

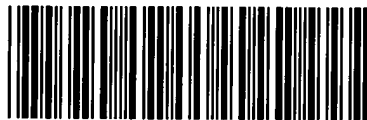
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Company Registration No. 07337921 (England and Wales)

**ACACIA HOMES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 NOVEMBER 2015**

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# ACACIA HOMES LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	N M Trott M J Shanly
<b>Secretary</b>	N M Trott
<b>Company number</b>	07337921
<b>Registered office</b>	Sorbon Aylesbury End BEACONSFIELD Buckinghamshire HP9 1LW
<b>Auditors</b>	Harwood Hutton Limited 22 Wycombe End BEACONSFIELD Buckinghamshire HP9 1NB
<b>Business address</b>	Sorbon Aylesbury End BEACONSFIELD Buckinghamshire HP9 1LW

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# ACACIA HOMES LIMITED

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# ACACIA HOMES LIMITED

## STRATEGIC REPORT

### FOR THE PERIOD ENDED 30 NOVEMBER 2015

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The directors present the strategic report and financial statements for the period ended 30 November 2015.

#### **Fair review of the business**

Turnover for the financial period was £9.1m which was an increase of £0.7m on the year ended 31 December 2014. The Directors were disappointed in the sales for the period, however sales have picked up during the first half of 2016. The gross margin percentage has shown a decline of 9.8% in the period reflecting a combination of the impact of lower margin sites purchased as competition for land increased and an agreement with Shanly Homes Limited, who provide a design and build service on all of the Company's developments, to increase the margin on these services. This increase in margin has been applied retrospectively and the impact on the period ended 30 November 2015 of the retrospective charge was a cost increase of £1.2m.

As a result of these factors, the company made a loss on ordinary activities before taxation of £1.0m compared to a corresponding profit of £0.15m for the year ended 31 December 2014.

Competition for land remained intense for the first half of 2016 and the company has not made any further acquisitions. In view of the economic uncertainties post Brexit, the Directors remain cautious and selective in respect of land purchases.

#### **Principal risks and uncertainties**

All businesses are exposed to risk but the principal risks and uncertainties affecting the company result from the following:

- Land supply – the availability of land at appropriate margins is a risk
- Planning – the current planning system results in uncertainty through delays and refusals
- Economic climate – the demand for housing can be influenced by interest rate rises, employment levels, availability of mortgage finance and the general state of the economy in the country
- Subcontract labour – following the recessionary years, a significant number of subcontractor trades left the industry and the upturn in housebuilding activity has not been matched by an increase in the pool of labour to deliver the house. Competition for subcontract labour is high with the resulting upwards pressure on costs

These risks are managed through continued research into potential land acquisitions in order to build a strong land bank, regular dialogue with planning authorities and where possible purchasing sites with planning permission already in place and focusing investment on quality developments in areas more resilient to the current economic climate.

#### **Key performance indicators**

The company uses several KPIs to measure performance and these include:

- Gross margin on cost – all land purchases are targeted to achieve a minimum threshold before the decision to purchase is taken
- Liquidity measures – to ensure the company operates within its banking facilities and has sufficient liquidity to fund the company's activities

# ACACIA HOMES LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE PERIOD ENDED 30 NOVEMBER 2015**

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### Financial risk management

The company's operations expose it to some financial risks which include credit risk, liquidity risk and interest rate risk which are monitored by the company's finance department although these are not deemed to represent significant risks to the business. Cash in respect of property sales is received on completion limiting the risk of bad debt. The company monitors its financing mix such that the company has sufficient available funds for operations. The only interest bearing liabilities at the balance sheet date were loans provided by a related company, Shanly Finance Limited. The Directors review funding to ensure that interest rates charged are competitive with alternative sources.

On behalf of the board



.....  
N M Trott  
Director

15/08/16  
.....

# ACACIA HOMES LIMITED

## DIRECTORS' REPORT

### FOR THE PERIOD ENDED 30 NOVEMBER 2015

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The directors present their annual report and financial statements for the period ended 30 November 2015.

#### Principal activities

The principal activity of the company continued to be that of property development.

#### Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

N M Trott

M J Shanly

D A Tucker

(Resigned 17 August 2015)

T M Booth

(Resigned 5 April 2016)

S J Shanly

(Resigned 5 April 2016)

#### Results and dividends

The results for the period are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### Auditors

The auditors, Harwood Hutton Limited, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### 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 accounting 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;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements.

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.

#### Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

# ACACIA HOMES LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE PERIOD ENDED 30 NOVEMBER 2015**

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On behalf of the board



.....  
N M Trott

Director

15/08/16  
.....

# **ACACIA HOMES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACACIA HOMES LIMITED**

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We have audited the financial statements of Acacia Homes Limited for the period ended 30 November 2015 set out on pages 7 to 19. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

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

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the 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.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2015 and of its loss for the period 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 the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.



