

COMPANY REGISTRATION NUMBER: NI631443

Killultagh Estates Limited
Filleted Financial Statements
31 March 2018

Killultagh Estates Limited

Officers and Professional Advisers

The board of directors

Mr B Boyd
Mr F Boyd
Mr M Lamont
Mr R Steenson

Registered office

2nd Floor
The Linenhall
32 - 38 Linenhall Street
Belfast
BT2 8BG

Auditor

Maneely Mc Cann
Chartered Accountants & statutory auditor
Aisling House
50 Stranmillis Embankment
Belfast
BT9 5FL

Bankers

Barclays
Mayfair
43 Brook Street
London
W1K 4HJ

Solicitors

DWF (Northern Ireland) LLP
Jefferson House
42 Queen Street
Belfast
BT1 6HL
Tughan's
Marlborough House
30 Victoria Street
Belfast
BT1 3GG

Killultagh Estates Limited

Statement of Financial Position

31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	50,685,000	49,868,883
Investments	5	47,865,080	52,068,063
		-----	-----
		98,550,080	101,936,946
Current assets			
Stocks		10,454,617	13,302,501
Debtors	6	5,260,482	5,219,052
Cash at bank and in hand		3,361,856	2,071,401
		-----	-----
		19,076,955	20,592,954
Creditors: amounts falling due within one year	7	113,480,649	110,324,012
		-----	-----
Net current liabilities		94,403,694	89,731,058
		-----	-----
Total assets less current liabilities		4,146,386	12,205,888
Creditors: amounts falling due after more than one year	8	4,000,000	4,000,000
		-----	-----
Net assets		146,386	8,205,888
		-----	-----
Capital and reserves			
Called up share capital		420	420
Profit and loss account		145,966	8,205,468
		-----	-----
Shareholders funds		146,386	8,205,888
		-----	-----

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 21 December 2018, and are signed on behalf of the board by:

Mr M Lamont

Director

Company registration number: NI631443

Killultagh Estates Limited

Notes to the Financial Statements

Year ended 31 March 2018

1. General information

The company is a private company limited by shares, registered in Northern Ireland. The address of the registered office is 2nd Floor, The Linenhall, 32 - 38 Linenhall Street, Belfast, BT2 8BG.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Investment properties

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

Consolidation

The entity has taken advantage of the exemption from preparing consolidated financial statements contained in Section 400 of the Companies Act 2006 on the basis that it is a subsidiary undertaking and its immediate parent undertaking is established under the law of an EEA State.

Revenue recognition

Turnover represents the total amounts derived from sales in the course of the company's retail activities, from rentals receivable on lettings to third party tenants and from the sale of trading property. Turnover from retail activities is recognised on the date of supply; turnover from rentals accrues on a time basis by reference to the agreements entered; turnover from property sales is recognised on the date of completion. Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses. Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses. Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition. Work in progress Sites for development are valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provisions are made for foreseeable losses where appropriate. No element of profit is included in the valuation for site development.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Tangible assets

	Investment Properties £
Cost or valuation	
At 1 April 2017	49,868,883
Additions	1,166,355
Revaluations	(350,238)

At 31 March 2018	50,685,000

Depreciation	
At 1 April 2017 and 31 March 2018	—

Carrying amount	
At 31 March 2018	50,685,000

At 31 March 2017	49,868,883

The investment properties were professionally valued in June 2018 by JLL on the basis of an 'Open Market Valuation' methodology pursuant to the principles of the 'Red Book' valuations as stipulated by the Royal Institution of Chartered Surveyors. If the investment properties had not been revalued they would have been included in the financial statements at 31 March 2018 at an historic cost of £49,794,491 (2017: £48,628,137).

