

**FOLLOWING  
NO ONE**

## GOOD. BETTER. DIFFERENT

IT'S BEEN ANOTHER YEAR OF RECORD GROWTH AND EXPANSION.

RESULTS THAT HAVE ONLY BEEN ACHIEVED BY CONSTANTLY  
CHALLENGING THE STATUS QUO AND OURSELVES.

A RELENTLESS PURSUIT OF THE EXCEPTIONAL THROUGH  
EVOLUTION AND IMPROVEMENT - FOREVER LOOKING FOR NEW,  
BETTER AND DIFFERENT WAYS.

THE CHALLENGE ISN'T OVER. NEXT YEAR WE PLAN  
TO DELIVER EVEN MORE.

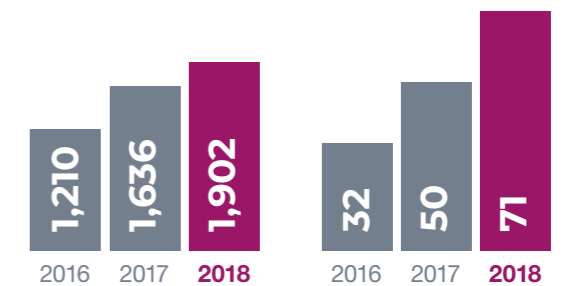
# FASTEST GROWING HOUSEBUILDER IN THE UK

OUTLETS UP  
**42%**

## DELIVERING SUSTAINED GROWTH

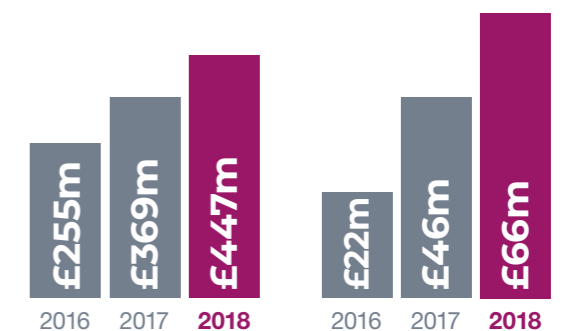
UNITS  
**+16%**

OUTLETS  
**+42%**



REVENUE  
**+21%**

CORE OPERATING PROFIT  
**+43%**



### CONTINUED GROWTH IN REVENUES AND PROFITS



**£338m**  
Capital employed

**100%** of 2019 land controlled with planning

**0.74** sales per outlet per week



**+16%** year on year private reservations

**£257,000** Private Average Selling Price



TARGET:  
DOUBLE SIZE OF BUSINESS



**£200m** Bank facilities

# CONTROLLED & DETERMINED LAND ACQUISITION

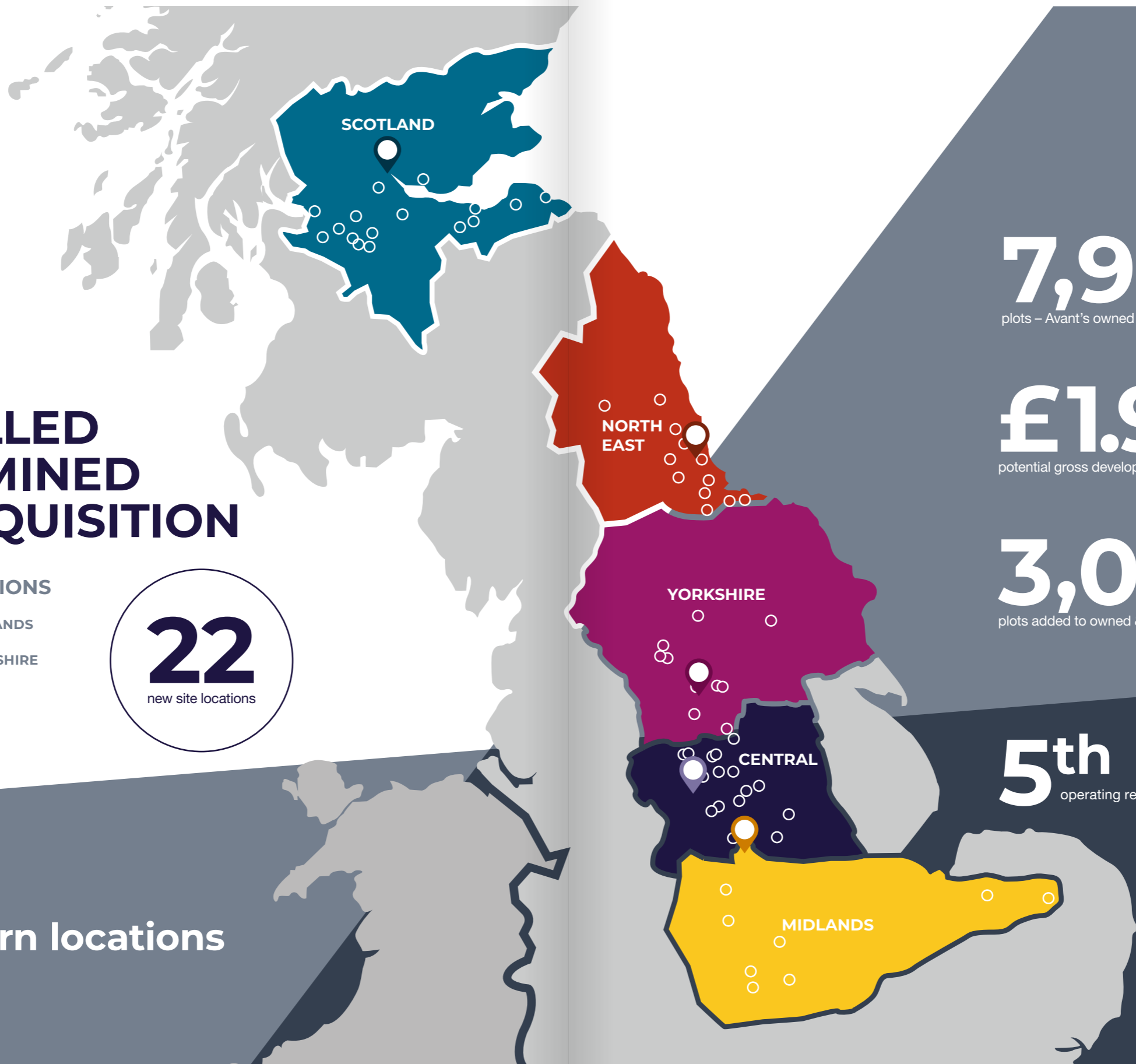
5 REGIONS – 71 LOCATIONS

- 18 SCOTLAND
- 20 MIDLANDS
- 13 NORTH EAST
- 17 YORKSHIRE
- 3 CENTRAL

REGIONAL OFFICES

**22**  
new site locations

Drive focus on **Northern locations**



**7,900**

plots – Avant's owned and contracted land supply

**£1.9bn**

potential gross development

**3,000**

plots added to owned & controlled land supply

**5th**

operating region launched – CENTRAL





# EXTENSION OF PRODUCT RANGE

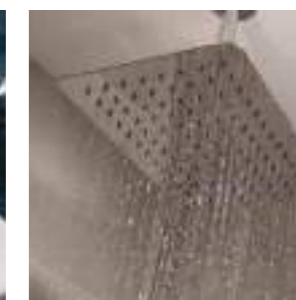
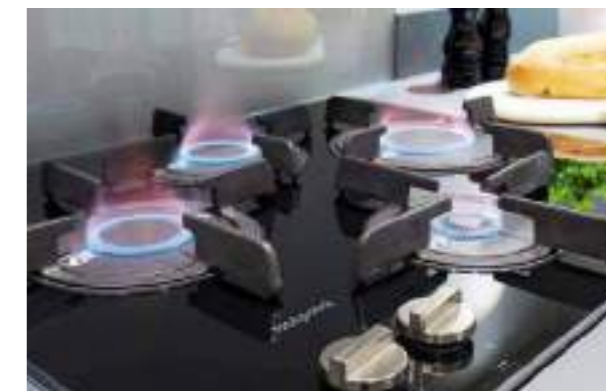
2018 saw the launch of the Bridge collection to complement our existing Original collection. The new range is aimed at an entirely new audience, with a lower price point. More affordable and attainable, yet still made to Avant standards. These homes will continue to be rolled out across a number of new developments, broadening the Group's coverage of the total, addressable housing market to 70% – further enhancing margins and driving volumes.

**9** DEVELOPMENTS  
LIVE  
ASP £177k





# SUSTAINED IMPROVEMENT & INNOVATION



## ONGOING SPECIFICATION DEVELOPMENT

Our homes and specification are constantly under development to keep ahead of trends and innovations. This year, specification improvements included a partnership with Hotpoint as the only UK homebuilder to provide their highest (Class 9) specification cooking appliances in Avant homes.

