

WINSFORD CROSS DEVELOPMENTS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

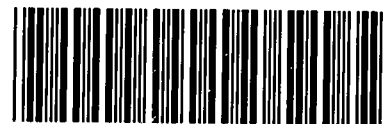
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WINSFORD CROSS DEVELOPMENTS LIMITED

COMPANY INFORMATION

Directors Mr M J Brown
Mr W Quinn
Mr M E Rebbeck (Appointed 22 June 2017)

Company number SC285432

Registered office Quartermile One
15 Lauriston Place
Edinburgh
Scotland
EH3 9EP

Auditor RSM UK Audit LLP
Number One, Lanyon Quay
Belfast
N Ireland
BT1 3LG

Business address Quartermile One
15 Lauriston Place
Edinburgh
Scotland
EH3 9EP

Bankers Barclays
Ground Floor
17 Castle Place
Belfast
BT1 1EL

Bank of Ireland
12 Conway Square
Newtownards
BT23 4DJ

Solicitors Maclay Murray & Spens LLP
1 George Square
Glasgow
G2 1AL

Tughans Solicitors
Marlborough House
30 Victoria Street
Belfast
BT1 3GG

WINSFORD CROSS DEVELOPMENTS LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 6

WINSFORD CROSS DEVELOPMENTS LIMITED

BALANCE SHEET

AS AT 30 JUNE 2017

	Notes	2017 £	£	2016 £	£
Current assets					
Stocks		18,123,935		21,000,000	
Debtors	2	294,325		209,840	
Cash at bank and in hand		37,503		4,031	
		<u>18,455,763</u>		<u>21,213,871</u>	
Creditors: amounts falling due within one year	3	<u>(20,513,238)</u>		<u>(19,463,958)</u>	
Net current (liabilities)/assets		<u>(2,057,475)</u>		<u>1,749,913</u>	
Capital and reserves					
Called up share capital	4	31,950,527		31,950,527	
Profit and loss reserves		<u>(34,008,002)</u>		<u>(30,200,614)</u>	
Total equity		<u>(2,057,475)</u>		<u>1,749,913</u>	

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 4/12/17. and are signed on its behalf by:


Mr W Quinn
Director

Company Registration No. SC285432

WINSFORD CROSS DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

Company information

Winsford Cross Developments Limited is a private company limited by shares incorporated in Scotland. The registered office is Quartermile One, 15 Lauriston Place, Edinburgh, Scotland, EH3 9EP.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Salvare (No1) Limited. These consolidated financial statements are available from its registered office, 4a Enterprise Road, Bangor, BT19 7TA.

1.2 Going concern

The company incurred a loss of £3,807,388 during the year ended 30 June 2017 (2016: £789,083) and, as of that date, the company has a net current liability position of £2,057,475 (2016: net current asset position of £1,749,913). The company continues to receive group support and is operating within its banking facilities. On this basis, the Directors have prepared the accounts on a going concern basis.

1.3 Reporting period

The company's reporting period covers the year to 30 June 2017 with the comparative period covering the period from 27 May 2015 to 30 June 2016. The prior period was for a period of more than one year following the company being acquired by Salvare (No1) Limited on 26 May 2015. The comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

WINSFORD CROSS DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

(Continued)

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of property is recognised when the significant risks and rewards of ownership of the property have passed to the buyer (usually on transfer of title), 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.

Rental income on properties held as stock for sale is recognised on a straight-line basis over the lease term and is presented within turnover.

1.5 Stocks

Stocks are 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 stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

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.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet 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 debtors 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. Financial assets classified as receivable within one year are not amortised.

WINSFORD CROSS DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

(Continued)

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.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

WINSFORD CROSS DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

2 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	-	145,355
Amounts due from group undertakings	-	178
Other debtors	294,325	64,307
	<u>294,325</u>	<u>209,840</u>

3 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	-	25,217
Amounts due to group undertakings	19,642,876	18,519,147
Other taxation and social security	55,275	42,442
Other creditors	815,087	877,152
	<u>20,513,238</u>	<u>19,463,958</u>

4 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
31,950,527 Ordinary shares of £1 each	<u>31,950,527</u>	<u>31,950,527</u>

5 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was R W Gardiner FCA.

The auditor was RSM UK Audit LLP.

6 Related party transactions

Winsford Cross Developments Limited is a 100% subsidiary of Salvare (No1) Limited. The company has taken advantage of the exemption given in FRS 102 Section 33.1A. This exemption permits non-disclosure of transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

WINSFORD CROSS DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

7 Parent company

The company's parent undertaking is Salvare (No1) Limited, a company incorporated in Northern Ireland. It has included the company in its group financial statements, copies of which are available from its registered office: 4a Enterprise Road, Bangor, BT19 7TA.

The company's ultimate parent undertaking is Danco Limited, a company incorporated in Northern Ireland. It has included the company in its group financial statements, copies of which are available from its registered office: 4a Enterprise Road, Bangor, BT19 7TA.

The company's ultimate controlling party is the shareholder of Danco Limited.