

Company Registration No. 02652603 (United Kingdom)

**ALBANY HOMES INTERNATIONAL LIMITED**  
**ABBREVIATED ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2014**

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# ALBANY HOMES INTERNATIONAL LIMITED

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# **ALBANY HOMES INTERNATIONAL LIMITED**

## **STRATEGIC REPORT**

***FOR THE YEAR ENDED 31 MARCH 2014***

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The directors present the strategic report and financial statements for the year ended 31 March 2014.

### **Review of the business**

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

The principal risks and uncertainties facing the company are the current economic climate and interest rates.

The company monitors performance based on key performance indicators focussing on increasing profitability and margins.

A handwritten signature in black ink, appearing to read 'B. Angel', with a long, sweeping horizontal stroke extending to the right.

Mr B Angel

**Director**

5 December 2014

# ALBANY HOMES INTERNATIONAL LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 MARCH 2014**

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The directors present their report and financial statements for the year ended 31 March 2014.

### Principal activities

The principal activity of the company continued to be that of property development as nominee for a joint venture.

### Results and dividends

The results for the year are set out on page 4.

### Directors

The following directors have held office since 1 April 2013:

Mr B Angel  
Lord H Selman of Whitwood

### Auditors

SPW (UK) LLP are deemed to be re-appointed in accordance with an elective resolution made under section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006.

### Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' 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.

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 the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors 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.

On behalf of the board



Mr B Angel  
Director

5 December 2014

# **ALBANY HOMES INTERNATIONAL LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO ALBANY HOMES INTERNATIONAL LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts set out on pages 4 to 14, together with the financial statements of Albany Homes International Limited for the year ended 31 March 2014 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Chapter 10 of Part 15 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 a special auditors' 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 auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 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.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider 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 are properly prepared.

### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

SPW (UK) LLP

**Mr Paul Winter (Senior Statutory Auditor)**  
for and on behalf of SPW (UK) LLP

5 December 2014

**Chartered Accountants**  
**Statutory Auditor**

Chartered Accountants  
Gable House  
239 Regents Park Road  
London  
N3 3LF

# ALBANY HOMES INTERNATIONAL LIMITED

## ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2014

	Notes	2014 £	2013 £
Turnover		13,961,729	24,747,758
Other operating income less cost of sales		(15,925,825)	(17,437,754)
Administrative expenses		(660,422)	(569,856)
<b>Operating (loss)/profit</b>	<b>2</b>	<b>(2,624,518)</b>	<b>6,740,148</b>
Investment income	<b>3</b>	4,827,140	(6,413,919)
Other interest receivable and similar income		38	5,800
Interest payable and similar charges	<b>4</b>	(303,573)	(289,109)
<b>Profit on ordinary activities before taxation</b>		<b>1,899,087</b>	<b>42,920</b>
Tax on profit on ordinary activities	<b>5</b>	-	-
<b>Profit for the year</b>	<b>13</b>	<b>1,899,087</b>	<b>42,920</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

# ALBANY HOMES INTERNATIONAL LIMITED

## ABBREVIATED BALANCE SHEET

AS AT 31 MARCH 2014

	Notes	2014 £	£	2013 £	£
<b>Fixed assets</b>					
Tangible assets	6		14,153		17,420
Investments	7		9		9
			<u>14,162</u>		<u>17,429</u>
<b>Current assets</b>					
Stocks	8	7,043,417		13,998,607	
Debtors	9	10,136,306		6,341,514	
Investments	10	261,736		-	
Cash at bank and in hand		46,151		193,564	
		<u>17,487,610</u>		<u>20,533,685</u>	
<b>Creditors: amounts falling due within one year</b>	11	(14,633,976)		(19,582,405)	
<b>Net current assets</b>			<u>2,853,634</u>		<u>951,280</u>
<b>Total assets less current liabilities</b>			<u>2,867,796</u>		<u>968,709</u>
<b>Capital and reserves</b>					
Called up share capital	12		2		2
Profit and loss account	13		2,867,794		968,707
<b>Shareholders' funds</b>	14		<u>2,867,796</u>		<u>968,709</u>

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies.

Approved by the Board and authorised for issue on 5 December 2014



Mr B Angel  
Director

Company Registration No. 02652603

# ALBANY HOMES INTERNATIONAL LIMITED

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2014

	£	2014 £	£	2013 £
<b>Net cash (outflow)/inflow from operating activities</b>		(2,009,632)		27,639,975
<b>Returns on investments and servicing of finance</b>				
Interest received	38		5,800	
Interest paid	(303,573)		(289,109)	
Dividends received	2,000,000		-	
<b>Net cash inflow/(outflow) for returns on investments and servicing of finance</b>		1,696,465		(283,309)
<b>Capital expenditure and financial investment</b>				
Payments to acquire tangible assets	(930)		(12,663)	
Receipts from sales of investments	1		-	
<b>Net cash outflow for capital expenditure</b>		(929)		(12,663)
<b>Net cash (outflow)/inflow before management of liquid resources and financing</b>		(314,096)		27,344,003
<b>Management of liquid resources</b>				
Share of joint venture profits/(losses)	2,827,139		(6,413,919)	
Current asset investments	(261,736)		-	
Bank deposits	(18,903)		(3,500)	
		2,546,500		(6,417,419)
<b>Financing</b>				
Other new short term loans	7,793,956		-	
Repayment of other short term loans	(10,192,676)		(21,062,709)	
<b>Increase in debt</b>	(2,398,720)		(21,062,709)	
<b>Net cash outflow from financing</b>		(2,398,720)		(21,062,709)
<b>(Decrease)/increase in cash in the year</b>		(166,316)		(136,125)



# ALBANY HOMES INTERNATIONAL LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

1 Reconciliation of operating (loss)/profit to net cash inflow/(outflow) from operating activities		2014	2013
		£	£
Operating (loss)/profit		(2,624,518)	6,740,148
Depreciation of tangible assets		4,197	5,156
Decrease in stocks		6,955,190	13,672,850
(Increase)/decrease in debtors		(3,794,792)	439,495
(Decrease)/Increase in creditors within one year		(2,549,709)	6,782,326
Net cash (outflow)/inflow from operating activities		(2,009,632)	27,639,975

2 Analysis of net debt	1 April 2013	Cash flow	Other non-cash changes	31 March 2014
	£	£	£	£
Net cash:				
Cash at bank and in hand	190,019	(166,316)	-	23,703
Liquid resources:				
Current asset investments	-	261,736	-	261,736
Bank deposits	3,545	18,903	-	22,448
	3,545	280,639	-	284,184
Debt:				
Debts falling due within one year	(10,186,401)	2,398,720	-	(7,787,681)
Net debt	(9,992,837)	2,513,043	-	(7,479,794)

3 Reconciliation of net cash flow to movement in net debt		2014	2013
		£	£
Decrease in cash in the year		(166,316)	(136,125)
Cash outflow from increase in liquid resources		280,639	3,500
Cash outflow from decrease in debt		2,398,720	21,062,709
Movement in net debt in the year		2,513,043	20,930,084
Opening net debt		(9,992,837)	(30,922,921)
Closing net debt		(7,479,794)	(9,992,837)

# ALBANY HOMES INTERNATIONAL LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Turnover

Turnover comprises of proceeds from sales of development properties excluding net of VAT and trade discounts. Sale of properties are recognised on completion of contracts. Rent receivable is accounted on an accruals basis.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	25% reducing balance basis
Fixtures, fittings & equipment	25% on reducing balance basis
Motor vehicles	20% reducing balance basis

#### 1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Current asset investments are stated at the lower of cost and net realisable value.