# ACACIA HOMES LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ACACIA HOMES LIMITED

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### 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.



Mrs Margaret El Khalidi (Senior Statutory Auditor)  
for and on behalf of Harwood Hutton Limited

Chartered Accountants  
Statutory Auditor

*17 August 2016*

22 Wycombe End  
BEACONSFIELD  
Buckinghamshire  
HP9 1NB

# ACACIA HOMES LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 NOVEMBER 2015

		Period ended 30 Nov 2015 £	Year ended 31 Dec 2014 £
	Notes		
Turnover	3	9,053,000	8,348,589
Cost of sales		(8,832,045)	(7,333,329)
<b>Gross profit</b>		<b>220,955</b>	<b>1,015,260</b>
Administrative expenses		(101,077)	(49,636)
Other operating income		2,725	2,700
<b>Operating profit</b>	4	<b>122,603</b>	<b>968,324</b>
Interest receivable and similar income	6	134	800
Interest payable and similar charges	7	(1,096,974)	(824,948)
<b>(Loss)/profit before taxation</b>		<b>(974,237)</b>	<b>144,176</b>
Taxation	8	197,000	(30,988)
<b>(Loss)/profit for the financial period</b>		<b>(777,237)</b>	<b>113,188</b>
<b>Total comprehensive income for the period</b>		<b>(777,237)</b>	<b>113,188</b>

The accompanying policies and notes form part of these financial statements.

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

There are no recognised surpluses and deficits other than those passing through the statement of comprehensive income.

# ACACIA HOMES LIMITED

## BALANCE SHEET

AS AT 30 NOVEMBER 2015

	Notes	30 Nov 2015		31 Dec 2014	
		£	£	£	£
<b>Current assets</b>					
Stocks	10	21,028,986		16,346,133	
Debtors	11	637,387		12,953	
		<u>21,666,373</u>		<u>16,359,086</u>	
<b>Creditors: amounts falling due within one year</b>	12	(20,562,046)		(14,177,778)	
<b>Net current assets</b>			1,104,327		2,181,308
<b>Provisions for liabilities</b>	13		(169,063)		(468,807)
<b>Net assets</b>			<u>935,264</u>		<u>1,712,501</u>
<b>Capital and reserves</b>					
Called up share capital	15		500		500
Profit and loss reserves			934,764		1,712,001
<b>Total equity</b>			<u>935,264</u>		<u>1,712,501</u>

The financial statements were approved by the board of directors and authorised for issue on 15/08/16 and are signed on its behalf by:



N M Trott  
Director

Company Registration No. 07337921

# ACACIA HOMES LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 NOVEMBER 2015

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	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2014		500	1,598,813	1,599,313
<hr/>				
Period ended 31 December 2014:				
Profit and total comprehensive income for the period		-	113,188	113,188
<hr/>				
Balance at 31 December 2014		500	1,712,001	1,712,501
<hr/>				
Period ended 30 November 2015:				
Profit and total comprehensive income for the period		-	(777,237)	(777,237)
<hr/>				
Balance at 30 November 2015		500	934,764	935,264
<hr/>				

# ACACIA HOMES LIMITED

## STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 NOVEMBER 2015

	Notes	2015 £	£	2014 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	19	1,455,473		985,648	
Interest paid		(1,096,974)		(824,948)	
Income taxes paid		(358,633)		(161,500)	
<b>Net cash outflow from operating activities</b>			(134)		(800)
<b>Investing activities</b>					
Interest received		134		800	
<b>Net cash generated from investing activities</b>			134		800
<b>Net cash used in financing activities</b>					
			-		-
<b>Net increase in cash and cash equivalents</b>			-		-
Cash and cash equivalents at beginning of period			-		-
<b>Cash and cash equivalents at end of period</b>			-		-

# ACACIA HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2015

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### 1 Accounting policies

#### Company information

Acacia Homes Limited is a company limited by shares incorporated in England and Wales. The registered office is Sorbon, Aylesbury End, BEACONSFIELD, Buckinghamshire, HP9 1LW.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the period ended 30 November 2015 are the first financial statements of Acacia Homes Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The reporting period has been shortened by one month for commercial reasons. The comparative amounts presented in the financial statements are not directly comparable.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover represents amounts derived from the sale of property to third parties and is recognised in full on completion.

Profit is taken on the sale of residential units upon final completion of the sales contract. At this time the costs charged against the sales comprise the attributable proportion of expenditure on land acquisition, construction and other development costs.

