

# Abey Developments Limited

Abbreviated financial statements

**Year ended 30 September 2014**

*Registered number NI034081*

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# Abey Developments Limited

## Abbreviated financial statements

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

## Independent auditor's report to Abey Developments Limited under section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages 3 to 6 together with the financial statements of Abey Developments Limited for the year ended 30 September 2014 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the Company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in such a 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, 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 the 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 accounts 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 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 accounts and that the abbreviated accounts to be delivered have been properly prepared.

### **Opinion**

In our opinion the Company is entitled to deliver abbreviated accounts prepared in accordance with section 444 (3) of the Companies Act 2006 and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

### **Other information**

On 22 June 2015 we reported, as auditor of Abey Developments Limited, to the members of the Company on the financial statements prepared under section 396 of the Companies Act 2006 for the year ended 30 September 2014, and our audit report included the following paragraph.

Independent auditor's report to Abey Developments Limited under section 449 of the Companies Act 2006 *(continued)*

**Emphasis of matter – going concern**

In forming our opinion on these financial statements, which is not qualified, we have considered the adequacy of the disclosure in Note 2 to the financial statements concerning the company's ability to continue as a going concern.

As set out in that note, the company's current bank facilities are due for renewal. The directors have commenced negotiations with the company's bankers about the continuance of an appropriate level of financial support. While the ultimate outcome of these matters cannot be assessed with certainty at this time, no matters have been drawn to the company's attention to suggest that a renewal of the current bank facilities may not be forthcoming on acceptable terms. The financial statements do not include any adjustments that would result in the company being unable to continue as a going concern.



22 June 2015

**C. Byrne (Senior Statutory Auditor)**  
**for and on behalf of KPMG, Statutory Auditor**  
*Chartered Accountants*  
1 Stokes Place  
St. Stephen's Green  
Dublin 2

# Abey Developments Limited

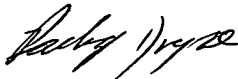
## Abbreviated balance sheet as at 30 September 2014

Registered Number NI034081

	<i>Note</i>	<b>2014 Stg£</b>	<b>2013 Stg£</b>
<b>Fixed assets</b>			
Investments		<b>1,600,000</b>	1,600,000
		<hr/>	<hr/>
<b>Current assets</b>			
Stocks		<b>1,880,073</b>	2,587,361
Debtors	3	<b>372,563</b>	8,265
Cash at bank and in hand		<b>287,038</b>	138,709
		<hr/>	<hr/>
		<b>2,539,674</b>	2,734,335
<b>Creditors: amounts falling due within one year</b>		<b>(1,895,686)</b>	(2,471,255)
		<hr/>	<hr/>
<b>Net current assets</b>		<b>643,988</b>	263,080
		<hr/>	<hr/>
<b>Net assets</b>		<b>2,243,988</b>	1,863,080
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	4	<b>2</b>	2
Other reserves		<b>209,002</b>	209,002
Profit and loss account		<b>2,034,984</b>	1,654,076
		<hr/>	<hr/>
<b>Shareholders' funds</b>		<b>2,243,988</b>	1,863,080
		<hr/>	<hr/>

These abbreviated accounts have been prepared in accordance with the special provisions relating to small companies within Section 444 of the Companies Act 2006.

The financial statements were approved by the board of directors on 22 June 2015 and were signed on its behalf by:

  
Padraig Drayne  
Director

# Abey Developments Limited

## Notes

*forming part of the abridged financial statements*

### 1 Significant accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### **Basis of preparation**

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention, as modified to include the revaluation of land and buildings, and comply with financial reporting standards of the Financial Reporting Council.

#### **Turnover**

Turnover represents proceeds from the sale of development properties, rental and service charge income which are exclusive of VAT. Income from the sale of development properties is recognised on completion of the sale contract and receipt of full payment by the company. Rental income is recognised on a straight line basis over the term of the relevant lease. Service charge income is recognised on a straight line basis over the period to which the billing relates.

#### **Investments**

##### *Investment properties*

Investment properties are revalued annually and are not depreciated or amortised. Where the valuation indicates a permanent diminution in value of the property, the permanent diminution is charged to the profit and loss account. All other fluctuations in value are transferred to a revaluation reserve.

This treatment is a departure from the requirement of Company Law to provide depreciation on all fixed assets which have a limited economic life. However, these investment 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. If depreciation were to be provided it would be provided at a rate of 2% per annum on the revalued amount.

#### **Stocks**

Work in progress comprises property currently being developed stated at the lower of cost and net realisable value. Cost represents costs incurred, net of amounts transferred to cost of sales, less foreseeable losses. Net realisable value is defined as the current selling price of the completed developments less all future costs to completion as estimated by directors. Investment property transferred to work in progress is stated at cost and any revaluation surplus relating to the property is reversed.

# Abey Developments Limited

## Notes (continued)

### 1 Significant accounting policies (continued)

#### Taxation

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that 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. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between taxable profits and the results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded 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 from which the future reversal of the underlying timing differences can be deducted.

#### Cash flow statement

The directors have availed of the exemption contained in Financial Reporting Standard 1 and, accordingly, no cash flow statement is presented.

### 2 Going concern

The company's financial statements are prepared on a going concern basis notwithstanding the existence of an uncertainty regarding the continuation of bank facilities, as set out below. The company has together with the connected companies, detailed in note 5 ("the group"), provided an intercompany cross guarantee to Bank of Ireland in respect of all facilities provided to the group which amounted to Stg£23.4m at 30 September 2014. The group's current banking facilities are due for renewal and are held on a demand basis, however, the group's forecast and projections show that the group will be able to operate within the level of its current facilities. On the basis of the ongoing correspondence and current working relationship with the bank, the directors of the company expect that these banking facilities will be renewed on acceptable terms. It is on that basis that the directors consider it appropriate to prepare the financial statements on a going concern basis. These financial statements do not include any adjustment that would result from the going concern basis of preparation being inappropriate.

### 3 Debtors

	2014 Stg£	2013 Stg£
Amounts falling due within one year	372,563	8,265

# Abey Developments Limited

## Notes (continued)

<b>4</b>	<b>Called up share capital</b>	<b>2014 Stg£</b>	<b>2013 Stg£</b>
	<i>Authorised</i>		
	10,000 Ordinary shares of Stg£1 each	<b>10,000</b>	10,000
		<hr/>	<hr/>
	<i>Allotted, called up and fully paid</i>		
	2 Ordinary shares of Stg£1 each	<b>2</b>	2
		<hr/>	<hr/>

## **5** Contingent liabilities

The company together with Formcrest Construction Limited, Dellway Investments Limited, Chesterfield (The Pavements) Limited, Chesterfield (The Pavements) Subsidiary Limited, Pavements (UK) No.1 Limited and Quail (Chesterfield) Limited ("the group"), provided an intercompany cross guarantee to Bank of Ireland in respect of all facilities provided by Bank of Ireland to the group, which were Stg£25.4m at 30 September 2014.

The liabilities to Bank of Ireland are supported by a debenture on the assets and undertakings of all companies within the group.

## **6** Controlling party

The company is controlled by the directors.