

Registered number: 10480997

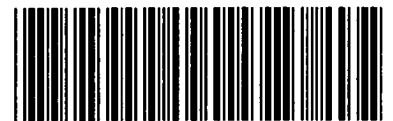
DEVONSHIRE HOMES (LANDKEY) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018



TUESDAY



A13 *A88D4BCQ*
25/06/2019 #72
COMPANIES HOUSE

DEVONSHIRE HOMES (LANDKEY) LIMITED

COMPANY INFORMATION

DIRECTORS

O M O'Callaghan
D F Stephenson
A Lane (resigned 21 September 2018)
J M Pearce (appointed 27 September 2018)

COMPANY SECRETARY

O M O'Callaghan

REGISTERED NUMBER

10480997

REGISTERED OFFICE

Devonshire House
Lowman Green
Tiverton
Devon
EX16 1LA

INDEPENDENT AUDITORS

Bishop Fleming LLP
Chartered Accountants & Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

DEVONSHIRE HOMES (LANDKEY) LIMITED

CONTENTS

	Page
Directors' report	1
Directors' responsibilities statement	2
Independent auditors' report	3 - 5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Notes to the financial statements	9 - 13

DEVONSHIRE HOMES (LANDKEY) 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.

PRINCIPAL ACTIVITY

The principal activity of the company is the development of residential property in the South West of England.

DIRECTORS

The directors who served during the year were:

O M O'Callaghan
D F Stephenson
A Lane (resigned 21 September 2018)
J M Pearce (appointed 27 September 2018)

DISCLOSURE OF INFORMATION TO AUDITORS

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 auditors are 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 auditors are aware of that information.

AUDITORS

The auditors, Bishop Fleming LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

SMALL COMPANIES NOTE

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



O M O'Callaghan
Director

Date: 9 May 2019

Devonshire House
Lowman Green
Tiverton
Devon
EX16 1LA

DEVONSHIRE HOMES (LANDKEY) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

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's financial statements and then apply them consistently;
- make judgments and accounting 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;
- 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.

DEVONSHIRE HOMES (LANDKEY) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DEVONSHIRE HOMES (LANDKEY) LIMITED

OPINION

We have audited the financial statements of Devonshire Homes (Landkey) Limited (the 'Company') for the year ended 31 December 2018, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity 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 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.

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 Auditors' 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.

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 Auditors' 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.

DEVONSHIRE HOMES (LANDKEY) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DEVONSHIRE HOMES (LANDKEY) LIMITED (CONTINUED)

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.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement on page 2, 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.

AUDITORS' 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 Auditors' 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 Auditors' report.

DEVONSHIRE HOMES (LANDKEY) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DEVONSHIRE HOMES (LANDKEY) LIMITED (CONTINUED)

USE OF OUR REPORT

This report is made solely to the Company's shareholders 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 shareholders those matters we are required to state to them in an Auditors' 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 shareholders for our audit work, for this report, or for the opinions we have formed.



Ria Burrige FCCA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

28 May 2019

DEVONSHIRE HOMES (LANDKEY) LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 £	2017 £
Turnover		9,484,261	-
Cost of sales		(7,412,965)	-
GROSS PROFIT		2,071,296	-
Administrative expenses		(6,267)	(2,011)
OPERATING PROFIT/(LOSS)		2,065,029	(2,011)
Tax on profit/(loss)		(391,973)	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		1,673,056	(2,011)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,673,056	(2,011)

The notes on pages 9 to 13 form part of these financial statements.

DEVONSHIRE HOMES (LANDKEY) LIMITED
REGISTERED NUMBER:10480997

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
CURRENT ASSETS			
Stocks	5	4,522,387	5,874,333
Debtors: amounts falling due within one year	6	173,806	2,500
Cash at bank and in hand	7	1,397,970	75,713
		<u>6,094,163</u>	<u>5,952,546</u>
Creditors: amounts falling due within one year	8	(4,412,316)	(5,954,555)
NET CURRENT ASSETS/(LIABILITIES)		<u>1,681,847</u>	<u>(2,009)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,681,847</u>	<u>(2,009)</u>
PROVISIONS FOR LIABILITIES			
Other provisions		(10,800)	-
NET ASSETS/(LIABILITIES)		<u>1,671,047</u>	<u>(2,009)</u>
CAPITAL AND RESERVES			
Called up share capital	11	2	2
Profit and loss account		1,671,045	(2,011)
		<u>1,671,047</u>	<u>(2,009)</u>

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

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


O M O'Callaghan
 Director

Date: 9 May 2019

The notes on pages 9 to 13 form part of these financial statements.