Revenue from the sale of property is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on date of completion), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.4 Stocks

Work in progress is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the work in progress to its present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

# ACACIA HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2015

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### 1 Accounting policies

(Continued)

#### 1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

##### **Classification of financial liabilities**

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# ACACIA HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2015

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### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.7 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

#### 1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.



# ACACIA HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2015

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2015 £	2014 £
<b>Turnover</b>		
Property sales	9,053,000	8,348,589

#### Turnover analysed by geographical market

	2015 £	2014 £
UK	9,053,000	8,348,589

### 4 Operating profit

	2015 £	2014 £
Operating profit for the period is stated after charging/(crediting):		
Fees payable to the company's auditors for the audit of the company's financial statements	5,500	4,000
Cost of stocks recognised as an expense	8,832,045	7,333,329

### 5 Directors' remuneration

	2015 £	2014 £
Remuneration for qualifying services	19,565	20,636

There were no persons (other than directors) employed by the company during the year.

### 6 Interest receivable and similar income

	2015 £	2014 £
<b>Interest income</b>		
Other interest income	134	800

### 7 Interest payable and similar charges

	2015 £	2014 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Other interest	1,096,974	824,948

# ACACIA HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 NOVEMBER 2015

### 8 Taxation

	2015 £	2014 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	(30,988)	30,988
<b>Deferred tax</b>		
Origination and reversal of timing differences	(166,012)	-
<b>Total tax charge</b>	<b>(197,000)</b>	<b>30,988</b>

The charge for the period can be reconciled to the (loss)/profit per the profit and loss account as follows:

	2015 £	2014 £
(Loss)/profit before taxation	(974,237)	144,176
Expected tax charge based on the standard rate of corporation tax in the UK of 0% (2014: 21.00%)	-	30,277
Unutilised tax losses carried forward	(166,012)	-
Adjustments in respect of prior years	(30,988)	-
Effect of change in corporation tax rate	-	711
<b>Tax expense for the period</b>	<b>(197,000)</b>	<b>30,988</b>

The company has estimated losses of £830,061 (2014 - £nil) available for carry forward against future trading profits.

### 9 Financial instruments

	2015 £	2014 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	500	500
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	18,240,107	14,177,749

### 10 Stocks

	2015 £	2014 £
Work in progress	21,028,986	16,346,133

# ACACIA HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2015

### 11 Debtors

	2015 £	2014 £
Amounts falling due within one year:		
Unpaid share capital	500	500
Corporation tax recoverable	402,074	12,453
Other debtors	234,813	-
	<u>637,387</u>	<u>12,953</u>

### 12 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	566,800	-
Other taxation and social security	666	29
Other creditors	17,673,307	14,122,449
Accruals and deferred income	2,321,273	55,300
	<u>20,562,046</u>	<u>14,177,778</u>

### 13 Provisions for liabilities

	2015 £	2014 £
Remedial reserve provision	<u>335,075</u>	<u>468,807</u>
Movements on provisions:		
		£
At 1 January 2015		468,807
Reversal of provision		(133,732)
At 30 November 2015		<u>335,075</u>

# ACACIA HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 NOVEMBER 2015

### 14 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets 2015 £	Assets 2014 £
<b>Balances:</b>		
Tax losses	(166,012)	-
	<u>          </u>	<u>          </u>
<b>Movements in the period:</b>		2015 £
Liability at 1 January 2015		-
Credit to profit and loss		(166,012)
		<u>          </u>
Liability/(Asset) at 30 November 2015		(166,012)
		<u>          </u>

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period.

### 15 Share capital

	2015 £	2014 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
500 Ordinary Shares of £1 each	500	500
	<u>          </u>	<u>          </u>

### 16 Financial commitments, guarantees and contingent liabilities

The company is subject to the normal post-sales contingencies attaching to a property developer.

# ACACIA HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2015

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### 17 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2015 £	2014 £
Aggregate compensation	19,565	20,636

#### Transactions with related parties

During the period, interest totalling £1,096,974 (2014 - £824,948) was accrued and paid at a rate of 6% on a loan from Sorbon Investments Limited, a company controlled by M J Shanly. At the balance-sheet date, the company owed £17,673,307 (2014 - £14,122,449) to Sorbon Investments Limited.

During the period the company was invoiced £7,247,013 (2014 - £4,178,176) for construction services and incurred £75,000 (2014 - £25,000) of management charges from Shanly Homes Limited, a company controlled by M J Shanly. In addition £2,253,549 (2014 - £nil) was accrued in respect of additional construction services provided by Shanly Homes Limited.

### 18 Controlling party

The ultimate controlling party is M J Shanly, by virtue of his majority shareholding.

# ACACIA HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2015

### 19 Cash generated from operations

	2015 £	2014 £
(Loss)/profit for the year after tax	(777,237)	113,188
<b>Adjustments for:</b>		
Taxation (credited)/charged	(197,000)	30,988
Finance costs	1,096,974	824,948
Investment income	(134)	(800)
(Decrease)/increase in provisions	(133,732)	162,822
<b>Movements in working capital:</b>		
(Increase) in stocks	(4,682,853)	(590,565)
Increase in creditors	6,149,455	445,067
<b>Cash generated from operations</b>	<u>1,455,473</u>	<u>985,648</u>