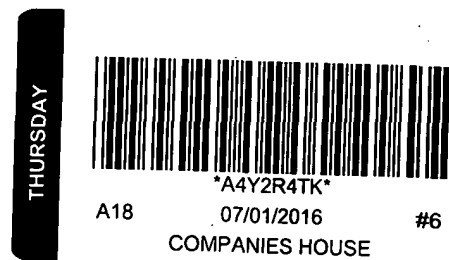


**Elan Homes SEQ Limited**

**Directors' report and financial statements**

**For the year ended 31 October 2015**

**Registered Number: 05394485**



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## Directors' report

The directors present their report and the audited financial statements for the year ended 31 October 2015.

### Principal activities

The company's principal activity is provision of shared equity loans.

The company's profit for the year was £38,000 (2014: £nil).

### Proposed Dividend

The directors do not recommend the payment of a dividend (2014: £nil).

### Directors

The directors who held office during the year were as follows:

A Bravington	
R Flood	- resigned 31 October 2015
P Halliwell	- appointed 23 April 2015
J Kendrick	

The directors benefit from qualifying third party indemnity provisions in place during the financial period and at the date of this report.

### Political and Charitable Donations

The company has not made any political or charitable donations during the year (2014: £nil).


### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each 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.

### Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and therefore KPMG LLP will remain in office.

By order of the board

  
A Bravington  
Secretary  
17 December 2015

Oak House  
Lloyd Drive  
Cheshire Oaks Business Park  
Ellesmere Port Cheshire  
CH65 9HQ

## **Statement of directors' responsibilities in respect of the directors' report and financial statements**

The directors are responsible for preparing the 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 estimates that are reasonable and prudent;
- state whether applicable UK 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

8 Princes Parade  
Liverpool  
L3 1QH  
United Kingdom

## **Independent auditor's report to the members of Elan Homes SEQ Limited**

We have audited the financial statements of Elan Homes SEQ Limited for the year ended 31 October 2015 set out on pages 6 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 Directors' Responsibilities Statement set out on page 3, 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 October 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with UK 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**

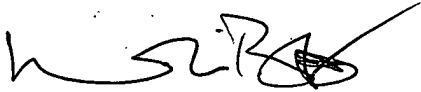
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditor's report to the members of Elan Homes SEQ Limited (*continued*)**

### **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 from the requirement to prepare a strategic report.



**Will Baker (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
8 Princes Parade  
Liverpool  
L3 1QH  
18 December 2015

**Profit and loss account**  
*for the year ended 31 October 2015*

	Note	2015 £000	2014 £000
Other operating income		48	-
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>	2-5	48	-
Tax on profit on ordinary activities	6	(10)	-
		<hr/>	<hr/>
<b>Profit for the financial year</b>	11	38	-
		<hr/>	<hr/>

There are no other recognised gains or losses other than those reported above and therefore no statement of total recognised gains and losses has been presented.

All activities in the current year and preceding year are classified as continuing.

The notes on pages 8 to 10 form part of these financial statements

**Balance sheet**  
*at 31 October 2015*

	<b>Note</b>	<b>2015 £000</b>	<b>2014 £000</b>
<b>Current assets</b>			
Debtors: amounts falling due after one year	7	827	862
		<u>827</u>	<u>862</u>
<b>Creditors: amounts falling due within one year</b>	8	(789)	(862)
		<u>38</u>	<u>-</u>
<b>Net assets</b>		<u>38</u>	<u>-</u>
<b>Capital and reserves</b>			
Called up share capital	9	-	-
Profit and loss account	10	38	-
		<u>38</u>	<u>-</u>
<b>Shareholder's funds</b>	11	<u>38</u>	<u>-</u>

These financial statements were approved by the board of directors on 17 December 2015 and were signed on its behalf by:



**J Kendrick**  
**Director**



**A Bravington**  
**Director**

The notes on pages 8 to 10 form part of these financial statements.



## Notes

*(forming part of the financial statements)*

### 1 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, except as noted below.

#### Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost convention and on a going concern basis.

Under FRS 1 (revised), no cashflow statement is required as the company is a wholly owned subsidiary of a parent undertaking which is established under the law of a member State of the European Community whose consolidated financial statements include a consolidated cashflow statement dealing with the cash flows of the Group.

The company is exempt under FRS8 from the requirement to disclose related party transactions with other group companies on the grounds that over 90% of the voting rights are controlled within the group headed by Elan Homes Holdings Limited.

#### Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Except where otherwise required by accounting standards, full provision without discounting is made for all timing differences, which have arisen but not reversed at the balance sheet date.

#### Turnover

Turnover represents amounts (excluding value added tax) derived from property development.

#### Classification of financial instruments issued by the Company

Financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

### 2 Segmental analysis

The company operates in one business segment (provision of shared equity loans) and one geographical segment (the United Kingdom).

**Notes (continued)**

**3 Audit fees**

Audit fees of £250 were borne by Elan Homes Limited (2014: £250).

**4 Directors' remuneration**

Directors remuneration is borne by Elan Homes Limited (2014: £nil).

**5 Staff numbers and costs**

The company does not employ any staff (2014: none).

**6 Taxation**

Analysis of charge in the year	2015 £000	2014 £000
<i>Current tax:</i>		
UK Corporation tax at 20.42% (2014: 20%) on profit in the year	10	-
<b>Tax on profit on ordinary activities</b>	<u>10</u>	<u>-</u>

**Factors affecting the tax charge for the year**

The current tax charge for the year is the same (2014: same) as the standard rate of corporation tax in the UK of 20.42% (2014: 20%). The differences are explained below:

	2015 £000	2014 £000
<b>Profit on ordinary activities before tax</b>	<u>48</u>	<u>-</u>
Tax charged at 20.42% (2014: 20%)	10	-
<b>Current tax charge for the year</b>	<u>10</u>	<u>-</u>

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and to 20% (effective 1 April 2015) were substantively enacted on 2 July 2013. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax charge accordingly.

**7 Debtors: amounts falling due after one year**

	2015 £000	2014 £000
Other debtors	<u>827</u>	<u>862</u>

**Notes (continued)**

**8 Creditors: amounts falling due within one year**

	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
Amounts owed to group undertakings	789	862
	<u>789</u>	<u>862</u>

**9 Called up share capital**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<i>Authorised</i>		
1,000 Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up and fully paid</i>		
1 Ordinary share of £1 each	1	1
	<u>1</u>	<u>1</u>

**10 Profit and loss account reserve**

	<b>£000</b>
At beginning of year	-
Profit for the year	38
	<u>38</u>
At end of year	38
	<u>38</u>

**11 Reconciliation of movements in shareholder's funds**

	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
Profit for the financial year	38	-
	<u>38</u>	<u>-</u>
Net addition to shareholder's funds	38	-
Opening shareholder's funds	-	-
	<u>-</u>	<u>-</u>
Closing shareholder's funds	38	-
	<u>38</u>	<u>-</u>

**12 Guarantees in favour of group undertakings**

The company has entered into a cross guarantee and debenture covering some but not all of the bank borrowings of other companies in the Group amounting to £4.3m (2014:£7.8m).

**13 Ultimate parent company**

The ultimate parent undertaking is Elan Homes Holdings Limited a company incorporated in Great Britain, and registered in England and Wales. A copy of the consolidated financial statements of Elan Homes Holdings Limited can be obtained from Oak House, Lloyd Drive, Cheshire Oaks Business Park, Ellesmere Port, Cheshire, CH65 9HQ