
N. HILLMAN & SONS CONTRACTORS LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 JANUARY 2021

N. HILLMAN & SONS CONTRACTORS LIMITED
REGISTERED NUMBER: 00787518

BALANCE SHEET
AS AT 31 JANUARY 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	26,267	33,905
Investment property	5	16,625,000	16,525,000
		<u>16,651,267</u>	<u>16,558,905</u>
Current assets			
Stocks	6	3,151,442	2,426,363
Debtors: amounts falling due within one year	7	473,601	497,964
Cash at bank and in hand	8	195,119	5,451
		<u>3,820,162</u>	<u>2,929,778</u>
Creditors: amounts falling due within one year	9	(2,231,754)	(2,423,763)
Net current assets		<u>1,588,408</u>	<u>506,015</u>
Total assets less current liabilities		<u>18,239,675</u>	<u>17,064,920</u>
Creditors: amounts falling due after more than one year	10	(9,539,232)	(8,334,049)
Provisions for liabilities			
Deferred tax	12	(1,242,777)	(1,218,786)
Net assets		<u><u>7,457,666</u></u>	<u><u>7,512,085</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		7,457,566	7,511,985
		<u><u>7,457,666</u></u>	<u><u>7,512,085</u></u>

N. HILLMAN & SONS CONTRACTORS LIMITED
REGISTERED NUMBER: 00787518

BALANCE SHEET (CONTINUED)
AS AT 31 JANUARY 2021

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

G A Hillman Esq

Director

Date: 12 October 2021

The notes on pages 3 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

1. General information

N. Hillman & Sons Contractors Limited is a private company, limited by shares and incorporated in England and Wales. The address of the registered office is 46-48 Ennersdale Road, London, SE13 6JB. The principal activities of the company during the year continue to be the provision of building services, property development and property investment.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

During the year and since the balance sheet date the company has had to deal with the coronavirus pandemic and the associated measures put in place to deal with it. Whilst the company's investing activities have not been significantly affected by the pandemic, the company's contracting activities have undoubtedly suffered some adverse impact from this. The director is however confident that as a result of the measures put in place and the easing of lockdown restrictions in the UK, the company will be able to continue to work through the temporary disruption and that the business plans are robust even in the current situation. On the basis of the above the accounts have been prepared on the going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

2. Accounting policies (continued)

2.7 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

2. Accounting policies (continued)

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line and reducing balance method.

Depreciation is provided on the following bases:

Plant and machinery	- 33% straight line
Motor vehicles	- 25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Investment property

Investment property is carried at fair value determined annually either by external valuers or by the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

2.11 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value. Cost includes development land and buildings, materials, direct labour, sub-contract labour and plant costs.

At each balance sheet date, stock and work in progress is assessed for impairment. If work in progress is impaired, the carrying amount is reduced to its selling price less costs to complete. The impairment loss is recognised immediately in the Statement of comprehensive income.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

2. Accounting policies (continued)

2.14 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.16 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 17 (2020 - 18).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation			
At 1 February 2020	50,769	105,975	156,744
Additions	-	5,000	5,000
At 31 January 2021	50,769	110,975	161,744
Depreciation			
At 1 February 2020	50,769	72,070	122,839
Charge for the year on owned assets	-	12,638	12,638
At 31 January 2021	50,769	84,708	135,477
Net book value			
At 31 January 2021	-	26,267	26,267
At 31 January 2020	-	33,905	33,905

5. Investment property

	Freehold investment property £
Valuation	
At 1 February 2020	16,525,000
Surplus on revaluation	100,000
At 31 January 2021	16,625,000

The 2021 valuations were made by the directors, on an open market value for existing use basis.

N. HILLMAN & SONS CONTRACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

6. Stocks

	2021 £	2020 £
Work in progress	<u>3,151,442</u>	<u>2,426,363</u>

7. Debtors

	2021 £	2020 £
Trade debtors	70,276	82,123
Other debtors	379,230	395,851
Prepayments and accrued income	24,095	19,990
	<u>473,601</u>	<u>497,964</u>

8. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<u>195,119</u>	<u>5,451</u>

9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	1,984,589	2,187,767
Trade creditors	80,239	56,688
Other taxation and social security	22,253	17,318
Other creditors	131,183	128,290
Accruals and deferred income	13,490	33,700
	<u>2,231,754</u>	<u>2,423,763</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

10. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	8,592,038	7,354,689
Other creditors	947,194	979,360
	<u>9,539,232</u>	<u>8,334,049</u>

Secured loans

Bank loans due within and after one year totalling £10,576,627 (2020: £9,542,456) are secured by way of fixed charges over investment properties owned by the company and by way of a floating charge over the assets of the company.

The director has provided personal guarantees in respect of loans from Metro Bank and Cynergy Bank. The personal guarantees are limited to the value of the loan for Metro Bank and for a sum of £500,000 for Cynergy Bank.

11. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	1,984,589	2,187,767
Amounts falling due 1-2 years		
Bank loans	174,091	1,236,715
Amounts falling due 2-5 years		
Bank loans	4,705,444	2,405,471
Amounts falling due after more than 5 years		
Bank loans	3,712,503	3,712,503
	<u>10,576,627</u>	<u>9,542,456</u>

12. Deferred taxation

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

12. Deferred taxation (continued)

	2021 £	2020 £
At beginning of year	1,218,786	1,221,636
(Credited)/Charged to profit or loss	23,991	(2,850)
At end of year	1,242,777	1,218,786

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Deferred tax on revalued properties	1,237,786	1,218,786
Accelerated capital allowances	4,991	-
	1,242,777	1,218,786

13. Auditors' information

The auditors' report on the financial statements for the year ended 31 January 2021 was unqualified.

The audit report was signed on 25 October 2021 by Mario Ciantanni (Senior statutory auditor) on behalf of Barnes Roffe LLP.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.