

Montclare Limited

Annual report and financial statements

For the year ended 31 December 2015

Registered number: 08013673

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Montclare Limited

Annual report and financial statements for the year ended 31 December 2015

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Montclare Limited

Directors' report

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

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. The directors have also taken the exemption from preparing a Strategic report as the Company is small.

Principal activity

The Company's principal activity is that of residential property development. There has not been any significant change in the Company's activities.

Business review

On 17 February 2015 the Company became a wholly owned subsidiary of Fairview New Homes (Properties) Limited within the Fairview Holdings Limited group (the "Group").

Detailed results are set out in the statement of income and retained earnings on page 5. No dividends were paid or proposed during the current year or preceding period.

Directors

The directors holding office during the year and, except where noted, to date are set out below.

M Blakey	(appointed 24 July 2015)
N M Dulcken	(appointed 15 March 2016)
N Fisher	(resigned 17 February 2015)
J T Holliday	(appointed 14 October 2015)
G A Malton	(appointed 14 October 2015)
R J Paterson	(appointed 17 February 2015)
J P H Vickers	(appointed 17 February 2015, resigned 24 July 2015)
M R Walker	(appointed 15 March 2016)
R K Williams	(appointed 19 August 2015)

Directors' indemnities

The Company had in place during the year qualifying third party indemnity provisions for the benefit of its directors. These remain in force at the date of this report.

Going concern

The directors believe that the Company and the Group have 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 accounts. Further details of the going concern basis are given in note 1b.

Montclare Limited

Directors' report (continued)

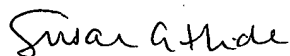
Auditor

In the case of each of the persons who are directors at the time when the directors' report is approved, the following apply:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order 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 section 418 of the Companies Act 2006.

By order of the board



S G Hide
Secretary

16 June 2016

Registered office:
50 Lancaster Road
Enfield. EN2 0BY

Montclare Limited

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable laws 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), including FRS102 '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 and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed; 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.

Montclare Limited

Independent auditor's report to the members of Montclare Limited

We have audited the financial statements of Montclare Limited for the year ended 31 December 2015 which comprise the statement of income and retained earnings, the balance sheet and the related notes 1 to 11. 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 FRS102 '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 (United Kingdom 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 December 2015 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
- or the directors were not entitled to take advantage of the small companies exemption from preparing a Strategic report or in preparing the Directors' report.



Paul Schofield, FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Cambridge, United Kingdom
17 June 2016

Montclare Limited

Statement of income and retained earnings Year ended 31 December 2015

	Note	2015 £'000	2014 £'000
Administrative expenses		(783)	(90)
Other operating income		<u>2</u>	<u>4</u>
Operating loss		(781)	(86)
Interest payable		<u>(28)</u>	<u>(155)</u>
Loss on ordinary activities before taxation	3	(809)	(241)
Tax on loss on ordinary activities	5	<u>-</u>	<u>-</u>
Loss for the financial year		(809)	(241)
Retained losses at 1 January 2015 / 1 April 2014		<u>(486)</u>	<u>(245)</u>
Retained losses at 31 December		<u><u>(1,295)</u></u>	<u><u>(486)</u></u>

All amounts relate to continuing operations and are wholly attributable to the equity shareholders of the Company.

There are no other comprehensive income or expenses in either the year other than as stated above. Accordingly no statement of comprehensive income has been presented.

Montclare Limited

Balance sheet 31 December 2015

	Note	2015 £'000	2014 £'000
Current assets			
Land and buildings in course of development		16,302	2,913
Debtors:			
Due within one year	6	-	32
Cash at bank and in hand		-	15
		<u>16,302</u>	<u>2,960</u>
Creditors: amounts falling due within one year	7	<u>(17,122)</u>	<u>(4)</u>
Net current (liabilities)/assets		<u>(821)</u>	<u>2,956</u>
Total assets less current liabilities		<u>(821)</u>	<u>2,956</u>
Creditors: amounts falling due after more than one year		<u>(474)</u>	<u>(3,442)</u>
Net liabilities		<u>(1,295)</u>	<u>(486)</u>
Capital and reserves			
Called up share capital	8	-	-
Profit and loss account	8	<u>(1,295)</u>	<u>(486)</u>
Shareholder's deficit		<u>(1,295)</u>	<u>(486)</u>

The financial statements of Montclare Limited were approved by the board of directors on 6 June 2016



R K Williams
Director

Montclare Limited

Notes to the financial statements (continued) Year ended 31 December 2015

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

a. General information and basis of accounting

Montclare Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the Directors' report on page 1.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. For more information see note 11.

The Company previously changed its accounting reference date from 31 March to 31 December and hence the prior period is in respect of the nine months ended 31 December 2014.

The functional currency of Montclare Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Montclare Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

b. Going concern basis

The Company's business activities together with the factors likely to affect its future development, performance and position are set out in the Directors' report on page 1.

As stated in the Directors' report the principal risks and uncertainties affecting the Company are inextricably linked to those affecting the Group.

The Company meets its day to day working capital requirements through an intra-group facility provided by Fairview New Homes Limited which allocates group funding to subsidiaries for the purposes of individual development projects.

The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current facility.

The directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

c. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Montclare Limited

Notes to the financial statements (continued) Year ended 31 December 2015

1. Accounting policies (continued)

c. Financial instruments (continued)

(i) Financial assets and liabilities (continued)

Debt instruments are subsequently measured at amortised cost using the effective interest method.

Debt instruments that are classified as payable or receivable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(ii) Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

d. Land and buildings in course of development

Land and buildings in course of development and land upon which development has not yet commenced are valued at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost includes the cost of acquiring land, development expenditure to date and an appropriate proportion of overhead expenditure.

In considering the net realisable value of development sites it is assumed that the sites will be fully developed and the completed units sold in the ordinary course of the Company's business, and that the sites would not be placed on the market for immediate sale in their existing state.

e. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Montclare Limited

Notes to the financial statements (continued) Year ended 31 December 2015

1. Accounting policies (continued)

e. Impairment of assets (continued)

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

f. 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 is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) 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, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements and key sources of estimation uncertainty in applying the Company's accounting policies

The following is the critical judgement that the directors have made in the process of applying the Company's accounting policies and that has the most significant effect on the amounts recognised in the financial statements.

Montclare Limited

Notes to the financial statements (continued) Year ended 31 December 2015

2. Critical accounting judgements and key sources of estimation uncertainty (continued)

Carrying value of land and buildings in the course of development

Inventories include land and buildings in the course of development in respect of a future development site. Net realisable value represents the estimated selling price (in the ordinary course of business) less all estimated costs of completion and overheads. Valuations of site work in progress are carried out at regular intervals and estimates of the cost to complete a site and estimates of anticipated revenues are required to enable a development profit to be determined. The directors are required to employ judgement in estimating the profitability of a site and in assessing any impairment provisions which may be required.

3. Loss on ordinary activities before taxation

Auditor's fees for the audit of the Company's financial statements of £900 have been borne by another group company. There were no non-audit fees paid to the Company's auditors during the current year or preceding period.

4. Directors' remuneration and transactions

The Company had no employees during the current year or preceding period, other than directors. None of the directors received any emoluments or other benefits during the current year or preceding period.

5. Tax charge on profit on ordinary activities

The tax charge comprises:

	2015 £'000	2014 £'000
Current tax on profit on ordinary activities		
UK corporation tax at 20.25% (2014: 21%)	-	-
Adjustment in respect of prior years	-	-
	<hr/>	<hr/>
Total tax on profit on ordinary activities	<hr/> <hr/> -	<hr/> <hr/> -

In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the latest rates substantively enacted in July 2013 now standing at 21% with effect from 1 April 2014 and 20% with effect from 1 April 2015. The closing deferred tax assets and liabilities have been calculated at 20% in accordance with the rates enacted at the balance sheet date. In the Budget on 8 July 2015, the UK Government proposed to further reduce the main rate of UK corporation tax to 19% with effect from 1 April 2017 and 18% with effect from 1 April 2020. These rate changes were substantively enacted in the Finance Bill 2015 on 26 October 2015 and existing timing differences may therefore unwind in periods subject to these reduced rates.

There is no expiry date on timing differences, unused tax losses or tax credits.

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2015 £'000	2014 £'000
Loss on ordinary activities before taxation	<hr/> (809) <hr/>	<hr/> (241) <hr/>
Tax credit on loss on ordinary activities at 20.25% (2014: 21%)	164	51
Effects of:		
Notional interest on intra-group loans	78	-
Tax losses carried forward	<hr/> (242) <hr/>	<hr/> (51) <hr/>
Total tax charge for the year	<hr/> <hr/> -	<hr/> <hr/> -

Montclare Limited

Notes to the financial statements (continued) Year ended 31 December 2015

6. Debtors

	2015 £'000	2014 £'000
Amounts falling due within one year:		
Trade debtors	-	4
Prepayments	-	20
Other debtors	-	8
	<u>-</u>	<u>32</u>

7. Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
Trade creditors	209	-
Amounts owed to group undertakings	16,383	-
Other creditors	2	2
Accruals	-	2
Deferred income	528	-
	<u>17,122</u>	<u>4</u>

8. Called-up share capital and reserves

	2015 £	2014 £
Allotted, called-up and fully paid:		
1 Ordinary Share of £1 each	<u>1</u>	<u>1</u>

The Company's other reserve is as follows:

The profit and loss reserve represents cumulative profits or losses.

9. Related party transactions

The Company has taken advantage of the exemption granted by paragraph 33.1A of FRS 102 not to disclose related party transactions with wholly owned subsidiaries within the Group. There were no other related party transactions.

10. Controlling party

At 31 December 2015 the ultimate parent company was Fairview Holdings Limited, a company incorporated in England and Wales. The controlling party was the Fairview Holdings Limited Employee Benefit Trust.

The largest and smallest group of undertakings for which group accounts to 31 December 2015 are drawn up and of which the Company is a member is Fairview Holdings Limited. Copies of the group accounts may be obtained from 50 Lancaster Road, Enfield, Middlesex EN2 0BY.

11. Explanation of transition to FRS 102

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements under previous UK GAAP were for the year ended 31 December 2014 and the date of transition to FRS 102 was therefore 1 January 2014.

No material changes to the financial statements have arisen on the transition to FRS 102 and hence opening equity at 1 January 2014, the profit and loss account for the year ended 31 December 2014 and the balance sheet at 31 December 2014 have not been restated.