Company Registration No. 3818330

# ANNINGTON DEVELOPMENTS LIMITED

## Annual Report and Financial Statements

## For the year ended 31 March 2016

ANNINGTON DEVELOPMENTS LIMITED

# ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

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# ANNINGTON DEVELOPMENTS LIMITED

## DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2016. The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption under the Companies Act 2006. A Strategic Report has not been prepared in accordance with the exemption entitled to small companies under s414 of the Companies Act 2006.

### DIRECTORS

The directors who served during the year and to the date of this report were:

A P Chadd
J C Hopkins
N P Vaughan

Qualifying third party indemnity provisions were in place for all directors of the company for the current and preceding year.

### DIVIDENDS

No dividends have been paid or proposed during the year (2015: £nil).

### PRINCIPAL ACTIVITIES

The company was established in 1999 with the purpose of providing planning and development support to the wider Annington Limited Group (the Group). Where opportunities arise to create added value through infill development or wholesale redevelopment of landholdings, the company can be called on to act as a 'Planning and Development Consultant' for the benefit of the group.

The company also performs limited development on its own account and enters into joint venture arrangements with other landowners and developers where the combination of skills will yield higher returns. At present, the company is involved in three joint venture arrangements:

- Annington Wates (Cove) Limited: A completed residential development in Cove, near Farnborough, where all properties and land have been sold;
- Countryside Annington (Colchester) Limited: A scheme of 256 homes which was completed with the last unit sold in April 2013. This company commenced the process of members voluntary winding up on 4 May 2016; and
- Countryside Annington (Mill Hill) Limited: Construction work on this scheme of 395 homes in North London started in June 2007 and is approximately 69% complete (2015: 66%).

### GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Further details regarding the adoption of the going concern basis are to be found in Note 1 to the Financial Statements.

### FUTURE DEVELOPMENTS

Future developments and other factors not under the control of the Company may impact on the ongoing operations of the business, however, the directors expect the business to continue, for the foreseeable future, in a manner consistent with its historical operations.

### SUBSEQUENT EVENTS

Please refer to Note 16 to the financial statements for a description of important events subsequent to the balance sheet date.

## DIRECTORS' REPORT (continued)

### FINANCIAL RISK MANAGEMENT

The Company has no external debt and is funded by other Group companies.

Project finance for developments directly owned by the company is provided by way of intra-group loans. The interest rate on these loans is fixed and repayable on a fixed date in accordance with loan agreements.

Investment into joint venture arrangements is financed in a similar way, except the repayment of such loans is subordinated to any specific project finance raised directly by the joint venture company.

The table below outlines the principal risks and uncertainties:

| Area of Potential Uncertainty | Risk / Opportunity | Strategy |
|---|---|---|
| The company's residential development projects are exposed to the current and future demand for new housing. | As with all new-build developments, the goal is to deliver the right product to market at the right time. | Regular management meetings consider changes to requirements and pricing before committing to further avoidable costs. This has resulted in slowing down development if it appears that completed stock will outstrip demand. |

### AUDITOR

Each of the persons who is a director at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and arrangements have been put in place for them to be reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board

A P Chadd
Director
15 December 2016

**REGISTERED OFFICE**
1 James Street
London, United Kingdom
W1U 1DR

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual 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;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 ANNINGTON DEVELOPMENTS LIMITED

We have audited the financial statements of Annington Developments Limited for the year ended 31 March 2016 which comprise the statement of income and retained earnings, the balance sheet and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Statement of Directors' Responsibilities, 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**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 United Kingdom Generally Accepted Accounting Practice; 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.

**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 take advantage of the small companies exemption in preparing the directors' report and strategic report.

**Emma Cox BA, ACA (Senior Statutory Auditor)**
**For and on behalf of Deloitte LLP**
Chartered Accountants and Statutory Auditor
London, United Kingdom
15 December 2016

## STATEMENT OF INCOME AND RETAINED EARNINGS
## For the year ended 31 March 2016

| | Note | 2016<br>£'000 | 2015<br>£'000 |
|---|---|---|---|
| Administrative expenses | | (22) | (33) |
| **OPERATING LOSS** | 2 | (22) | (33) |
| Impairment of investment in joint ventures | 7 | (1,466) | (512) |
| Interest receivable and similar income | 4 | 797 | 537 |
| Interest payable and similar charges | 5 | (1,516) | (1,162) |
| **LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION** | | (2,207) | (1,170) |
| Tax on loss on ordinary activities | 6 | - | - |
| **TOTAL LOSS FOR THE FINANCIAL YEAR** | | (2,207) | (1,170) |
| Retained earnings at 1 April | | (11,867) | (10,697) |
| Retained earnings at 31 March | 12 | (14,074) | (11,867) |

All items in the above statement derive from continuing operations.

