

Company Registration No. 4599607

**MASSHOUSE DEVELOPMENTS
LIMITED**

Annual Report and Financial Statements

For the year ended 31 December 2014

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COMPANIES HOUSE

MASSHOUSE DEVELOPMENTS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS 2014

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MASSHOUSE DEVELOPMENTS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Directors

N S Payne
S P Robinson

Secretary

S P Robinson

Registered Office

Mynshulls House
14 Cateaton Street
Manchester
M3 1SQ

Bankers

The Royal Bank of Scotland Plc
1 Dale Street
Liverpool
L2 2PP

Solicitors

Eversheds LLP
115 Colmore Row
Birmingham
B3 3AL

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester
United Kingdom

MASSHOUSE DEVELOPMENTS LIMITED

DIRECTORS' REPORT

The directors present their annual report and the financial statements of the company for the year ended 31 December 2014.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small company's exemption. Accordingly, no strategic report has been prepared on the basis that the company is small.

Principal activities

The principal activity of the company is property development.

Business review

The company is involved in the development of two sites in Birmingham with a planning consent for circa 1,100,000 square foot of mixed use development. The development, when completed, will comprise a mixture of residential accommodation, grade A office accommodation, a hotel, a Magistrates Court and car parking.

Following the successful completion of its first site, the company's activity has focused on advancing the new scheme with plans to be on site with the next phase by the end of 2015, early 2016.

Turnover decreased from £583,711 to £414,720, resulting in a loss after taxation of £65,341 (2013: £531,650 profit).

The net current asset position includes loan stock of £10,288,869 (2013: £10,288,869). The terms of the loan stock state that it was repayable in full on 31 December 2010. However, as disclosed in note 1 to the financial statements, the directors have received confirmation from the company's loan note holders that they will not seek repayment of the £10,288,869 worth of loan notes prior to 12 months from the date these accounts have been signed.

The total net liability position for the company at 31 December 2014 is £399,293 (2013: £333,952).

At the year-end date the company was under the joint control of Evora Developments Ltd and Buro Services Ltd. Further details regarding the owner of the company and its ultimate controlling party are given in note 17 to the financial statements.

Principal risks and uncertainties

Development costs

The nature of the company's projects means that the associated development costs are potentially volatile and hence are a significant area of management focus. The directors manage this risk by using appropriate subcontractors, along with the necessary professional teams required to ensure the building is completed appropriately. Further to this, the directors prepare detailed project forecasts and ensure that the estimated associated costs of developments are thoroughly considered as part of those forecasts and reviewed on a regular basis.

Liquidity

The company is exposed to liquidity risk resulting from the timing of working capital payments and receipts. The company is currently funded by a number of related-party loans with future funding planned to be secured in relation to each specific phase.

MASSHOUSE DEVELOPMENTS LIMITED

DIRECTORS' REPORT (continued)

Principal risks and uncertainties (continued)

Economic factors affecting the property industry

The company is exposed to short term volatility in the property market but manages this risk through careful appraisal of projects, considering the interest of potential investors and the timing of the development activity. Market sentiment is improving and interest in both the residential and commercial aspects of the second site has increased significantly.

Directors

The directors who served during the year and thereafter set out on page 1.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements (see note 1).

Auditor

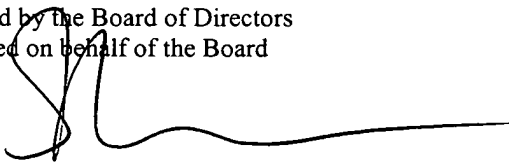
Each of the persons who is a director of the company at the date of approval of this report confirms that:

- 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 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 s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor. Accordingly a resolution to re-appoint Deloitte LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



S P Robinson
Secretary
28/9/2015

MASSHOUSE DEVELOPMENTS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MASSHOUSE DEVELOPMENTS LIMITED

We have audited the financial statements of Masshouse Developments Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 17. 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 Directors' Responsibilities Statement, 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 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 2014 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.

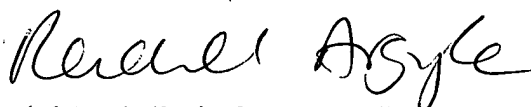
Opinion on other matter prescribed by the Companies Act 2006

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
- the directors were not entitled to take advantage of the small companies exemption from preparing a Strategic Report or in preparing the Directors' Report.



Rachel Argyle (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester, UK
28 September 2015

MASSHOUSE DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 December 2014

	Note	2014 £	2013 £
Turnover	1	414,720	583,711
Cost of sales		(132,841)	(633,187)
Gross profit/(loss)		281,879	(49,476)
Administrative expenses		(361,901)	(391,800)
Other operating income		-	1,153,082
Operating (loss)/profit		(80,022)	711,806
Interest receivable and similar income	4	143	263
Interest payable and similar charges	5	-	(1)
(Loss)/profit on ordinary activities before taxation	2	(79,879)	712,068
Tax credit/(charge) on (loss)/profit on ordinary activities	6	14,538	(180,418)
(Loss)/profit for the financial year	14,15	(65,341)	531,650

There are no recognised gains or losses for the current or preceding year other than as stated above. Accordingly, no separate statement of total recognised gains and losses has been presented.

All the results derive from continuing operations.

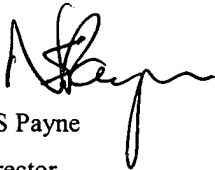
MASSHOUSE DEVELOPMENTS LIMITED

BALANCE SHEET As at 31 December 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Investments	7		2		2
Current assets					
Stocks	8	325,948		-	
Debtors	9	11,138,920		10,649,781	
Cash		44,359		47,531	
		<u>11,509,227</u>		<u>10,697,312</u>	
Creditors: amounts falling due within one year	10	<u>(11,908,522)</u>		<u>(11,031,266)</u>	
Net current liabilities			<u>(399,295)</u>		<u>(333,954)</u>
Total assets less current liabilities			<u>(399,293)</u>		<u>(333,952)</u>
Provision for liabilities	11		<u>-</u>		<u>-</u>
Net liabilities			<u>(399,293)</u>		<u>(333,952)</u>
Capital and reserves					
Called up share capital	13		4		4
Profit and loss account	14		<u>(399,297)</u>		<u>(333,956)</u>
Shareholders' deficit	15		<u>(399,293)</u>		<u>(333,952)</u>

These financial statements for Masshouse Developments Limited (company registration number 04599607) were approved by the Board of Directors and authorised for issue on 28/9/2015.

Signed on behalf of the Board of Directors


N S Payne
Director

MASSHOUSE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2014

1. ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention and in accordance with applicable law and United Kingdom accounting standards. The principal accounting policies are summarised below. They have been applied consistently throughout the year and the preceding year.

Basis of preparation and going concern

The company's business activities and the factors likely to affect its future development, performance and position are set out in the directors' report and in the financial statements, together with the financial position of the company, its liquidity position and borrowing facilities.

The directors have reviewed their forecasts in light of the uncertainty presented by the current market conditions. The directors have also reviewed the local property market and have concluded that their income forecasts are reasonable.

Whilst the loan stock is repayable on demand, the directors have received confirmation from the company's loan note holders that they will not seek repayment of the loan notes until the company is forecast to be able to settle its other financial liabilities as they fall due for a period of more than one year from the date of signing the accounts and has sufficient surplus cash available with which to make a partial or full repayment.

Thus, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Stocks

Stocks are stated at the lower of cost and net realisable value and include those financial costs which are directly attributable to the construction of the assets classified as stock. Provision is made for any impairment.

Investments

Fixed asset investments are shown as cost less any provision for impairment.

Cash flow statement

The company has taken advantage of the exemption available under FRS1 not to present a cash flow statement as it falls within the small companies' exemption.

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 statement.

A deferred tax asset is regarded as recoverable and therefore 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 at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

MASSHOUSE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 December 2014

1. ACCOUNTING POLICIES (continued)

Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year from the sale of apartments, the temporary car park and advertising hoardings. Turnover for both 2014 and 2013 was wholly derived in the UK from the company's principal activity of property development.

Turnover from the sale of apartments is recognised on legal completion of the sale. Reservation fees are recognised when the contract is legally complete or if the non-refundable reservation fee is paid and the purchaser then decides not to exchange contracts.

Turnover from the temporary car park and advertising hoardings is recognised on the accruals basis.

Finance costs

Finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount. Finance costs which are directly attributable to the construction of assets within stock are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete. No such interest costs were capitalised in the period.

Other income

Other income represents government grants relating to construction in progress and subsequent sale are treated as deferred income and released to the profit and loss account in line with the recognition of the sales on the related apartments.