We are also the first homebuilder to partner with British Gas to offer HIVE wireless thermostats in all our homes. These enhancements and many more add to an already long list of premium product benefits included as standard in our homes such as bi-fold doors, full height tiling, digital showers, fitted wardrobes and much more.

We will be further enhancing our product range during our next financial year with the introduction of a collection of new house types offering even more design options and choice.

By never compromising, being relentless in the pursuit of excellence and always looking where improvement and innovation can be made, we will continue to build homes to different standards.



CONTINUE TO CHALLENGE:

# STRATEGIC GROWTH PLAN

DOUBLE OUTPUT TO 4,000 HOMES PER ANNUM & INCREASE TURNOVER TO £1BN

We will be scaling up existing operating regions whilst continuing to invest in land and target further geographic expansion following the successful launch of a fifth operating region, Central.

*"We are a great business, with the passion, desire, restlessness and financial firepower to be better than the rest."*

COLIN LEWIS, CEO

DRIVE EFFICIENCY BY OPTIMISING EXISTING ORIGINAL COLLECTION

1

EXPAND TARGET MARKET WITH NEW BRIDGE COLLECTION

2

ASSERTIVE GEOGRAPHIC EXPANSION ACROSS THE NORTH

3



## NO COMPROMISE FEATURING GABBY LOGAN

We are challenging the conventions of the sector and restless in our pursuit of new, different and better ways to design and deliver outstanding homes.

To support our brand message our marketing strategy this year sought to change perceptions of the new build standard with a no nonsense, straight talking approach.

The successful appointment of TV and radio broadcaster Gabby Logan, our first brand ambassador, has provided us with a familiar and welcome personality to further raise awareness of Avant Homes and, most importantly, what sets us apart.

Our 'NO COMPROMISE' campaign was supported with a multi-channel marketing strategy and has been hugely successful:

Website sessions increased

**24%**

Website goals increased

**21%**

Group reservations up

**23%**

“ There is a vibrancy and confidence about Avant Homes which makes it stand out in the new build sector. It’s a business and a lifestyle brand that embraces challenge and innovation, which is so refreshing to see. I have been impressed from the outset by the people, the homes they build and the places they create. Avant Homes is on an exciting journey and I am very pleased to have the opportunity to play my part in the ongoing success story. ”

GABBY LOGAN

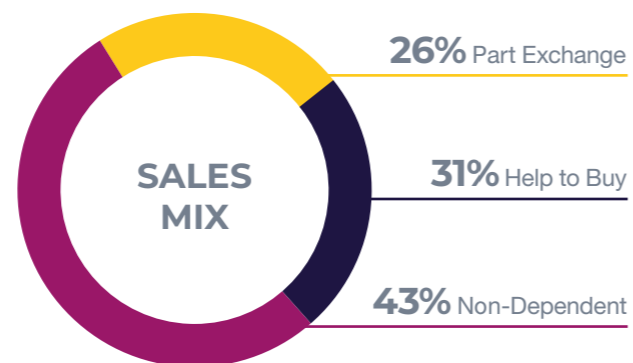








# KEY STATISTICS



## 71 outlets

Visitors to site **6%** above industry average



**35%** First time buyer

**65%** Experienced buyer



## 29% forward sold

into FY19 at year end



## 97% of part exchange properties

sold within 3 months



**1,625** private completions

**277** affordable completions

**1,902** total completions



**SIGNIFICANT GROWTH – AT APRIL 2018  
UP 42% TO 71 OUTLETS**

# THE FINANCIALS

## INCOME STATEMENT FOR THE PERIOD ENDED 27 APRIL 2018

	Period-end 27 April 2018 £'000	Year-end 30 April 2017 £'000
<b>Revenue</b>	<b>446,892</b>	368,973
Cost of sales	(354,079)	(293,495)
<b>Gross profit</b>	<b>92,813</b>	75,478
Administrative expenses	(29,299)	(30,528)
Other (costs) / income	(313)	76
<b>Operating profit before impact of joint ventures and associates</b>	<b>63,201</b>	45,026
Gain on investment held in associate undertaking	160	120
Share of operating profit of joint ventures	465	158
<b>Profit before finance expenses and income tax</b>	<b>63,826</b>	45,304
Finance expenses	(27,373)	(24,673)
<b>Profit before income tax</b>	<b>36,453</b>	20,631
Income tax credit	6,170	10,109
<b>Profit for the period</b>	<b>42,623</b>	30,740

## SUMMARY INCOME STATEMENT

<b>Operating profit</b>	<b>63,201</b>	45,026
Non-core items*	2,692	924
<b>Underlying Core operating profit</b>	<b>65,893</b>	45,950

\*Non-core items are legacy sites and activities which don't reflect our core housebuilding activities.

