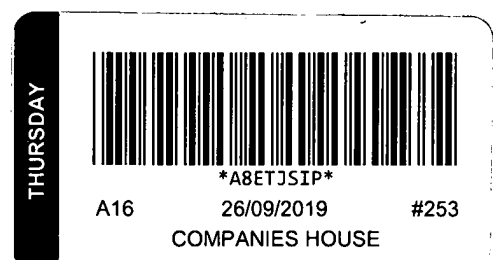


MILLER GADSBY (HEATHERTON) LIMITED**ANNUAL REPORT****FOR THE YEAR ENDED 31 DECEMBER 2018**

MILLER GADSBY (HEATHERTON) LIMITED

COMPANY INFORMATION

Directors	P J Gadsby Hon.DBA T G Finnegan BSc MRICS
Company secretary	M J Cubbage BA(Hons.) ACMA CGMA
Registered number	07049611
Registered office	9 Riverside Court Pride Park Derby DE24 8JN
Independent auditor	Cooper Parry Group Limited Chartered Accountants & Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA
Bankers	National Westminster Bank plc 58 St. Peters Street Derby DE1 1XL
Solicitors	Nelsons Solicitors Sterne House Lodge Lane Derby DE1 3WD

MILLER GADSBY (HEATHERTON) LIMITED

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MILLER GADSBY (HEATHERTON) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

Directors' responsibilities statement

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company financial statements 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 to 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.

Results and dividends

The loss for the year, after taxation, amounted to £2,905 (2017: loss of £543,237).

The directors do not recommend the payment of a dividend for the year (2017: £Nil).

Directors

The directors who served during the year are as listed on the company information page.

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed 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 ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

MILLER GADSBY (HEATHERTON) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

The directors' report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to read 'M J Cabbage', is written over the printed name and title.

M J Cabbage BA(Hons.) ACMA CGMA
Secretary

Date: 24/09/2019

MILLER GADSBY (HEATHERTON) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILLER GADSBY (HEATHERTON) LIMITED

Opinion

We have audited the financial statements of Miller Gadsby (Heatherton) Limited (the 'company') for the year ended 31 December 2018, which comprise the profit and loss account, the balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

MILLER GADSBY (HEATHERTON) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILLER GADSBY (HEATHERTON) LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

MILLER GADSBY (HEATHERTON) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILLER GADSBY (HEATHERTON) LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

Cooper Parry Group Limited

Alison Fovargue (Senior statutory auditor)

for and on behalf of

Cooper Parry Group Limited

Chartered Accountants
Statutory Auditor

Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

Date: 24/09/2019

MILLER GADSBY (HEATHERTON) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018**

		2018 £	2017 £
Cost of sales		-	(540,481)
Gross loss		-	(540,481)
Administrative expenses		(3,587)	(3,413)
Operating loss	2	(3,587)	(543,894)
Tax on loss		682	657
Loss after tax		(2,905)	(543,237)
Retained earnings at the beginning of the year		(507,086)	36,151
Loss for the year		(2,905)	(543,237)
Retained earnings at the end of the year		(509,991)	(507,086)

There were no recognised gains and losses for 2018 or 2017 other than those included in the profit and loss account.

The notes on pages 8 to 11 form part of these financial statements.

MILLER GADSBY (HEATHERTON) LIMITED
REGISTERED NUMBER: 07049611

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Current assets			
Stocks and work in progress	4	571,010	550,000
Debtors	5	1,447	657
Cash at bank and in hand		22,236	14,446
		<u>594,693</u>	<u>565,103</u>
Creditors: amounts falling due within one year	6	(1,104,682)	(1,072,187)
Net current liabilities		(509,989)	(507,084)
Net liabilities		<u>(509,989)</u>	<u>(507,084)</u>
Capital and reserves			
Called up share capital	7	2	2
Profit and loss account		(509,991)	(507,086)
Shareholders' deficit		<u>(509,989)</u>	<u>(507,084)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



P J Gadsby Hon.DBA
Director

Date: 24/09/2019

The notes on pages 8 to 11 form part of these financial statements.

MILLER GADSBY (HEATHERTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies

1.1 Basis of preparation of financial statements

Miller Gadsby (Heatherton) Limited (the 'company') is a limited liability company incorporated and domiciled in the United Kingdom. The address of the registered office is given on the company information page. The company's principal activity is that of residential property development.

The financial statements are prepared in Sterling (£) which is the functional currency of the company. The financial statements are for the year ended 31 December 2018 (2017: year ended 31 December 2017).

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, including section 1A of FRS 102, and the Companies Act 2006.

At the year end the company had a deficit on shareholders funds of £509,989. The deficit is funded by loans from the company's parent undertaking which will not be called for repayment unless cashflow permits for a minimum period of 12 months from the date of signing of these financial statements. The directors therefore consider it appropriate to prepare the accounts on a going concern basis.

The following accounting policies have been applied consistently throughout the year:

1.2 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and estimated net realisable value and are disclosed after deduction of provisions for known and expected losses and progress payments received and receivable. Net realisable value is based on normal selling prices less further costs expected to be incurred on completion and disposal.

Direct pre-development costs have been recognised as an asset in stocks and work in progress where it is probable that the site will be developed and provided that in accordance with FRS 102, such costs meet the definition of an asset. Such costs are reviewed regularly for evidence of impairment.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

1.3 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from banks and other third parties and loans with related parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

MILLER GADSBY (HEATHERTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

1.4 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Legal advice is sought where appropriate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

1.5 Current and deferred taxation

The tax charge for the year comprises of current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

2. Auditor's remuneration

	2018 £	2017 £
Auditor's remuneration	750	750

3. Average employee numbers and directors remuneration

The company had no employees during the year (2017: Nil).

During the year, no director received emoluments (2017: £Nil).

MILLER GADSBY (HEATHERTON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

4. Stocks and work in progress

	2018 £	2017 £
Work in progress	571,010	550,000

Work in progress relates to the company's share of land jointly owned by Miller Gadsby (Heatherton) Limited and two other development companies. The land has been designated for residential housing by the Council's Local Plan although planning consents have lapsed. The company and other neighbouring land owners continue to explore the putting together of a comprehensive scheme which is acceptable to all interested parties, including the local council but this is proving difficult. The land was professionally valued by Fisher Hargreaves Proctor Ltd., Chartered Surveyors in the prior year, and the carrying value was adjusted to reflect this valuation. The directors consider that there has been no material change since this valuation to 31 December 2018.

5. Debtors

	2018 £	2017 £
Amounts owed by group undertakings	1,447	657

6. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	645	-
Amounts owed to group undertakings	1,102,187	1,070,337
Accruals and other creditors	1,850	1,850
	<u>1,104,682</u>	<u>1,072,187</u>

7. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
1 Ordinary A share of £1	1	1
1 Ordinary B share of £1	1	1
	<u>2</u>	<u>2</u>

All shares rank pari-passu.

MILLER GADSBY (HEATHERTON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking is Ark Capital Limited, a company incorporated in England and Wales which owns 100% of the company's issued share capital. The registered office of Ark Capital Limited is the same as that of the company as shown on the company information page.

The parent undertaking of the largest and smallest group for which consolidated accounts are prepared is Ark Capital Limited. Consolidated accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ.