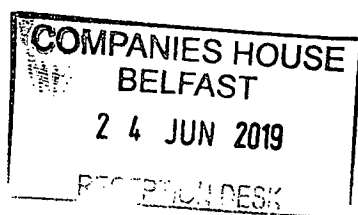


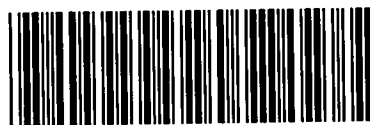
Montgomery Developments Limited

Report and Financial Statements

30 September 2018



MONDAY



JNI *J88BH7RC* #18
24/06/2019
COMPANIES HOUSE

Montgomery Developments Limited

Registered number: NI014720

Directors H H Montgomery
 N Montgomery

 A W Thomson (resigned 8 February 2019)
Company secretary H H Montgomery

Registered office 607 Antrim Road
 Newtownabbey
 Co. Antrim
 BT36 4RF

Solicitors Carson McDowell LLP
 Murray House
 4 Murray Street
 Belfast
 BT1 6DN

Bankers Danske Bank Limited
 39 Mallusk Road
 Newtownabbey
 Co. Antrim
 BT36 4PP

 First Trust Bank
 322 Antrim Road
 Glengormley
 Newtownabbey
 BT36 5EQ

Auditors Grant Thornton (NI) LLP
 12 - 15 Donegal Square West
 Belfast
 BT1 6JH

Independent Auditor's Report to the Members of Montgomery Developments Limited

Opinion

We have audited the financial statements of Montgomery Developments Limited for the year ended 30 September 2018, which comprise the Balance Sheet, and Notes to the Financial Statements, 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 (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in UK and Republic of Ireland".

Opinion on the financial statements

In our opinion, Montgomery Developments Limited financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the financial position of the company as at 30 September 2018 and of its financial performance for the year then ended;
- have been properly 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 'Auditor's 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 UK, including the FRC'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 auditor's 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.

Independent Auditor's Report to the Members of Montgomery Developments Limited

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.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102, and for such internal control as directors determine necessary to enable the preparation of financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 management either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

The objectives of an auditor 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 auditor's 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.

As part of an audit in accordance with ISAs (UK), the auditors will exercise professional judgment and maintain professional scepticism throughout the audit. They will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of managements' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. The conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

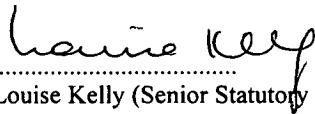
**Independent Auditor's Report
to the Members of Montgomery Developments Limited**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during our audit.

The purpose of our audit work and to whom we owe our responsibilities

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.



.....
Louise Kelly (Senior Statutory Auditor)
For and on behalf of
Grant Thornton (NI) LLP
Chartered Accountants and Statutory Auditor
Belfast

1 March 2019

Montgomery Developments Limited

Balance Sheet

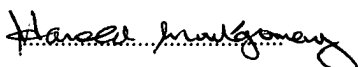
As at 30 September 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	41,399,234	41,640,611
Investments	6	<u>2</u>	<u>2</u>
		<u>41,399,236</u>	<u>41,640,613</u>
Current assets			
Debtors	7	3,220,505	3,293,196
Cash at bank and in hand	8	<u>2,774,098</u>	<u>1,490,341</u>
		5,994,603	4,783,537
Creditors: Amounts falling due within one year	9	<u>(16,979,746)</u>	<u>(17,026,910)</u>
Net current liabilities		<u>(10,985,143)</u>	<u>(12,243,373)</u>
Total assets less current liabilities		30,414,093	29,397,240
Creditors: Amounts falling due after more than one year	10	(3,716,667)	(4,014,000)
Provisions for liabilities	12	<u>(2,132,323)</u>	<u>(2,118,400)</u>
Net assets		<u>24,565,103</u>	<u>23,264,840</u>
Capital and reserves			
Called up share capital	13	1,000,000	1,000,000
Revaluation reserve	15	6,884,241	6,884,241
Profit and loss account	15	<u>16,680,862</u>	<u>15,380,599</u>
Equity shareholders' funds		<u>24,565,103</u>	<u>23,264,840</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS102 Section 1A - Small Entities.