5. Investments

	Shares in group undertakings £	Units in Unit Trusts £	Total £
Cost			
At 1 April 2017	1,057,062	51,011,001	52,068,063
Revaluations	—	(4,202,983)	(4,202,983)
At 31 March 2018	1,057,062	46,808,018	47,865,080
Impairment			
At 1 April 2017 and 31 March 2018	—	—	—
Carrying amount			
At 31 March 2018	1,057,062	46,808,018	47,865,080
At 31 March 2017	1,057,062	51,011,001	52,068,063

Units in Unit Trusts

On 16 September 2015 the company, acquired 98.87% of the units in Bowen Square Unit Trust. Bowen Square Unit Trust is a Jersey Unit Trust governed by Trust Instruments dated 19 May 2005. Under the terms of the governing Trust Instruments the unit holders are entitled to net income arising in the trust in proportion to their unit holdings.

On 16 September 2015 the company, acquired 99.32% of the units in The Pavillions Unit Trust. The Pavillions Unit Trust is a Jersey Unit Trust governed by Trust Instruments dated 28 November 2005. Under the terms of the governing Trust Instruments the unit holders are entitled to net income arising in the trust in proportion to their unit holdings.

On 16 September 2015 the company, acquired 98.44% of the units in The Moygashel Property Unit Trust. The Moygashel Property Unit Trust is a Jersey Unit Trust governed by Trust Instruments dated 1 December 2005. Under the terms of the governing Trust Instruments the unit holders are entitled to net income arising in the trust in proportion to their unit holdings.

6. Debtors

	2018 £	2017 £
Trade debtors	322,282	242,296
Amounts owed by group undertakings	4,686,903	4,296,747
Prepayments and accrued income	212,165	374,264
Amounts owed by related parties	33,650	45,631
Other debtors	5,482	260,114
	5,260,482	5,219,052

7. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	317,380	362,394
Amounts owed to group undertakings	21,768,941	15,606,964
Amounts owed to undertakings in which the company has a participating interest	116,341	—
Accruals and deferred income	4,210,134	3,595,669
Social security and other taxes	128,350	158,962
Director loan accounts	96,253	—
Other Loans	86,674,400	89,301,995
Amounts owed to related parties	—	1,053,816
Other creditors	168,850	244,212
	<u>113,480,649</u>	<u>110,324,012</u>

The company has provided security for certain borrowings of itself and of its fellow subsidiaries in the Killultagh Holdings Limited group. The security is by way of charges and inter-company guarantees.

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

	2018	2017
	£	£
Director loan accounts	4,000,000	4,000,000

9. Deferred tax asset

At 31 March 2018, the company has a potential deferred tax asset of £8,637,812 (2017: £8,778,905) which has not been recognised in the financial statements as the timing of its future recovery is uncertain.

10. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018	2017
	£	£
Not later than 1 year	67,255	66,629
Later than 1 year and not later than 5 years	269,020	266,517
Later than 5 years	3,448,945	3,483,485
	<u>3,785,220</u>	<u>3,816,631</u>

11. Summary audit opinion

The auditor's report for the year dated 21 December 2018 was unqualified.

The senior statutory auditor was Cathal Maneely , for and on behalf of Maneely Mc Cann .

12. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

2018		
	Advances/ (credits) to the directors	Balance outstanding
Balance brought forward		
£	£	£
Mr F Boyd	(4,000,000)	(4,096,253)
	-----	-----
2017		
	Advances/ (credits) to the directors	Balance outstanding
Balance brought forward		
£	£	£
Mr F Boyd	(4,000,000)	(4,000,000)
	-----	-----

13. Related party transactions

Transactions As the company is a wholly subsidiary and consolidated financial statements have been prepared which are publicly available, advantage has been taken of the exemption from disclosing related party transactions with group companies, in accordance with Financial Reporting Standard No 102 Section 1A Appendix C, Related Party Disclosures. During the year a related party under common control of the directors provided management services. At 31 March 2018, a balance of £33,651 (2017: CR £1,053,816) was owed by Killultagh Estates Limited to this company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.