2. (LOSS)/ PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

(Loss)/Profit on ordinary activity before taxation is stated after charging/ (crediting):

	2014 £	2013 £
Government grants	-	(1,153,082)
Auditor's remuneration:		
Fees payable to the company's auditor for the audit of the company's annual financial statements	8,250	6,000
Fees payable to the company's auditor for other services:		
Tax services	4,400	4,400

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

None of the directors received any remuneration during the year from the company (2013: same). The company does not employ any staff (2013: same).

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	2014 £	2013 £
Bank interest	143	263

MASSHOUSE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2014

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2014 £	2013 £
Bank interest paid excluding loans	-	1

6. TAXATION

Analysis of tax (credit) / charge	2014 £	2013 £
Current tax		
UK corporation tax	-	53
Adjustments in respect of prior years	(53)	-
Total current tax (credit)/charge	(53)	53
Deferred tax		
Origination and reversal timing differences	(15,622)	165,617
Adjustments in respect of previous periods	52	91
Effect of change in tax rates	1,085	14,656
Total deferred tax (credit)/charge	(14,485)	180,364
Tax (credit)/charge for the year	(14,538)	180,417

Factors affecting the current tax (credit)/charge for the year

The tax assessed for the year is higher (2013: lower) than that resulting from applying the standard rate of corporation tax in the UK of 21.49% (2013: 23.25%). The differences are explained below:

	2014 £	2013 £
(Loss)/Profit on ordinary activities before tax	(79,879)	712,068
Tax on profit/(loss) on ordinary activities before taxation at 21.49% (2013: 23.25%) thereon	(17,169)	165,556
Effects of:		
Expenses not deductible for tax purposes	1,546	114
Difference between capital allowances and depreciation	(1,858)	(2,452)
Creation/(utilisation) of tax losses	17,481	(163,165)
Adjustments in respect of prior years	(53)	-
Current tax (credit)/charge for the year	(53)	53

Finance Act 2013, which was substantively enacted in July 2013, included provisions to reduce the rate of corporation tax to 20% with effect from 1 April 2015. Accordingly, deferred tax balances have been revalued to the lower rate of 20% in these accounts.

MASSHOUSE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2014

7. INVESTMENTS

	£
Cost	
At 1 January 2014 and at 31 December 2014	2
Provisions for impairment	
At 1 January 2014 and at 31 December 2014	-
Net book value	
At 31 December 2014 and 31 December 2013	2

The subsidiary undertakings held at the end of the year and the nature of their businesses are:

	Country of incorporation	Principal activity	Holding	Profit / (loss) for the year £	Aggregate share capital and reserves £
Subsidiary undertakings:					
Masshouse Management Limited	UK	Dormant	100%	-	1
Masshouse Commercial Block HI Limited	UK	Property development	100%	(53,993)	16,135

All of the holdings above represent ordinary shares held.

On 10 September 2013 Masshouse Block M Limited was wound up by its shareholders. Masshouse Developments Limited have disposed of the investment with a loss on disposal of £1.

Consolidated financial statements have not been prepared as the company is exempt under the small companies' regime.

8. STOCKS

	2014 £	2013 £
Works in progress	325,948	-

9. DEBTORS

	2014 £	2013 £
Amounts falling due within one year		
Trade debtors	52,440	72,841
Amounts owed by related parties (see note 16)	10,958,571	10,458,057
Prepayment and accrued income	3,843	9,302
Deferred tax asset (see note 12)	124,066	109,581
	11,138,920	10,649,781

MASSHOUSE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2014

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade creditors	72,198	62,942
Amounts owed to related parties (see note 16)	1,501,094	645,967
Amounts owed to subsidiary undertakings (see note 16)	2	2
Accruals and deferred income	41,326	15,000
Other creditors	5,033	18,433
UK corporation tax	-	53
Loan stock	10,288,869	10,288,869
	<u>11,908,522</u>	<u>11,031,266</u>

The loan stock is held by Evora Developments Limited and Buro Services Limited as shown below:

	2014 £	2013 £
Evora Developments Limited	4,588,278	4,588,278
Buro Services Limited	5,700,591	5,700,591
	<u>10,288,869</u>	<u>10,288,869</u>

The loan stock is repayable on demand and is secured against the stocks and work in progress held in Evora. As discussed in the directors' report, the directors have received written confirmation from the loan stock holders that repayment will not be sought prior to 12 months from the date these accounts have been signed. No interest is charged.

