

Company Registration No. 9200085 (England and Wales)

CYGNET STREET DEVELOPMENTS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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CYGNET STREET DEVELOPMENTS LIMITED

COMPANY INFORMATION

Directors	S S Conway D E Conway
Secretary	A W Porter
Company number	9200085
Registered office	3rd Floor Sterling House Langston Road Loughton Essex IG10 3TS
Auditor	BDO LLP 55 Baker Street London United Kingdom W1U 7EU
Business address	3rd Floor Sterling House Langston Road Loughton Essex IG10 3TS

CYGNET STREET DEVELOPMENTS LIMITED

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CYGNET STREET DEVELOPMENTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The directors present their annual report and financial statements for the year ended 31 March 2017.

Principal activities

The principal activity of the company continued to be that of property development.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S S Conway

D E Conway

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

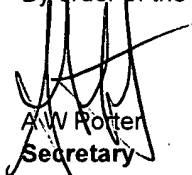
Statement of disclosure to auditor

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditor for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

By order of the board



A. W. Rother
Secretary

13 November 2017

CYGNET STREET DEVELOPMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CYGNET STREET DEVELOPMENTS LIMITED

We have audited the financial statements of Cygnet Street Developments Limited for the year ended 31 March 2017 which comprise the Statement of Total Comprehensive Income, the Statement Of Financial Position, the Statement of Changes in Equity and the related notes. 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).

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 Financial Reporting Council's (FRC'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 FRC's website at 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 March 2017 and of its profit 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 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.

CYGNET STREET DEVELOPMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CYGNET STREET DEVELOPMENTS LIMITED

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 during 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 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 prepare the financial statements and the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

Christopher Young (Senior Statutory Auditor)
For and on behalf of BDO LLP

13 November 2017

Statutory Auditor

55 Baker Street
London
United Kingdom
W1U 7EU

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CYGNET STREET DEVELOPMENTS LIMITED

STATEMENT OF TOTAL COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	2016 £
Revenue		10,814,029	-
Cost of sales		(6,792,251)	(86,722)
Gross profit/(loss)		4,021,778	(86,722)
Administrative expenses		(650)	(650)
Other operating income		108,264	3,661
Operating profit/(loss)	2	4,129,392	(83,711)
Investment income		76,191	-
Finance costs	3	(1,217,856)	(3,353,156)
Profit/(loss) before taxation		2,987,727	(3,436,867)
Taxation		(368,474)	-
Profit/(loss) for the financial year		2,619,253	(3,436,867)
Total comprehensive income for the year		2,619,253	(3,436,867)

The income statement has been prepared on the basis that all operations are continuing operations.

The notes on pages 7 to 9 form part of these financial statements.

CYGNET STREET DEVELOPMENTS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Current assets					
Inventories		14,560,974		15,035,983	
Trade and other receivables	4	1,494,056		881,921	
		<u>16,055,030</u>		<u>15,917,904</u>	
Current liabilities	5	(17,101,993)		(19,584,120)	
Net current liabilities			(1,046,963)		(3,666,216)
Equity					
Called up share capital	6		1		1
Retained earnings			(1,046,964)		(3,666,217)
Total equity			(1,046,963)		(3,666,216)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 13 November 2017 and are signed on its behalf by:


S S Conway
Director

Company Registration No. 9200085

The notes on pages 7 to 9 form part of these financial statements.

CYGNET STREET DEVELOPMENTS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

	Share capital £	Retained earnings £	Total £
Balance at 1 April 2015	1	(229,350)	(229,349)
Year ended 31 March 2016:			
Loss and total comprehensive income for the year	-	(3,436,867)	(3,436,867)
Balance at 31 March 2016	1	(3,666,217)	(3,666,216)
Year ended 31 March 2017:			
Profit and total comprehensive income for the year	-	2,619,253	2,619,253
Balance at 31 March 2017	1	(1,046,964)	(1,046,963)

The notes on pages 7 to 9 form part of these financial statements.

CYGNET STREET DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Cygnets Street Developments Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3rd Floor Sterling House, Langston Road, Loughton, Essex, IG10 3TS.

1.1 Accounting convention

The financial statements have been prepared in accordance with FRS 102 Section 1A Small Entities.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The preparation of financial statements in compliance with FRS102 Section 1A Small Entities requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies. The following principal accounting policies have been applied:

1.2 Going concern

After the year end the proceeds from the sale of inventories were utilised to repay the loan facility in full. Therefore the directors consider it appropriate to prepare these financial statements on a going concern basis.

1.3 Revenue

Revenue is recognised at the fair value of the consideration received or receivable following legal completion of developed units, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.4 Inventories

Inventories are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost comprises the purchase cost of land and buildings and development expenditure.

Profit on sales of developed properties are taken on receipt of sales proceeds at legal completion. Costs attributable to each sale comprises an appropriate proportion of total costs of the development.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

Financial assets, other than investments, are initially measured at transaction price and subsequently held at cost, less any impairment.

Financial liabilities are measured initially at transaction price and subsequently at amortised cost.

Financial liabilities and equity are classified according to the substance of the instrument's contractual obligation, rather than its legal form.

Finance costs are charged to profit and loss over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount.

CYGNET STREET DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense for the period comprises current and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.9 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.10 Finance Costs

Finance costs are charged to profit over the term of the debt so that the amount charged is at a constant rate on the carrying amount. Finance costs include issue costs, which are initially recognised as a reduction in the proceeds of the associated capital instrument.

Profit Share agreements with construction and financing partners are carried at fair value. Movements in fair value are recognised in finance costs.

2 Operating profit/(loss)

	2017	2016
	£	£
Operating profit/(loss) for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	650	650

3 Finance costs

	2017	2016
	£	£
Interest on bank overdrafts and loans	969,972	576,678
Fair value changes on financial instruments	247,884	2,776,478
	<u>1,217,856</u>	<u>3,353,156</u>

CYGNET STREET DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

4 Trade and other receivables

	2017 £	2016 £
Amounts falling due within one year:		
Amount due from parent undertaking	862,395	831,920
Other receivables	631,661	50,001
	<u>1,494,056</u>	<u>881,921</u>

5 Current liabilities

	2017 £	2016 £
Bank loans and overdrafts (secured)	6,283,795	7,591,765
Trade payables	788	1,689,531
Amounts due to joint developers	4,716,847	4,500,000
Corporation tax	368,474	-
Other taxation and social security	-	14,410
Other payables	2,924,574	3,011,936
Provision for profit share	2,807,515	2,776,478
	<u>17,101,993</u>	<u>19,584,120</u>
		£
Fair value provision at 1 April 2016		2,776,478
Provision created in the year		247,884
Provision utilised in the year		(216,847)
		<u>2,807,515</u>
Fair value provision at 31 March 2017		<u>2,807,515</u>

6 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

7 Parent company

The immediate parent company is Galliard Holdings Limited, a company registered in England and Wales, and the ultimate holding company is Galliard Group Limited, a company registered in England and Wales.

Galliard Group Limited prepares group financial statements and copies can be obtained from 3rd floor Sterling House, Langston Road, Loughton, Essex IG10 3TS.

In the opinion of the directors, there is no controlling party.