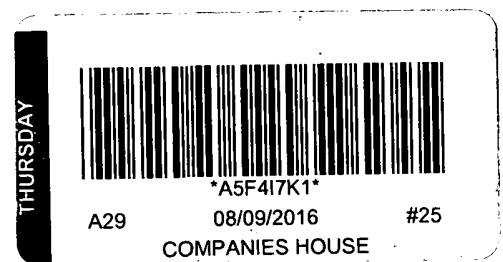


REGISTERED NUMBER: 08741560

Parc Eirin Development Company Limited
Report of the Directors and
Audited Financial Statements for the Year Ended 31 March 2016



Parc Eirin Development Company Limited

**Contents of the Financial Statements
for the Year Ended 31 March 2016**

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Parc Eirin Development Company Limited

**Company Information
for the Year Ended 31 March 2016**

Directors:

Mr Paul Andrew Edwards
Mr Louis John Lovell
Mr Edward Barrie Melhuish
Ms Alyson Marie Rogers
Mr Kenneth Victor Haines

Registered office:

7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

Registered number:

08741560

Auditors:

KPMG LLP
3 Assembly Square
Britannia Quay
Cardiff Bay
Cardiff
CF10 4AX

Parc Eirin Development Company Limited

**Report of the Directors
for the Year Ended 31 March 2016**

The directors present their report with the financial statements of the company for the year ended 31 March 2016.

Principal activity

The principal activity of the company is the development of housing.

Review of business

During the year the Company's application for reserved matters planning consent for a mixed use development at the Parc Eirin site was granted by the Rhondda Cynon Taff County Council. The Company is now in an advanced stage of negotiations with a development partner for the development of the site.

Overall the Company made a loss for the year of £166,507 (2015: £126,758). The loss is in line with the Board's expectations, and the Board anticipates that the accumulated loss of £293,265 will be recovered from projected receipts from the sale of land and from the sale of completed housing units.

Directors

The directors shown below have held office during the whole of the period from 1 April 2015 to the date of this report.

Mr Paul Andrew Edwards
Mr Louis John Lovell
Mr Edward Barrie Melhuish

Other changes in directors holding office are as follows:

Ms Alyson Marie Rogers – appointed 1 August 2015
Mr Kenneth Victor Haines – appointed 17 May 2016

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board:



Mr Louis John Lovell - Director

Date: 28th August 2016

Parc Eirin Development Company Limited

**Statement of Directors' Responsibilities
for the Year Ended 31 March 2016**

The directors are responsible for preparing the Report of the Directors 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 applicable law and the Financial Reporting Standard for Smaller Entities (Effective January 2015) (UK Generally Accepted Accounting Practice applicable to Smaller Entities). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARC EIRIN DEVELOPMENT COMPANY LIMITED

We have audited the financial statements of Parc Eirin Development Company Limited for the year ended 31 March 2016 set out on pages 6 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective January 2015) (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditor

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

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

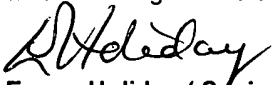
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARC EIRIN DEVELOPMENT COMPANY
LIMITED (Continued)**

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime, take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Emma Holiday (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
3 Assembly Square
Britannia Quay
Cardiff
CF10 4AX

6th September 2016

Parc Eirin Development Company Limited

**Profit and Loss Account
for the Year Ended 31 March 2016**

		Year Ended 31.3.16 £	Period 21.10.13 to 31.3.15 £
	Notes		
Turnover		-	-
Administrative expenses		(145,592)	(175,217)
Other operating income		<u>-</u>	<u>73,981</u>
Operating loss	2	(145,592)	(101,236)
Interest payable and similar charges		<u>(20,915)</u>	<u>(25,522)</u>
Loss on ordinary activities before taxation		(166,507)	(126,758)
Tax on loss on ordinary activities	3	<u>-</u>	<u>-</u>
Loss for the financial year		<u>(166,507)</u>	<u>(126,758)</u>

The results above relate entirely to continuing activities, and represent the total recognised gains and losses for both periods.

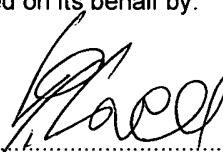
The notes form part of these financial statements

Parc Eirin Development Company Limited (Registered number: 08741560)
Balance Sheet
31 March 2016

	Notes	2016 £	2015 £
Current assets			
Work in progress		348,515	231,581
Debtors	4	7,089	4,373
Cash at bank		<u>435,261</u>	<u>687,053</u>
		790,865	923,007
Creditors			
Amounts falling due within one year	5	<u>(37,593)</u>	<u>(24,143)</u>
Net current assets		<u>753,272</u>	<u>898,864</u>
Total assets less current liabilities		753,272	898,864
Creditors			
Amounts falling due after more than one year	6	<u>(1,046,437)</u>	<u>(1,025,522)</u>
Net liabilities		<u>(293,165)</u>	<u>(126,658)</u>
Capital and reserves			
Called up share capital	7	100	100
Profit and loss account	8	<u>(293,265)</u>	<u>(126,758)</u>
Shareholders' funds - deficit		<u>(293,165)</u>	<u>(126,658)</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Directors on 20th July 2016 and were signed on its behalf by:



 Mr Louis John Lovell - Director

The notes form part of these financial statements

Parc Eirin Development Company Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

1. Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the provision of construction and property services to customers. It is recognised as these services are provided.

Work in progress

Work in progress is valued at cost. Impairment in work in progress is considered at each year end.

Taxation

The charge for taxation is based in the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRSSE (effective January 2015).

Going concern

As noted in the Directors' report, the company expects to recover all of the loss and also meet all of its future commitments from new funding facilities and from receipts from the sale of land and from the sale of housing units.

There is some level of uncertainty, as with any such project, but the directors are confident that should the project fail to go ahead, the company will be able to meet its liabilities as they fall due.

Based on the above, the directors consider that the company is financially viable therefore these financial statements have been prepared on a going concern basis.

2. Operating loss

The operating loss is stated after charging:

	Year Ended 31.3.16 £	Period 21.10.13 to 31.3.15 £
Auditors' remuneration- audit of financial statements	<u>2,816</u>	<u>2,750</u>
Directors' remuneration and other benefits	<u>7,249</u>	<u>8,227</u>

3. Taxation

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2016 nor for the period ended 31 March 2015.

Parc Eirin Development Company Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2016**

3. Taxation- continued.

Factors that may affect future tax charges

A deferred tax asset has not been recognised in respect of the tax losses due to uncertainty over the timing of future profits. The amount not recognised at 31 March 2016 (tax value) was £52,788 (2015: £25,352.)

4. Debtors: amounts falling due within one year

	2016	2015
	£	£
Amounts owed by group undertakings	100	100
VAT	<u>6,989</u>	<u>4,273</u>
	<u>7,089</u>	<u>4,373</u>

5. Creditors: amounts falling due within one year

	2016	2015
	£	£
Amounts owed to related parties	14,517	14,637
Other creditors	12,490	-
Accrued expenses	<u>10,587</u>	<u>9,506</u>
	<u>37,593</u>	<u>24,143</u>

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

	2016	2015
	£	£
Secured loans - 2-5 years	-	1,025,522
Secured loans more than 5 years	<u>1,046,437</u>	<u>-</u>

The loan with the Welsh Government is dated 10 December 2013, a letter of variation is dated 10 June 2016. This loan supersedes the original Welsh Government loan dated 30 March 2013. The interest is calculated on a compound basis with reference to the European Reference rates together with a 1% margin. The interest rate together with the 1% margin totalled 2.04% at 31 March 2016 (2015: 2.02%).

The loan of £1 million plus accrued interest is due for repayment based on the earlier of several different key events but no later than 31 March 2022 (as per the letter of variation dated 10 June 2016) and therefore this has been classified as falling due for repayment in more than 5 years.

The loan is secured on the Parc Eirin site and the cash balances within the company.

7. Called up share capital

Allotted and issued:		Nominal value:	2016	2015
Number:	Class:		£	£
100	Ordinary shares	£1	<u>100</u>	<u>100</u>

Parc Eirin Development Company Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2016**

8. Reserves

	Profit and loss account £
At 1 April 2015	(126,758)
Loss for the year	<u>(166,507)</u>
At 31 March 2016	<u>(293,265)</u>

9. Related party disclosures

Ely Bridge Development Company Limited

A company related by common directors

During the year, the company was recharged expenses of £85,775 (2015: £122,499) from Ely Bridge Development Company Limited.

	2016 £	2015 £
Amount due to related party at the balance sheet date	<u>14,517</u>	<u>14,637</u>

10. Ultimate controlling party

The company is controlled by Tirion Group Limited who own 100% of the called up share capital.