#### 1.6 Stock and work in progress

Properties held as a nominee for development and resale are valued at the lower of cost and net realisable value. Cost comprises purchase price, acquisition and development costs, interest on borrowings used to finance the purchase and construction of the property and other direct and related expenditure. Acquisitions are recognised on completion of contracts.

#### 1.7 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Operating (loss)/profit	2014 £	2013 £
Operating (loss)/profit is stated after charging:		
Depreciation of tangible assets	4,197	5,156
Auditors' remuneration (including expenses and benefits in kind)	17,310	17,400
	<u>          </u>	<u>          </u>

# ALBANY HOMES INTERNATIONAL LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

3	Investment income	2014 £	2013 £
	Share of joint venture profits/(losses)	2,827,140	6,413,919
	Income from shares in group undertakings	2,000,000	-
	Bank interest	38	5,800
		<u>4,827,178</u>	<u>(6,408,119)</u>
4	Interest payable	2014 £	2013 £
	On bank loans and overdrafts	455	2,167
	On other loans wholly repayable within five years	303,118	286,942
		<u>303,573</u>	<u>289,109</u>
5	Taxation	2014	2013
	Total current tax	-	-
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>1,899,087</u>	<u>42,920</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.00% (2013 - 24.00%)	<u>436,790</u>	<u>10,301</u>
	Effects of:		
	Non deductible expenses	35,227	874
	Depreciation add back	965	1,237
	Capital allowances	(574)	(1,158)
	Losses on schedule A offset	-	(316)
	Dividends and distributions received	(460,000)	-
	Schedule A net income per accounts	-	(10,938)
	Wear & tear allowance	(12,408)	-
		<u>(436,790)</u>	<u>(10,301)</u>
	Current tax charge for the year	-	-

On the basis of these financial statements no provision has been made for corporation tax, subject to agreement with H M Revenue and Customs.

# ALBANY HOMES INTERNATIONAL LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

### 6 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2013	16,093	66,315	9,750	92,158
Additions	930	-	-	930
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 2014	17,023	66,315	9,750	93,088
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>				
At 1 April 2013	11,319	61,469	1,950	74,738
Charge for the year	1,426	1,211	1,560	4,197
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 2014	12,745	62,680	3,510	78,935
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book value</b>				
At 31 March 2014	4,278	3,635	6,240	14,153
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 2013	4,775	4,845	7,800	17,420
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# ALBANY HOMES INTERNATIONAL LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

### 7 Fixed asset investments

	Shares in participating interests £	Shares in group undertakings £	Total £
<b>Cost</b>			
At 1 April 2013	1	8	9
Additions	-	1	1
Disposals	-	(1)	(1)
At 31 March 2014	1	8	9
<b>Net book value</b>			
At 31 March 2014	1	8	9
At 31 March 2013	1	8	9

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
<b>Subsidiary undertakings</b>			
Astralnote Limited	England and Wales	Ordinary	100.00
<b>Participating interests</b>			
Finchley Road (Smiths) Limited	England and Wales	Ordinary	50.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2014 £	Profit/(loss) for the year 2014 £
	<b>Principal activity</b>		
Astralnote Limited	Property investment	139,896	11,588
Finchley Road (Smiths) Limited	Property development	697,657	(1,174)

### 8 Work in progress

	2014 £	2013 £
Work in progress	7,043,417	13,998,607

# ALBANY HOMES INTERNATIONAL LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

9 Debtors	2014 £	2013 £
Trade debtors	12,020	1,741,631
Other debtors	4,716,255	3,065,086
Prepayments and accrued income	5,408,031	1,534,797
	<u>10,136,306</u>	<u>6,341,514</u>

10 Current asset investments	2014 £	2013 £
Listed investments	<u>261,736</u>	<u>-</u>

The current asset investments is valued at fair value which is not dissimilar to the cost.