## BALANCE SHEET
## At 31 March 2016

| | Note | 2016<br>£'000 | 2015<br>£'000 |
|---|---|---|---|
| **FIXED ASSETS** | | | |
| Investment in joint ventures | 7 | 13,417 | 12,835 |
| **CURRENT ASSETS** | | | |
| Cash at bank and in hand | | 518 | 518 |
| Debtors | 8 | 1 | 24 |
| | | 519 | 542 |
| CREDITORS: amounts falling due within one year | 9 | (6,440) | (6,440) |
| **NET CURRENT LIABILITIES** | | (5,921) | (5,898) |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | 7,496 | 6,937 |
| CREDITORS: amounts falling due after more than one year | 10 | (21,570) | (18,804) |
| **NET LIABILITIES** | | (14,074) | (11,867) |
| **CAPITAL AND RESERVES** | | | |
| Called up share capital | 11 | - | - |
| Retained earnings | 12 | (14,074) | (11,867) |
| **SHAREHOLDER'S DEFICIT** | | (14,074) | (11,867) |

The notes on pages 7 to 13 should be read in conjunction with these financial statements.

The financial statements of Annington Developments Limited, registered number 3818330, were approved by the Board of Directors and authorised for issue on 15 December 2016.

Signed on behalf of the Board of Directors

A P Chadd

Director

## NOTES TO THE FINANCIAL STATEMENTS
## For the year ended 31 March 2016

### 1. SIGNIFICANT ACCOUNTING POLICIES

**Basis of preparation**

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102"), and with the Companies Act 2006. The financial statements have been prepared under the historical cost basis. This is the first year in which the financial statements have been prepared under FRS 102. Details of the transition to FRS 102 are disclosed in note 15.

The financial statements are presented in pounds sterling (£).

**Exemptions for qualifying entities under FRS 102**

FRS 102 permits a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been applied by the Company. The Company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, as the Company is a wholly owned subsidiary of Annington Limited and is included in the consolidated financial statements of Annington Limited which includes a consolidated statement of cash flows which are publicly available; and
- from the financial instrument disclosures required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the Annington Limited consolidated financial statement disclosures.

**Going Concern**

The Company currently has not generated any profits, is in a net liabilities position and is reliant on the group to provide additional funds. After making enquiries and having assessed both the responses of the directors of the Company's parent Annington Development (Holdings) Limited and a commitment for financial support from another group entity, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

**Group financial statements**

The Company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 400 of the Companies Act 2006 because it is a wholly owned subsidiary of another company and for which consolidated financial statements are prepared.

**Investments in joint ventures**

The Company's investments in the shares of the joint ventures are stated cost less accumulated impairment losses.

**Taxation**

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

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

# NOTES TO THE FINANCIAL STATEMENTS
## For the year ended 31 March 2016 (continued)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Taxation (continued)**

Deferred tax is recognised on all timing differences at the reporting date. Deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- the Company has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

**Financial liabilities**

At initial recognition, financial liabilities are classified as loans and borrowings, payables, derivative financial instruments or financial liabilities at fair value through profit or loss, as appropriate. Financial liabilities are classified according to the substance of the contractual arrangements entered into. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities subsequently carried at amortised cost are accounted for such that finance costs, which comprise interest, discounts and issue costs, are allocated over the period of the borrowing to achieve a constant rate on the carrying amount. At the balance sheet date, the estimation of the period of repayment of debt and interest is updated, to take into account the future anticipated cash flows. Where the anticipated future cash flows used to calculate the amortised cost of borrowings are re-estimated, any consequent adjustment in carrying value is recognised within the profit and loss. Where floating rate interest is re-estimated, any consequent adjustment in effective interest rate is updated.

The debt and associated accrued interest is classified as current and non-current based on the contractual payments required within 12 months at the balance sheet date. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

### 2. OPERATING LOSS

The auditor's remuneration was £6,700 (2015: £6,200) for the audit of the Company's annual financial statements.

In accordance with SI 2008/489 the Company has not disclosed the fees payable to the Company's auditor for 'Other services' as this information is included in the consolidated financial statements of Annington Limited.

### 3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The directors received no emoluments for their services to this company in the current and preceding year.

The company had no employees of its own during the year (2015: none). The cost of performing work for the company is borne by another group company, in the current and preceding year.