11. PROVISION FOR LIABILITIES

Provision for liabilities relate to the estimated amounts repayable under the Homes and Communities Agency funding secured during 2011. The amounts repayable under the agreement are driven by the final profits achieved under the company's second residential block, Hive, which was fully sold in the prior year.

	2014 £	2013 £
Opening balance	-	2,399,400
Utilised	-	(2,399,400)
	<u>-</u>	<u>-</u>
Closing balance	-	-

MASSHOUSE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 December 2014

12. DEFERRED TAXATION ASSET

	2014 £
Opening balance	109,581
Credited to the profit and loss account	14,537
Adjustment in respect of prior years	(52)
Closing balance	<u>124,066</u>

	2014 £	2013 £
Analysis of deferred tax		
Depreciation in excess of capital allowances	7,878	9,607
Losses	116,188	99,974
Closing balance	<u>124,066</u>	<u>109,581</u>

There is no unrecognised deferred tax in either year.

13. CALLED UP SHARE CAPITAL

	2014 £	2013 £
Called up and allotted:		
4 A ordinary shares of £1 each (2013: 4)	<u>4</u>	<u>4</u>

14. RESERVES

	Profit and loss account £
At beginning of year	(333,956)
Loss for the financial year	<u>(65,341)</u>
At end of year	<u>(399,297)</u>

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

	2014 £	2013 £
(Loss)/profit for the financial year	<u>(65,341)</u>	<u>531,650</u>
Movement in shareholders' deficit	(65,341)	531,650
Opening shareholders' deficit	<u>(333,952)</u>	<u>(865,602)</u>
Closing shareholders' deficit	<u>(399,293)</u>	<u>(333,952)</u>

MASSHOUSE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 December 2014

16. RELATED PARTY DISCLOSURES

As at 31 December 2014, the company was a joint venture between Evora Developments Limited and Buro Services Limited. The following related party balances, by virtue of their common control by Mr Allan Murphy (see note 17) are included in debtors:

	2014 £	2013 £
Evora Apartments Limited	112,607	201,215
Buro Services Limited	650,001	650,001
Masshouse Commercial Block H1 Limited	120	64,310
Nikal Limited	9,747,026	9,093,714
Cathedral Park Developments Ltd	448,817	448,817
	<u>10,958,571</u>	<u>10,458,057</u>

Included in creditors are the following related party balances:

	2014 £	2013 £
Evora Developments Limited	945,965	645,967
Masshouse Management Limited (subsidiary)	1	1
Masshouse Residential Block M1 Limited	1	1
Masshouse Commercial Block H1 Limited (subsidiary)	555,129	-
Buro Services Limited (loan notes)	5,700,591	5,700,591
Evora Developments Limited (loan notes)	4,588,278	4,588,278
	<u>11,789,965</u>	<u>10,934,838</u>

During the year the following transactions took place on an arm's length basis:

	2014 £	2013 £
Sales (with Masshouse Commercial Block H1)	-	162,500
Management fees (with Evora Developments Limited)	<u>300,000</u>	<u>300,000</u>

17. CONTROLLING PARTIES

As at 31 December 2014, the company was under the joint control of Evora Developments Limited, which is incorporated in Great Britain and registered in England, and Buro Services Limited which is incorporated in Great Britain and registered in Scotland.

Evora Developments Limited was under the control of Nikal Limited. Mr Allan Murphy controls Evora Developments Limited as a result of his controlling shareholding in Nikal Limited. Mr Allan Murphy also controls Buro Services Limited.



COMPANY NAME:	Walsh CG Holdings Limited
Company number:	07972081
Presenter's Ref:	Rachel Argyle
Tel No:	0161 455 6220

The document(s) indicated by ✓ has/have been received by Companies House.

(✓)

		DATE STAMP
	363 Annual Return	
✓	Accounts at 30 December 2014	
	288 Change of Director/Secretary	
	287 Situation of Registered Office	
	88(2) Return of Allotments of Shares	
	PUC__ Return of Allotments of Shares	
	Resolutions	
	224/225(1)/225(2) Notice of Accounting Reference Date	
	395 Particulars of a Charge	
	Cheque for £	

COMPANIES HOUSE:

Please acknowledge and return to:

Deloitte LLP
2 Hardman Street
Manchester
M3 3HF

In the stamped self addressed envelope provided.