# THE FINANCIALS

## BALANCE SHEET AS AT 27 APRIL 2018

	27 April 2018	30 April 2017
	£'000	£'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	6,495	4,893
Intangible assets	1,041	805
Investment property	1,970	2,390
Investments in associates and joint ventures	2,154	2,589
Deferred income tax assets	40,028	30,708
Derivative financial assets	-	173
Retirement benefit asset	6,385	2,136
	<b>58,073</b>	43,694
<b>Current assets</b>		
Inventories	380,983	341,279
Trade and other receivables	42,942	22,593
Derivative financial assets	173	188
Cash and cash equivalents	32,913	27,848
Assets held for sale	3,879	-
	<b>460,890</b>	391,908
<b>Total assets</b>	<b>518,963</b>	435,602
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	82,814	89,159
Borrowings	1,569	-
Provisions for other liabilities and charges	3,124	3,774
Retirement benefit liability	160	121
	<b>87,667</b>	93,054
<b>Net current assets</b>	<b>373,223</b>	298,854
<b>Non-current liabilities</b>		
Trade and other payables	15,309	8,330
Borrowings	310,309	274,527
Deferred income tax liability	1,086	363
Provisions for other liabilities and charges	-	357
	<b>326,704</b>	283,577
<b>Total liabilities</b>	<b>414,371</b>	376,631
<b>Net assets</b>	<b>104,592</b>	58,971
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owner of the parent</b>		
Ordinary shares	330	330
Share premium	32,670	32,670
Retained Earnings	71,592	25,971
<b>Total equity</b>	<b>104,592</b>	58,971

## STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 27 APRIL 2018

	Period-end 27 April 2018 £'000	Year-end 30 April 2017 £'000
<b>Cash flows from operating activities</b>		
Profit for the period	42,623	30,740
Income tax credit	(6,170)	(10,109)
<b>Profit before income tax</b>	<b>36,453</b>	20,631
Finance costs	27,185	24,485
Depreciation of property, plant and equipment	992	733
Amortisation of intangible asset	356	231
Amortisation of derivative instrument	188	188
Difference between pension charge and cash contribution	(427)	(801)
Gain on investment in associate undertaking	(160)	(120)
Impairment of investment property	420	-
Loss on disposal of property, plant and equipment	-	6
Decrease in provisions	(480)	(2,787)
Share of (profit) / loss from associates and joint ventures	(465)	(158)
<b>Cash inflow from operating activities</b>	<b>64,062</b>	42,408
Changes in working capital:		
Inventories	(43,583)	(40,951)
Trade and other receivables	(20,349)	(13,004)
Trade and other payables	(3,966)	5,094
<b>Cash outflow from operations</b>	<b>(3,836)</b>	(6,453)
Interest paid	(5,062)	(4,264)
Tax (paid) / received	(1,527)	35
<b>Net cash used in operating activities</b>	<b>(10,425)</b>	(10,682)
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(2,594)	(1,546)
Purchase of intangible asset development	(592)	(395)
Proceeds from disposal of property, plant and equipment	-	6
Dividends received from joint ventures	1,000	-
Cancellation of old unclaimed dividends	-	8
Interest received	2	7
<b>Net cash generated from investing activities</b>	<b>(2,184)</b>	(1,920)
<b>Cash flows from financing activities</b>		
Issue costs relating to borrowings	(2,326)	(207)
Proceeds from new borrowings	20,000	10,000
<b>Net cash generated from financing activities</b>	<b>17,674</b>	9,793
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>5,065</b>	(2,809)
Cash and cash equivalents at beginning of the period	27,848	30,657
<b>Cash and cash equivalents at end of the period</b>	<b>32,913</b>	27,848





**THOSE THAT FOLLOW THEIR  
INSTINCTS AND DESIRES WILL ALWAYS BE WISER THAN  
THOSE WHO FOLLOW THE ORDERS OF OTHERS**

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