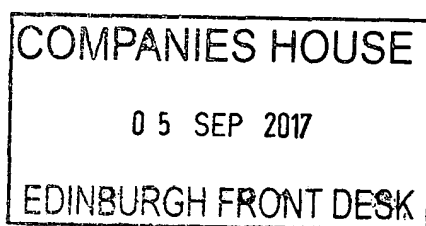


# Emerald Shared Equity Limited

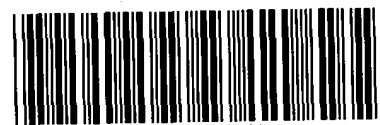
## Directors' Report and Financial Statements

31 December 2016

Registered Number 07444180



TUESDAY



SCT      \*S6ECPQW0\*      #93  
05/09/2017  
COMPANIES HOUSE

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## **Directors' report**

The directors have pleasure in presenting their annual report and financial statements for the year ended 31 December 2016.

### **Principal activity**

The principal activity of the company is to administer shared equity transactions on behalf of a third party, under two Shared Equity Proceeds Agreements dated 18 April 2011. Under the agreements, the company bears no risk in relation to the shared equity transactions entered into on behalf of the third parties and, accordingly, such transactions are not reflected in the company's balance sheet. On 12 February 2016 the shared equity portfolio was sold by the third party.

### **Results and dividends**

The result for the year ended 31 December 2016 is set out in the profit and loss account on page 5. The directors are unable to recommend the payment of a dividend (2015: £nil).

### **Directors**

The directors of the company during the year and to the date of this report were as follows:

Julie M Jackson  
Ian Murdoch

### **Disclosure of information to auditor**

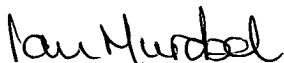
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The directors have taken advantage of the small company exemptions provided by section 414B of the Companies Act 2006 and have not prepared a Strategic report.

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board



**Ian Murdoch**  
Director  
05 September 2017

2 Centro Place  
Pride Park  
Derby  
Derbyshire  
DE24 8RF

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. The financial statements are not prepared on a going concern basis as set out in note 1.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Independent auditor's report to the members of Emerald Shared Equity Limited**

We have audited the financial statements of Emerald Shared Equity Limited for the year ended 31 December 2016 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*. These financial statements have not been prepared on a going concern basis for the reason set out in note 1 to the financial statements.

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 set out 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. 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its result for the year then ended;
- have been properly prepared in accordance with UK 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 is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

## **Independent auditor's report to the members of Emerald Shared Equity Limited** *(continued)*

### **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 the requirement to prepare a Strategic report.



**Hugh Harvie (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
*Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EG*

**05 September 2017**

## **Profit and loss account and Other comprehensive income**

*For the year ended 31 December 2016*

	<i>Note</i>	<b>2016</b> <b>£</b>	<b>2015</b> <b>£</b>
Turnover	<i>1</i>	<b>949</b>	1,960
Cost of sales		<b>(949)</b>	(1,960)
<b>Result on ordinary activities before taxation</b>		-	-
Taxation		-	-
<b>Result on ordinary activities after taxation</b>		-	-

There are no recognised items of Other comprehensive income other than those disclosed above.

The results for the financial year have been derived from continuing activities.

The notes on pages 8 to 10 form part of these financial statements.

## **Statement of changes in equity**

*For the year ended 31 December 2016*

	<b>Share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 January 2015	2	-	2
Result for the year	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2015	2	-	2
Result for the year	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2016</b>	<b>2</b>	<b>-</b>	<b>2</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 8 to 10 form part of these financial statements.



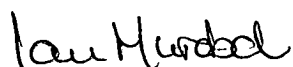
## **Balance sheet**

*As at 31 December 2016*

	<i>Note</i>	<b>2016</b> £	2015 £
<b>Current assets</b>			
Debtors: amounts falling due within one year	4	2	2
Cash at bank and in hand		-	1,397
		<hr/>	<hr/>
		2	1,399
<b>Creditors: amounts falling due within one year</b>	5	-	(1,397)
		<hr/>	<hr/>
<b>Net assets</b>		2	2
		<hr/> <hr/>	<hr/> <hr/>
<b>Capital and reserves</b>			
Called up share capital	6	2	2
		<hr/>	<hr/>
<b>Equity shareholders' funds</b>		2	2
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 8 to 10 form part of these financial statements.