11 Creditors: amounts falling due within one year	2014 £	2013 £
Bank loans and overdrafts	7,787,681	10,186,401
Trade creditors	303,020	392,354
Amounts owed to subsidiary undertakings	122,183	115,383
Amounts owed to participating interests	624,574	3,161,104
Taxes and social security costs	856	2,779
Directors' current accounts	289,340	735,281
Other creditors	48,675	95,132
Accruals and deferred income	5,457,647	4,893,971
	<u>14,633,976</u>	<u>19,582,405</u>
Debt due in one year or less	<u>7,787,681</u>	<u>10,186,401</u>

The bank loans are secured by a first and second legal charge over the development properties and by a floating charge over all other assets of the company. A £3 million company guarantee given by Albany Homes International Limited applicable to Barknote Limited, a connected company supported by one of the development properties.

12 Share capital	2014 £	2013 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

# ALBANY HOMES INTERNATIONAL LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

### 13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 April 2013	968,707
Profit for the year	1,899,087
Balance at 31 March 2014	<u>2,867,794</u>

### 14 Reconciliation of movements in shareholders' funds

	2014 £	2013 £
Profit for the financial year	1,899,087	42,920
Opening shareholders' funds	<u>968,709</u>	<u>925,789</u>
Closing shareholders' funds	<u>2,867,796</u>	<u>968,709</u>

### 15 Employees

#### Number of employees

There were no employees during the year apart from the directors.

#### Employment costs

	2014 £	2013 £
Wages and salaries	124,527	161,974
Social security costs	<u>7,378</u>	<u>13,715</u>
	<u>131,905</u>	<u>175,689</u>

# ALBANY HOMES INTERNATIONAL LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

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### 16 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking of the group.

The company acts as a nominee for a joint venture in which Albany Homes Developments Limited has a 50% share. Albany Homes Developments Limited is under the control of the director, B Angel, who together with his wife beneficially own the entire issued share capital of the company.

Closing stock is stated after including £37,334 (2013: £32,018) in respect of project management fees charged and a further £215 (2013: £53,363) of management fees charged by Albany Homes Developments Limited included under administrative expenses.

Turnover includes accrued fees chargeable to Albany Homes (UK) Limited of £3,849,726 (2013: £1,506,520) in respect of development services carried out on behalf of property development joint venture in which the company has also an interest. The borrowings of the joint venture are secured by a second legal charge over one of the company's development properties and a £3,000,000 (2013: £3,000,000) company guarantee. Albany Homes (UK) Limited is a wholly owned subsidiary of Albany Homes Developments Limited.

All sales to related parties are at arm's length.

At the year end included in debtors are balances owed from group and connected companies in which the director, B Angel, has a beneficial interest, were as follows:-

Albany Homes Limited £237,525 (2013: £628,410), controlled by Lord Henry Selman, a shareholder and participant in the company's joint ventures.

Heron Hill Estates Limited £368,591 (2013: £309,932), a company controlled by the director, B Angel, by virtue of his shareholding.

Daleburn Limited £46,201 (2013: £53,547), a company controlled by the director, B Angel, jointly with his spouse by virtue of their share holding.

Albany Homes (UK) Limited £1,090 (2013: £1,090).

Hertford Homes Rentals Limited £Nil (2013: £6,497), wholly owned subsidiary of Invoke Properties Limited.

Albany Homes Rentals Limited £Nil (2013: £287), wholly owned subsidiary of Albany Homes Developments Limited.

Spinglade Limited £1,077 (2013: £100), a company connected to the director.

Albany Homes Developments Limited of £1,404,907 (2013: £1,976,162)

At the year end included in creditors are balances owed from connected companies in which the director, B Angel, has a beneficial interest, were as follows:-

Finchley Road (Smiths) Limited £624,574 (2013: £3,161,104), a company with participating interest.

Anderland Limited £1 (2013: £1), a connected company.

The joint venturer's share of losses is £2,705,308 (2013: profits £3,062,075) is attributable as follows:-

Albany Homes Developments Limited £1,352,654 (2013: profit £1,531,038)

Lord and Lady Selman £1,352,654 (2013: profits £1,531,037).