DEVONSHIRE HOMES (LANDKEY) LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2018	2	(2,011)	(2,009)
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	1,673,056	1,673,056
AT 31 DECEMBER 2018	2	1,671,045	1,671,047

The notes on pages 9 to 13 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 November 2016	1	-	1
COMPREHENSIVE INCOME FOR THE PERIOD			
Loss for the period	-	(2,011)	(2,011)
Shares redeemed during the period	1	-	1
AT 31 DECEMBER 2017	2	(2,011)	(2,009)

The notes on pages 9 to 13 form part of these financial statements.

DEVONSHIRE HOMES (LANDKEY) LIMITED

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

1. GENERAL INFORMATION

Devonshire Homes (Landkey) Limited is a limited liability company incorporated in England and Wales. The registered office is Devonshire House, Lowman Green, Tiverton, Devon, EX16 4LA.

The principal activity of the company is the development of residential property in the South West of England.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 STOCKS

Stocks and work in progress comprising of development projects, including land are valued at the lower of cost and net realisable value.

2.4 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2. ACCOUNTING POLICIES (continued)

2.6 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2.7 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.8 BORROWING COSTS

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2.9 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.10 TAXATION

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

DEVONSHIRE HOMES (LANDKEY) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018****3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4. EMPLOYEES

The Company has no employees other than the directors, who did not receive any remuneration (2017: £NIL).

5. STOCKS

	2018 £	2017 £
Land for residential development	1,377,619	2,587,236
Work in progress	3,144,768	3,287,097
	<u>4,522,387</u>	<u>5,874,333</u>

6. DEBTORS

	2018 £	2017 £
Trade debtors	114,894	-
Other debtors	58,912	2,500
	<u>173,806</u>	<u>2,500</u>

7. CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	1,397,970	75,713
	<u>1,397,970</u>	<u>75,713</u>

DEVONSHIRE HOMES (LANDKEY) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018****8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Bank loans	-	687,377
Trade creditors	2,100	4,500
Amounts owed to joint ventures	2,713,517	4,086,609
Corporation tax	391,973	-
Accruals and deferred income	1,304,726	1,176,069
	<u>4,412,316</u>	<u>5,954,555</u>

The bank loan was repaid in 2018. In 2017 the bank loan was secured by way of a fixed and floating charge over assets held by the company.

9. FINANCIAL INSTRUMENTS

	2018 £	2017 £
FINANCIAL ASSETS		
Financial assets measured at fair value through profit or loss	<u>1,397,970</u>	<u>75,713</u>

Financial assets measured at fair value through profit or loss comprise cash at bank.

10. PROVISIONS

	Maintenance provision £
Charged to profit or loss	10,800
AT 31 DECEMBER 2018	<u>10,800</u>

The maintenance provision represents the company's estimated liability to repair houses sold under warranty. It is based on the historical level of claims/expenditure on houses sold by Devonshire Homes Limited group during the year.

DEVONSHIRE HOMES (LANDKEY) LIMITED

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

11. SHARE CAPITAL

	2018 £	2017 £
ALLOTTED, CALLED UP AND FULLY PAID		
1 (2017: 1) Class A Ordinary £1 Shares share of £1.00	1	1
1 (2017: 1) Class B Ordinary £1 Shares share of £1.00	1	1
	2	2

12. RESERVES

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

13. RELATED PARTY TRANSACTIONS

Key management personnel:

All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel. Total compensation (including remuneration and social security contributions) in respect of these individuals is £NIL.

14. CONTROLLING PARTY

The company does not have an ultimate controlling party as a result of the company being 50% owned by Housing Growth Partnership GP LLP and Devonshire Homes Limited.