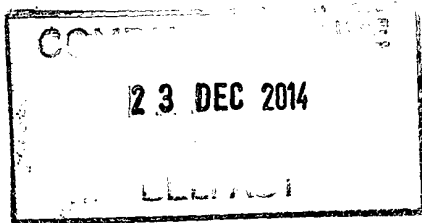


COMPANY REGISTRATION NUMBER NI049715

**LAGAN DEVELOPMENTS (HOLDINGS) LIMITED**  
**ABBREVIATED ACCOUNTS**

**31st MARCH 2014**



TUESDAY



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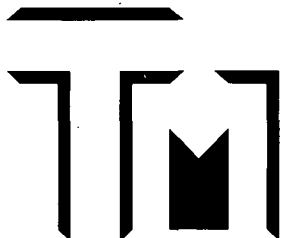
**T MURPHY & CO LIMITED**  
Chartered Accountants & Statutory Auditor  
43 Lockview Road  
Stranmillis  
Belfast  
BT9 5FJ

# **LAGAN DEVELOPMENTS (HOLDINGS) LIMITED**

## **ABBREVIATED ACCOUNTS**

**YEAR ENDED 31st MARCH 2014**

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# T Murphy & Co Limited

Chartered Accountants - Registered Auditors

43 Lockview Road, Belfast, BT9 5FJ

Tel: 028 9038 1755 - Fax: 028 9038 1744

E-mail: [enquiries@tmurphyandco.co.uk](mailto:enquiries@tmurphyandco.co.uk) - Web: [www.tmurphyandco.co.uk](http://www.tmurphyandco.co.uk)

## LAGAN DEVELOPMENTS (HOLDINGS) LIMITED

### INDEPENDENT AUDITOR'S REPORT TO LAGAN DEVELOPMENTS (HOLDINGS) LIMITED

#### UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts, together with the financial statements of Lagan Developments (Holdings) Limited for the year ended 31st March 2014 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

#### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

#### OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

#### OTHER INFORMATION

On 16th December 2014 we reported as auditor to the members of the company on the financial statements prepared under Section 396 of the Companies Act 2006 and our report included the following paragraph:

# **LAGAN DEVELOPMENTS (HOLDINGS) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO LAGAN DEVELOPMENTS (HOLDINGS) LIMITED *(continued)***

### **UNDER SECTION 449 OF THE COMPANIES ACT 2006**

#### **EMPHASIS OF MATTER - GOING CONCERN**

In forming our opinion on the financial statements, which is not qualified in respect of going concern, we have considered the adequacy of disclosure made in note 1 of the financial statements concerning the company's ability to continue as a going concern. The company made a net loss during the year of £541,444 (2013 - £1,944,379) and had net liabilities of £18,492,264 (2013 - £17,950,820) as at 31st March 2014. The conditions explained in note 1 to the financial statements indicate the existence of material uncertainties which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company were unable to continue as a going concern.



**TERENCE MURPHY (Senior Statutory Auditor)**

**For and on behalf of:-**

**T MURPHY & CO LIMITED  
Chartered Accountants & Statutory Auditor  
43 Lockview Road  
Stranmillis  
Belfast  
BT9 5FJ**

**16th December 2014**

# LAGAN DEVELOPMENTS (HOLDINGS) LIMITED

## ABBREVIATED BALANCE SHEET

31st MARCH 2014

|  | Note | 2014<br>£                  | 2013<br>£                  |
|--|------|----------------------------|----------------------------|
| <b>FIXED ASSETS</b>  | 2    |                            |                            |
| Tangible assets  |      | 18,379                     | 31,700                     |
| Investments  |      | 3,960,951                  | 3,454,677                  |
|  |      | <u>3,979,330</u>           | <u>3,486,377</u>           |
| <b>CURRENT ASSETS</b>  |      |                            |                            |
| Debtors  |      | 632,618                    | 699,723                    |
| Cash at bank and in hand                                       |      | 47,652                     | 96,740                     |
|  |      | <u>680,270</u>             | <u>796,463</u>             |
| <b>CREDITORS: Amounts falling due within one year</b>          |      | <u>4,475,656</u>           | <u>4,007,452</u>           |
| <b>NET CURRENT LIABILITIES</b>                                 |      | <b>(3,795,386)</b>         | <b>(3,210,989)</b>         |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |      | <b>183,944</b>             | <b>275,388</b>             |
| <b>CREDITORS: Amounts falling due after more than one year</b> |      | <u>18,676,208</u>          | <u>18,226,208</u>          |
|  |      | <u><b>(18,492,264)</b></u> | <u><b>(17,950,820)</b></u> |
| <b>CAPITAL AND RESERVES</b>                                    |      |                            |                            |
| Called-up equity share capital                                 | 4    | 81,001                     | 81,001                     |
| Profit and loss account  |      | <b>(18,573,265)</b>        | <b>(18,031,821)</b>        |
| <b>DEFICIT</b>   |      | <u><b>(18,492,264)</b></u> | <u><b>(17,950,820)</b></u> |

These abbreviated accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

These abbreviated accounts were approved by the directors and authorised for issue on 15th December 2014, and are signed on their behalf by:

  
S BELL  
Director

  
KA LAGAN  
Director

Company Registration Number: NI049715

The notes on pages 4 to 9 form part of these abbreviated accounts.

# **LAGAN DEVELOPMENTS (HOLDINGS) LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31st MARCH 2014**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention.

#### **Consolidation**

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

#### **Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Motor Vehicles                      -    25% straight line

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### **Investments**

Fixed asset investments are initially stated at cost in the balance sheet of the company, and are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

# **LAGAN DEVELOPMENTS (HOLDINGS) LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31st MARCH 2014**

### **1. ACCOUNTING POLICIES** *(continued)*

#### **Going concern**

The company balance sheet at 31st March 2014 includes financial assets to the value of £3,960,951 (2013 - £3,454,677), comprising investment in and loans to related party entities (see note 6) in which all are involved in property-related activities.

The directors have reviewed the carrying value of the company's property-related assets in the context of the market conditions at the balance sheet date and have considered developments in the property market since that date. In reviewing these assets, the directors have considered it necessary to create an impairment provision to the value of £21,155,226.

The company's ability to realise the value of the property-related assets and hence continue as a going concern is dependent on the availability of financial support from both its bankers and shareholders. The directors are confident that this funding will continue for the foreseeable future.

The directors recognise the above circumstances represent a material uncertainty and cast doubt upon the company's ability to continue as a going concern. The circumstances surrounding this concern have been considered by the directors and they believe it is reasonable to expect the company will continue in existence in the foreseeable future.

This is the basis upon which the directors have adopted the going concern basis in the preparation of these financial statements.

#### **Pension costs**

The company operates a defined contribution scheme for specific directors and employees. The cost of funding the defined contribution scheme is charged to the profit and loss account as incurred.

# LAGAN DEVELOPMENTS (HOLDINGS) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st MARCH 2014

### 2. FIXED ASSETS

|   | Tangible<br>Assets<br>£ | Loans &<br>Investments<br>£ | Total<br>£        |
|---|-------------------------|-----------------------------|-------------------|
| <b>COST</b>                                 |                         |                             |                   |
| At 1st April 2013                           | 82,283                  | 24,877,664                  | 24,959,947        |
| Additions                                   | –                       | 723,530                     | 723,530           |
| Disposals/repayments                        | (31,631)                | (76,522)                    | (108,153)         |
| Revaluation                                 | –                       | (408,495)                   | (408,495)         |
| <b>At 31st March 2014</b>                   | <b>50,652</b>           | <b>25,116,177</b>           | <b>25,166,829</b> |
| <b>DEPRECIATION AND AMOUNTS WRITTEN OFF</b> |                         |                             |                   |
| At 1st April 2013                           | 50,583                  | 21,422,987                  | 21,473,570        |
| Charge for year                             | 13,321                  | 123,000                     | 136,321           |
| On disposals                                | (31,631)                | –                           | (31,631)          |
| Revaluation                                 | –                       | (390,761)                   | (390,761)         |
| <b>At 31st March 2014</b>                   | <b>32,273</b>           | <b>21,155,226</b>           | <b>21,187,499</b> |
| <b>NET BOOK VALUE</b>                       |                         |                             |                   |
| <b>At 31st March 2014</b>                   | <b>18,379</b>           | <b>3,960,951</b>            | <b>3,979,330</b>  |
| At 31st March 2013                          | 31,700                  | 3,454,677                   | 3,486,377         |