# NOTES TO THE FINANCIAL STATEMENTS
## For the year ended 31 March 2016 (continued)

### 4. INTEREST RECEIVABLE AND SIMILAR INCOME

| | 2016 £'000 | 2015 £'000 |
|---|---|---|
| Sundry interest receivable | 797 | 537 |

### 5. INTEREST PAYABLE AND SIMILAR CHARGES

| | 2016 £'000 | 2015 £'000 |
|---|---|---|
| Interest payable on intercompany balances | 1,516 | 1,162 |

### 6. TAX ON LOSS ON ORDINARY ACTIVITIES

| | 2016 £'000 | 2015 £'000 |
|---|---|---|
| **Current tax** | | |
| United Kingdom corporation tax at 20% (2015: 21%) | - | - |
| **Deferred tax** | | |
| Deferred taxation: origination and reversal of timing differences | - | - |
| **Total tax charge on loss on ordinary activities** | - | - |

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 20% (2015: 21%). The tax charge for the year differs from the standard tax rate for the reasons set out in the following reconciliation:

| | 2016 £'000 | 2015 £'000 |
|---|---|---|
| Loss on ordinary activities before tax | (2,207) | (1,170) |
| Tax on loss on ordinary activities at standard rate | (441) | (245) |
| Factors affecting charge for the year: | | |
| Expenses not deductible for tax purposes | 596 | 351 |
| Non taxable income | (159) | (113) |
| Group relief surrendered | 4 | 7 |
| Tax charge for the year | - | - |

From 1 April 2015, the headline rate of corporation tax reduced from 21% to 20%. It will be further reduced to 19% from 1 April 2017, and to 18% from April 2020, with both these rates substantively enacted at both the current and comparative balance sheet dates. Deferred tax balances at 31 March 2016 are measured at 18% (2015: 20%).

# NOTES TO THE FINANCIAL STATEMENTS
## For the year ended 31 March 2016 (continued)

### 7. INVESTMENT IN JOINT VENTURES

| Investment in joint ventures | Investments £'000 | Loans £'000 | Total £'000 |
|---|---|---|---|
| Book value at 1 April 2015 | 67 | 12,768 | 12,835 |
| Additions | - | 1,251 | 1,251 |
| Interest on loan | - | 797 | 797 |
| Impairment | (2) | (1,464) | (1,466) |
| Book value at 31 March 2016 | 65 | 13,352 | 13,417 |
| Historical cost at 31 March 2016 | 6,760 | 14,816 | 21,576 |
| Historical cost at 31 March 2015 | 6,760 | 12,768 | 19,528 |

An impairment of the investment in joint ventures has been recognised during the year due to a downward revision of forecast net sales values and increasing forecast construction costs for the units.

The principal undertakings at 31 March 2016, are shown below:

| Name of joint venture undertaking | Country of incorporation | Principal activity | Holding % |
|---|---|---|---|
| Annington Wates (Cove) Limited | Great Britain | Property development | 50% |
| Countryside Annington (Colchester) Limited | Great Britain | Property development | 50% |
| Countryside Annington (Mill Hill) Limited | Great Britain | Property development | 50% |

### 8. DEBTORS

| | 2016 £'000 | 2015 £'000 |
|---|---|---|
| **Due within one year** | | |
| Amounts due from group undertakings | 1 | 24 |
| | 1 | 24 |

Amounts due to the Company from group undertakings within one year were £1,000 (2015: £24,000) which are unsecured, interest free and have no fixed date of repayment.

### 9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2016 £'000 | 2015 £'000 |
|---|---|---|
| Amounts due to group undertakings | 6,440 | 6,440 |

Amounts due to group undertakings are unsecured, interest free and repayable on demand.

### 10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2016 £'000 | 2015 £'000 |
|---|---|---|
| Amounts due to group undertakings | 21,570 | 18,804 |

Amounts due to group undertakings are unsecured, interest bearing at 7.84% and have a fixed date of repayment of 31 March 2025.

# NOTES TO THE FINANCIAL STATEMENTS
## For the year ended 31 March 2016 (continued)

### 11. CALLED UP SHARE CAPITAL

| | 2016 Pence | 2015 Pence |
|---|---|---|
| **Called up, allotted and nil paid** | | |
| 1 ordinary share of 1p | 1 | 1 |

### 12. RETAINED EARNINGS

Retained earnings include all current and prior period retained profits and losses. The components of this are:

| | 2016 £000 | 2015 £000 |
|---|---|---|
| Distributable earnings | (11,926) | (9,719) |
| Non-distributable earnings | (2,148) | (2,148) |
| | (14,074) | (11,867) |

### 13. RELATED PARTY TRANSACTIONS

In February 2007, a major land development site with 187 existing properties was sold by Annington Property Limited at a market value of £36.7 million to the joint venture, Countryside Annington (Mill Hill) Limited. As part of the Agreement, a deferred payment of £26.2 million was payable by the joint venture in four stages which commenced February 2008 and completed in February 2011. In March 2009 in response to adverse economic and trading conditions the joint venture negotiated a reduction in the original price which reduced the then remaining instalments. In consideration for this reduction in "Price", Annington Property Limited became entitled to "priority payments" of a more generous form of overage up to £15 million if the profits of the Joint Venture recover.

