10,454	-

The loans to the related party are to the White Rock Land LLP ("LLP"), a joint venture with Galliford Try Homes Limited, in which the company has a 50% share. There are a total of three loans which fund each of the three schemes being developed by the LLP. The loans bear interest of between 3.5% and 4% above base rate and the repayment dates are between 31 March 2020 and 31 December 2021.

8. Stocks

	2014	2013
	£'000	£'000
Completed units for open market sales	366	-
Costs associated with the construction of properties	1,604	985
	1,970	985

9. Debtors: amounts falling due within one year

	2014	2013
	£'000	£'000
Trade debtors	-	9
Amounts owed by group undertakings:		
Aster Property Limited	91	-
Aster Communities	2,666	2,376
Synergy Housing Limited	1,885	47
Zebra Property Solutions Limited	7	-
VAT recoverable	30	-
Prepayments and accrued income	247	3
	4,926	2,435

10. Creditors: amounts falling due within one year

	2014	2013
	£'000	£'000
Trade creditors	457	303
Amounts owed by group undertakings:		
Aster Group Limited	165	61
Aster Property Limited	-	27
Corporation Tax	8	11
VAT payable	-	7
Accruals and deferred income	4,792	2,265
	5,422	2,674

Aster Homes Limited
Financial Statements for the year ended 31 March 2014

Notes to the Financial Statements (continued)

11. Creditors: amounts falling due after more than one year

	2014	2013
	£'000	£'000
Loan from Aster Communities	12,770	1,465

The loan is secured by a floating charge over the assets of Aster Homes Limited. The loan was due for repayment on 20 March 2013, however, on that date it was extended for a further seven years. The loan bears interest at 3.5% over LIBOR.

12. Called up share capital

	2014	2013
	£	£
Allotted, called up and fully paid	100	100
Ordinary shares of £1 each		

13. Profit and loss account

	2014	2013
	£'000	£'000
At 1 April	-	(34)
Profit for the financial year	-	34
At 31 March	-	-

14. Reconciliation of movements in shareholders' funds

	2014	2013
	£'000	£'000
Profit for the financial year	-	34
Opening shareholders' funds	-	(34)
Closing shareholders' funds	-	-

15. Reconciliation of operating profit to net cash (out)/inflow from operating activities

	2014	2013
	£'000	£'000
Operating profit	166	286
(Increase)/decrease in stock and work in progress	(985)	127
Increase in debtors	(12,791)	(2,232)
Increase in creditors	2,428	2,126
Net cash (outflow)/inflow from operating activities	(11,182)	307

16. Analysis of changes in net debt

	At 1 April 2013	Cash flows	At 31 March 2014
	£'000	£'000	£'000
Cash in hand and at bank	719	123	842
Loans	(1,465)	(11,305)	(12,770)
	(746)	(11,182)	(11,928)

Aster Homes Limited
Financial Statements for the year ended 31 March 2014

Notes to the Financial Statements (continued)

17. Capital commitments

	2014	2013
	£'000	£'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	<u>2,127</u>	<u>3,510</u>

18. Contingent liabilities

As noted at the time of entering into contracts, the vendors of the two large sites with deferred payment terms required a parent company guarantee that Galliford Try Homes Limited have provided. Aster Homes Limited agreed through the deed of contribution entered into at site acquisition to honour their 50%. This contingent liability currently equates to £8.6m for Aster Homes Limited.

19. Related party transactions

The company receives management and other services from its holding company, Aster Group Limited. The company has taken advantage of the exemptions allowed under FRS 8 - 'Related Party Disclosures' not to disclose related party transactions within the group.

In September 2013 the company set up a limited liability partnership, White Rock Land LLP, with Galliford Try Homes Limited to develop and sell properties for social and private housing. For the period to 31 March 2014 White Rock Land LLP made a loss of £438,000 and made no distribution to its shareholders.

During the year, loans were made to the LLP to fund each of the developments it was engaged in. The details of the loans at the year end are as follows:

Scheme	Loan Value £'000	Interest rate %	Latest repayment date
White Rock	3,241	4.0	31 March 2020
Tithebarn	5,985	4.5	31 December 2021
Okehampton	1,228	4.5	31 December 2021
	<u>10,454</u>		

20. Gift Aid

A Gift Aid payment of £141,000 (2013: £235,000) was declared payable to Aster Group Limited.

21. Status

Aster Homes Limited regards Aster Group Limited as the ultimate parent company and controlling party, and whose consolidated financial statements may be obtained from the following address:

Sarsen Court, Horton Avenue, Cannings Hill, Devizes, Wiltshire, SN10 2AZ.

Aster Group Limited is the only group company to consolidate the company's financial statements as at 31 March 2014.