There are no tangible fixed assets held under hire purchase agreements.

Details of the investments in which the group and company holds 20% or more of the share capital are listed in Notes 6 and 7 to the Financial Statements.

### 3. DIRECTORS' LOAN ACCOUNTS

At the year end, included in creditors falling due after more than one year, there was a balance owing by the company to directors as follows:-

|           | 2014<br>£        | 2013<br>£        | Maximum<br>in year<br>£ |
|-----------|------------------|------------------|-------------------------|
| JPk Lagan | 2,585,770        | 2,448,718        | 2,585,770               |
| MA Lagan  | 2,159,912        | 2,046,964        | 2,159,912               |
|           | <b>4,745,682</b> | <b>4,495,682</b> |                         |



# LAGAN DEVELOPMENTS (HOLDINGS) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st MARCH 2014

### 4. SHARE CAPITAL

Authorised share capital:

|                                    | 2014<br>£      | 2013<br>£      |
|------------------------------------|----------------|----------------|
| 100,000 Ordinary shares of £1 each | <u>100,000</u> | <u>100,000</u> |

Allotted, called up and fully paid:

|                            | 2014          |               | 2013          |               |
|----------------------------|---------------|---------------|---------------|---------------|
|                            | No            | £             | No            | £             |
| Ordinary shares of £1 each | <u>81,001</u> | <u>81,001</u> | <u>81,001</u> | <u>81,001</u> |

### 5. CONTROL

The company is controlled by JPK Lagan and MA Lagan who own 100% of the issued share capital.

# LAGAN DEVELOPMENTS (HOLDINGS) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st MARCH 2014

### 6. FIXED ASSET INVESTMENTS - INTEREST IN SUBSIDIARIES, JOINT VENTURE & ASSOCIATE UNDERTAKINGS

The company holds either directly or indirectly 20% or more of the share capital of the following property developments companies:-

| Company                                | Country of<br>registration<br>or incorporation | Country of<br>principal<br>activities | Proportion<br>of shares |
|--|--|---------------------------------------|-------------------------|
| Lagan (Alsager) Ltd.                   | Northern Ireland                               | Northern Ireland                      | 100%                    |
| Lagan Developments Ltd.                | Republic of Ireland                            | Republic of Ireland                   | 100%                    |
| Quay Developments Ltd.                 | Northern Ireland                               | Northern Ireland                      | 100%                    |
| Lagan Developments Ltd.                | Northern Ireland                               | Northern Ireland                      | 100%                    |
| Bay Developments Ltd.                  | Northern Ireland                               | Northern Ireland                      | 50%                     |
| Knockcumber Holdings Ltd.              | Republic of Ireland                            | Republic of Ireland                   | 50%                     |
| Knockcumber Ltd.                       | Republic of Ireland                            | Republic of Ireland                   | 50%                     |
| Knockcumber Property Developments Ltd. | Republic of Ireland                            | Republic of Ireland                   | 50%                     |
| KVL Ltd.                               | Republic of Ireland                            | Republic of Ireland                   | 50%                     |
| Lagmar (Barking) Ltd.                  | Scotland                                       | England                               | 50%                     |
| Lagmar (Barnstaple) Ltd.               | Scotland                                       | England                               | 50%                     |
| Lagmar (Warrington) Ltd.               | Scotland                                       | England                               | 50%                     |
| Lagmar Properties Ltd.                 | Northern Ireland                               | Northern Ireland                      | 50%                     |
| Makdee Developments Ltd.               | Northern Ireland                               | Northern Ireland                      | 50%                     |
| Money carragh Ltd.                     | Northern Ireland                               | Northern Ireland                      | 50%                     |
| Jerlag Developments Ltd.               | Northern Ireland                               | Northern Ireland                      | 50%                     |
| SF 3034 Ltd.                           | Scotland                                       | England                               | 50%                     |
| Kells Development Company Ltd.         | Republic of Ireland                            | Republic of Ireland                   | 33%                     |
| Harmin Properties Ltd.                 | Northern Ireland                               | Northern Ireland                      | 25%                     |