The directors have taken advantage of the exemption contained in section 444(1) of the Companies Act 2006 from filing the directors' report and the statement of comprehensive income.

Approved and authorised by the Board on 1 March 2019 and signed on its behalf by:



H H Montgomery
Director

The notes on pages 6 to 14 form an integral part of these financial statements.

Montgomery Developments Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

1 General information

Montgomery Developments Limited is a private company limited by shares, incorporated in Northern Ireland.

The address of its registered office is:

607 Antrim Road

Newtownabbey

Co. Antrim

BT36 4RF

United Kingdom

2 Accounting policies

Accounting convention

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including section 1A of Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006.

These financial statements have been prepared using the historical cost convention except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial statements are presented in Sterling (£).

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Tangible fixed assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	25% straight line

Montgomery Developments Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

2 Accounting policies (continued)

Investment properties

Certain of the company's properties are held for long-term investment. Investment properties are initially measured at cost, comprising the purchase price and any directly attributable expenditure, and are subsequently remeasured to fair value at each reporting date with changes in fair value recognised in profit or loss.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. Current or deferred taxation assets and liabilities are not discounted.

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Montgomery Developments Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

2 Accounting policies (continued)

Deferred tax

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;
- provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;
- deferred tax assets are recognised only to the extent that the directors consider that it is 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 on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Turnover

Turnover which is stated net of value added tax, is recognised when, and to the extent that, the company obtains the right to consideration in exchange for its performance.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

3 Critical accounting judgments and key sources of estimation uncertainty

In applying the company's accounting policies the directors are required to make significant judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ. The items in the financial statements where these judgments and estimates have been made include:

Montgomery Developments Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

3 Critical accounting judgments and key sources of estimation uncertainty (continued)

(i) Establishing fair value of investment properties

Investment properties are initially measured at cost, comprising the purchase price and any directly attributable expenditure, and are subsequently remeasured to fair value at each reporting date with changes in fair value recognised in profit or loss. When the fair value of investment properties cannot be measured based on the price of a recent transaction for an identical asset or liability, their fair value is measured using valuation techniques and models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as market rent, vacancy rate, yield requirement and inflation. Changes in assumptions about these factors could effect the reported fair value of investment properties.

(ii) Recoverability of debtors

Short term debtors are measured at transaction price, less any impairment. Estimates are made in respect to the recoverable value of trade and other debtors. When assessing the level of provisions required, factors including current trading experience, historical experience and the ageing profile of debtors are considered.

(iii) Assessing indicators of impairment

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss. If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

4 Employees

The average number of persons, employed by the company during the year was 3 (2017 - 3).

The directors received no remuneration from the company in both the current and prior years.

Montgomery Developments Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

5 Tangible assets

	Plant & machinery £	Investment properties £	Total £
Cost or valuation			
At 1 October 2017	573,601	41,635,676	42,209,277
Additions	-	82,325	82,325
Disposals	-	(320,001)	(320,001)
At 30 September 2018	573,601	41,398,000	41,971,601
Depreciation			
At 1 October 2017	568,666	-	568,666
Charge for the year	3,701	-	3,701
At 30 September 2018	572,367	-	572,367
Net book value			
At 30 September 2018	1,234	41,398,000	41,399,234
At 30 September 2017	4,935	41,635,676	41,640,611

The investment properties have been valued by the directors at the year end on the basis of market value.

Revaluation

As at 1 October 2014 the company's freehold land and buildings and properties held for investment were valued on the basis of open market for existing use and open market value respectively by independent, professionally qualified valuers, O'Connor Kennedy Turtle.

The directors believe that properties held for investment are stated at open market value at the balance sheet date.

In accordance with section 17 of FRS102, the carrying values of the fixed assets have been compared to their recoverable amounts. The directors believe that the recoverable amount is in excess of the current carrying value and consequently no provision has been made for impairment in the current year.