Annington Developments Limited holds a 50% share of this venture. To reflect the related party nature of the above variation, Annington Property Limited anticipates recovery of this amount from the company. As such, an inter-company loan currently reported in note 10 as £6.4 million (2015: £6.4 million) due from the company has been recognised by Annington Property Limited.

Payments to and receipts from the Company's joint ventures are shown above in note 7.

The Company is a wholly owned subsidiary within the Annington Limited Group and is included in the consolidated financial statements of Annington Limited. The Company has taken advantage of the exemption provided in FRS 102 section 33 not to make disclosure of transactions with other wholly-owned entities that are part of the same group.

### 14. ENTITY INFORMATION AND CONTROLLING PARTY

The Company is incorporated in Great Britain and the address of its registered office is 1 James Street, London W1U 1DR.

Annington Developments (Holdings) Limited, a company incorporated in Great Britain, is the immediate parent company.

The directors regard Terra Firma Holdings Limited, a company registered in Guernsey, as the ultimate parent entity. The ultimate controlling party is Guy Hands.

Annington Limited is the parent company of the largest and smallest group of which the Company is a member and for which group financial statements are drawn up. The Annual Report and Financial Statements for Annington Limited are available on request from the registered office at 1 James Street, London W1U 1DR.

## NOTES TO THE FINANCIAL STATEMENTS
**For the year ended 31 March 2016 (continued)**

### 15. TRANSITION TO FRS 102

This is the first year that the Company has presented its results under FRS 102. The last financial statements prepared under the previous UK GAAP were for the year ended 31 March 2015. The date of transition to FRS 102 was 1 April 2014. Set out below and overleaf are the changes in accounting policies which reconcile profit for the financial year ended 31 March 2015 and the total equity as at 1 April 2014 and 31 March 2015 between UK GAAP as previously reported and FRS 102.

| RESTATED BALANCE SHEET | | At 1 April 2014 £000 | | | At 31 March 2015 £000 | | |
|---|---|---|---|---|---|---|---|
| | Note | As previously stated | Effect of transition | FRS 102 (as restated) | As previously stated | Effect of transition | FRS 102 (as restated) |
| **Fixed Assets** | | | | | | | |
| Investment in joint ventures (previously Investments) | A | 6,670 | - | 6,670 | 12,835 | - | 12,835 |
| **CURRENT ASSETS** | | | | | | | |
| Debtors | | - | - | - | 24 | - | 24 |
| Cash at bank and in hand | | 668 | - | 668 | 518 | - | 518 |
| CREDITORS: amounts falling due within one year | | (6,449) | - | (6,449) | (6,440) | - | (6,440) |
| **NET CURRENT LIABILITIES** | | (5,781) | - | (5,781) | (5,898) | - | (5,898) |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | 889 | - | 889 | 6,937 | - | 6,937 |
| CREDITORS: amounts falling due after more than one year | | (11,586) | - | (11,586) | (18,804) | - | (18,804) |
| **NET LIABILITIES** | | (10,697) | - | (10,697) | (11,867) | - | (11,867) |
| **CAPITAL AND RESERVES** | | | | | | | |
| Called up share capital | | - | - | - | - | - | - |
| Revaluation reserve | A | (2,147) | 2,147 | - | (2,659) | 2,659 | - |
| Retained earnings (previously Profit and loss account) | A | (8,550) | (2,147) | (10,697) | (9,208) | (2,659) | (11,867) |
| **Shareholder's Deficit** | | (10,697) | - | (10,697) | (11,867) | - | (11,867) |

## NOTES TO THE FINANCIAL STATEMENTS
## For the year ended 31 March 2016 (continued)

### 15. TRANSITION TO FRS 102 (continued)

| RESTATED STATEMENT OF INCOME FOR THE YEAR ENDED 31 MARCH 2015 | Note | 31 March 2015 £ |
|---|---|---|
| Original loss on ordinary activities before taxation | | (658) |
| Measurement of joint ventures – reclassification to deemed cost | A | (512) |
| | | (1,170) |
| Original tax on ordinary activities | | - |
| Restated total loss for the financial year | | (1,170) |

A Measurement of joint ventures at deemed cost

Under FRS 102, where an entity prepares individual financial statements it is required to account for its investments in jointly controlled entities at cost less impairment or at fair value. The company has elected to account for jointly controlled entities at cost less impairment. As permitted under the FRS 102 transition rules, deemed cost is permitted to be used, being the carrying value of the investment under the company's previous GAAP, at the date of transition, 1 April 2014.

### 16. POST BALANCE SHEET EVENTS

Countryside Annington (Colchester) Limited, a joint venture in which the Company has a 50% holding, commenced the process of a members voluntary winding up on 4 May 2016. The company was build and sales complete in April 2013 and consequently had completed the purpose it was incorporated for.