# LAGAN DEVELOPMENTS (HOLDINGS) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st MARCH 2014

### 7. FIXED ASSET INVESTMENTS - SUBSIDIARIES & COMPANY SHARE OF JOINT VENTURES' & ASSOCIATE'S RESULTS

The companies named above are principally involved in property development. Based on the following accounts Lagan Developments (Holdings) Limited's share of subsidiary, joint venture and associate turnover, profits / (losses) and net assets are disclosed below:-

| <u>Name of undertaking</u>                | <u>Period ended</u> | <u>Turnover</u> | <u>Profit / (loss)</u> | <u>Net assets / (liabilities)</u> |
|---|---------------------|-----------------|------------------------|-----------------------------------|
|   |                     |                 | <u>(after tax)</u>     |                                   |
|   |                     | £               | £                      | £                                 |
| <u>Subsidiaries</u>                       |                     |                 |                        |                                   |
| Lagan Developments Limited                | 31/03/2014          | -               | 179,744                | 1,118,187                         |
| Lagan Developments Limited (RoI)          | 31/03/2014          | -               | -                      | 3                                 |
| Lagan (Alsager) Limited                   | 31/03/2014          | 1,144,823       | (946,704)              | (1,231,608)                       |
| Quay Developments Limited                 | 31/03/2014          | 481,675         | (1,717,016)            | (2,513,128)                       |
| <u>Joint ventures and associates</u>      |                     |                 |                        |                                   |
| Lagmar (Barnstaple) Limited               | 31/03/2014          | 184,675         | (36,012)               | (1,118,223)                       |
| Lagmar (Barking) Limited                  | 31/03/2014          | 1,966,546       | 701,309                | (24,471,269)                      |
| Lagmar (Warrington) Limited               | 31/03/2014          | 2,286,548       | 1,670,058              | (14,690,489)                      |
| SF 3034 Limited                           | 31/03/2014          | 4,353           | 4,353                  | 43,556                            |
| Lagmar Properties Limited                 | 31/03/2014          | -               | (2,721,302)            | (4,125,980)                       |
| Kells Development Company Limited         | 31/03/2014          | -               | (713,816)              | (4,763,582)                       |
| Knockcumber Holdings Limited              | 31/12/2013          | 233,323         | (302,175)              | (16,984,303)                      |
| Knockcumber Property Developments Limited | 31/12/2013          | 233,323         | (266,624)              | (14,396,632)                      |
| Knockcumber Limited                       | 31/12/2013          | -               | (35,551)               | (2,587,350)                       |
| KVL Limited                               | ^ 31/03/2014        | -               | -                      | 2                                 |
| Makdee Developments Limited               | # 30/09/2013        | 110,000         | 35,315                 | 5,813                             |
| Jerlag Developments Limited               | # 31/01/2014        | -               | (142,629)              | (943,453)                         |
| Moneycarragh Limited                      | # 31/03/2014        | -               | (799)                  | (215,812)                         |
| Bay Developments Limited                  | # 31/03/2013        | -               | -                      | 5                                 |
| Harmin Properties Limited                 | # 31/03/2014        | -               | (33,653)               | (436,949)                         |

^ Draft financial statements

# Unaudited financial statements