6 Investments

Investments in subsidiary undertakings

Cost as at 30 September 2017 and 2018	£ 2
---------------------------------------	--------

Montgomery Developments Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

6 Investments (continued)

Investments at cost comprise 100% of the issued share capital of Mallusk Business Park Limited, a company incorporated in Northern Ireland. Its principal activity is that of buying and selling real estate and its year end is 30 September.

The company is exempt from preparing group financial statements under Section 400 of the Companies Act 2006 as it is a parent company included in the financial statements of a larger group.

7 Debtors

	Note	2018 £	2017 £
Trade debtors		211,906	239,939
Amounts owed by related parties	16	2,928,483	2,968,058
Other debtors		80,116	85,199
		<u>3,220,505</u>	<u>3,293,196</u>

8 Cash and cash equivalents

	2018 £	2017 £
Cash at bank	<u>2,774,098</u>	<u>1,490,341</u>

9 Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Bank loans	11	297,333	297,333
Trade creditors		95,266	125,053
Amounts owed to group undertakings		15,813,748	15,810,311
Other creditors		19,525	124,680
Social security and other taxes		86,018	-
Accruals		383,275	381,265
Corporation tax		284,581	288,268
		<u>16,979,746</u>	<u>17,026,910</u>

10 Creditors: amounts falling due after one year

	Note	2018 £	2017 £
Bank loans	11	<u>3,716,667</u>	<u>4,014,000</u>

Montgomery Developments Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

11 Bank loans

The maturity of the bank loan is as follows:

	Note	2018 £	2017 £
Amounts payable:			
Within one year	9	297,333	297,333
Between one and two years	10	297,333	297,333
Between two and five years		892,000	892,000
After five years		<u>2,527,333</u>	<u>2,824,667</u>
		<u>4,013,999</u>	<u>4,311,333</u>

The bank loan facilities are secured by fixed charges on property, fixed charges over the book debts and floating charges and full mortgage debentures over other assets of certain group companies. In addition, there are unlimited intercompany cross guarantees.

	2018 £	2017 £
Details of loans are as follows:		
Variable rate secured loan of £4,460,000 repayable over a 15 year term	<u>4,014,000</u>	<u>4,311,333</u>

12 Deferred tax

	2018 £	2017 £
At beginning of year	2,118,400	2,116,686
Charge for the year	<u>13,923</u>	<u>1,714</u>
At end of year	<u>2,132,323</u>	<u>2,118,400</u>

Deferred taxation comprises:

	2018 £	2017 £
Accelerated capital allowances	(4,914)	(8,271)
Deferred tax on revaluation	<u>2,127,237</u>	<u>2,126,671</u>
	<u>2,122,323</u>	<u>2,118,400</u>

Montgomery Developments Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

13 Share capital

Authorised

	2018 £	2017 £
Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid shares		

	No.	2018 £	No.	2017 £
Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>

Each ordinary share holds one voting right.

14 Other financial commitments

At 30 September 2018, the company had future minimum commitments under non-cancellable operating leases as set out below:

	Land & buildings 2018 £	2017 £
Within one year	<u>60,000</u>	<u>60,000</u>

15 Reserves

Called up share capital

This reserve represents the nominal value of shares that have been issued.

Profit and loss account

This reserve includes all current and prior period retained profits and losses.

16 Related party disclosures

Montgomery Developments Limited is a 100% subsidiary of Ballyvesey Holdings Limited. The company has taken advantage of the exemption given in FRS 102 section 33. This exemption permits non-disclosure of related party transactions of a wholly owned subsidiary company within the Ballyvesey Holdings Group.

During the year the company made sales of £884 (2017: £1,257) to a Director of the company. The balance owed at the year end was £nil (2017: £nil).

Montgomery Developments Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

17 Immediate and ultimate parent company

The company's parent undertaking is Ballyvesey Holdings Limited, a company incorporated in England. It has included the company in its Group financial statements.

Ballyvesey Holdings Limited is both the smallest and largest group for which group accounts are prepared. These financial statements are available upon request from Carr Hill, Doncaster, DN4 8DE

The ultimate controlling parties are the Members of the Montgomery Family Trusts.