The financial statements were approved by the board of directors on 05 September 2017 and signed on its behalf by:



**Ian Murdoch**  
Director

## **Notes**

*(forming part of the financial statements)*

### **1. Accounting policies**

Emerald Shared Equity Limited (the "company") is a company limited by shares and incorporated and domiciled in the UK.

These company financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling.

The company's parent undertaking, Miller Homes Holdings Limited includes the company in its consolidated financial statements. The consolidated financial statements of Miller Homes Holdings Limited are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from the address in note 9. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- The reconciliation of the number of shares outstanding from the beginning to the end of the period has not been included a second time;
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### ***Measurement convention***

The financial statements are prepared on the historical cost basis.

#### ***Going concern***

It is the intention of the directors to wind up the company in the near future as the shared equity portfolio held by the third party was disposed of on 12 February 2016. For this reason the directors' assessment is that the company is no longer a going concern and therefore, the financial statements have not been prepared on a going concern basis.

#### ***Turnover***

Turnover represents handling fees earned by the company on the recovery of shared equity loan transactions entered into with customers of McInerney Homes Limited (In Administration) and by Ludgate Hill Developments Limited.

As the company bears no risk in relation to the relevant shared equity transactions, such transactions are not reflected in the company's Balance sheet.

## Notes (continued)

### 1. Accounting policies (continued)

#### **Basis of accounting**

As the company's results are consolidated within its ultimate parent company, The Miller Homes Group (UK) Limited, the company has taken advantage of the exemption contained in Financial Reporting Standard 102 section 33 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties).

#### **Basic financial instruments**

##### *Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits.

### 2. Auditor remuneration

Auditor remuneration of £2,000 (2015: £2,000) is borne by Miller Homes Limited, a fellow subsidiary undertaking in the current and previous year and is disclosed in the accounts of that company.

### 3. Directors' emoluments and employees

The company has no employees (2015: nil). The directors did not receive any remuneration from the company during the year (2015: £nil).

4.	<b>Debtors: amounts falling due within one year</b>	<b>2016</b> £	<b>2015</b> £
	Unpaid share capital	2	2
		<hr/>	<hr/>
5.	<b>Creditors: amounts falling due within one year</b>	<b>2016</b> £	<b>2015</b> £
	Trade creditors	-	40
	Amounts owed to a fellow subsidiary company	-	1,131
	Other creditors	-	226
		<hr/>	<hr/>
		-	1,397
		<hr/>	<hr/>

**Notes** (continued)

	2016	2015
<b>6. Share capital</b>	<b>£</b>	<b>£</b>
<i>Allotted, called up but unpaid:</i>		
2 A Ordinary shares of £1 each	<b>2</b>	<b>2</b>
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>

**7. Contingent liability**

Pursuant to an Old Shared Equity Agreement and a New Shared Equity Agreement, both entered into by the company on 18 April 2011, the company has granted fixed and floating charges over the company's assets in favour of McInerney Homes Limited (In Administration) and Ludgate Hill Developments Limited respectively, as a continuing security for the payment or discharge of the secured liabilities as defined in the respective agreements.

**8. Accounting estimates and judgements**

*Key sources of estimation uncertainty*

The company believes that there are no areas of material estimation uncertainty which affect the financial results.

*Critical accounting judgements in applying the company's accounting policies*

The company believes that the major judgement applied is the use of the going concern principle which supports the valuation of assets included in the Balance sheet.

**9. Immediate and ultimate parent company**

The company's immediate parent company is Miller Homes Holdings Limited and its ultimate parent company is The Miller Homes Group (UK) Limited. Both companies are registered in Scotland and incorporated in Great Britain.

The largest group in which the results of the company are consolidated is that headed by The Miller Homes Group (UK) Limited. The smallest group in which they are consolidated is that headed by Miller Homes Holdings Limited. The consolidated financial statements of these groups are available to the public and may be obtained from the Registrar of Companies, Companies House, 4<sup>th</sup> Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

At the date of approval of these financial statements the company was controlled by GSO Capital Partners LP, a division of the Blackstone Group LP.