

HILL CONSTRUCTION (N.E) LIMITED
Filleed Annual Report and Unaudited Financial Statements
for the Year Ended 30 April 2019

Hill Construction (N.E) Limited

Contents

Statement of Financial Position

1 to 2

Notes to the Financial Statements

3 to 9

Hill Construction (N.E) Limited

(Registration number: 02566373)

Statement of Financial Position as at 30 April 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	<u>4</u>	49,500	57,750
Tangible assets	<u>5</u>	47,910	17,835
		<u>97,410</u>	<u>75,585</u>
Current assets			
Stocks		10,000	10,000
Debtors	<u>6</u>	145,574	65,092
Cash at bank and in hand		30	61,013
		<u>155,604</u>	<u>136,105</u>
Creditors: Amounts falling due within one year	<u>7</u>	<u>(132,208)</u>	<u>(202,567)</u>
Net current assets/(liabilities)		<u>23,396</u>	<u>(66,462)</u>
Total assets less current liabilities		120,806	9,123
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(7,917)</u>	-
Provisions for liabilities		<u>(8,145)</u>	<u>(3,389)</u>
Net assets		<u>104,744</u>	<u>5,734</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		104,742	5,732
Total equity		<u>104,744</u>	<u>5,734</u>

For the financial year ending 30 April 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime and the option not to file the Income Statement has been taken.

The notes on pages 3 to 9 form an integral part of these financial statements.

Hill Construction (N.E) Limited

(Registration number: 02566373)

Statement of Financial Position as at 30 April 2019 (continued)

Approved and authorised by the Board on 4 November 2019 and signed on its behalf by:

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Mr N A Hill

Director

The notes on pages 3 to 9 form an integral part of these financial statements.

Hill Construction (N.E) Limited

Notes to the Financial Statements for the Year Ended 30 April 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is Pelham House, Cadger Bank, Lanchester, County Durham, DH7 0HE.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

These financial statements are prepared in sterling which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Tax

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

Hill Construction (N.E) Limited

Notes to the Financial Statements for the Year Ended 30 April 2019 (continued)

2 Accounting policies (continued)

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible 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
Office Equipment	25% straight line
Motor Vehicles	25% straight line

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Hill Construction (N.E) Limited

Notes to the Financial Statements for the Year Ended 30 April 2019 (continued)

2 Accounting policies (continued)

Asset class	Amortisation method and rate
Goodwill	10% straight line

Trade 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.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade 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.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Hill Construction (N.E) Limited

Notes to the Financial Statements for the Year Ended 30 April 2019 (continued)

2 Accounting policies (continued)

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 6 (2018 - 6).

4 Intangible assets

	Goodwill £
Cost or valuation	
At 1 May 2018	150,000
At 30 April 2019	150,000
Amortisation	
At 1 May 2018	92,250
Amortisation charge	8,250
At 30 April 2019	100,500
Carrying amount	
At 30 April 2019	49,500
At 30 April 2018	57,750

Hill Construction (N.E) Limited

Notes to the Financial Statements for the Year Ended 30 April 2019 (continued)

5 Tangible assets

	Fixtures and fittings £	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 May 2018	5,817	946	20,400	36,040	63,203
Additions	463	-	649	42,800	43,912
Disposals	-	-	(3,393)	(35,990)	(39,383)
At 30 April 2019	<u>6,280</u>	<u>946</u>	<u>17,656</u>	<u>42,850</u>	<u>67,732</u>
Depreciation					
At 1 May 2018	14	939	17,079	27,336	45,368
Charge for the year	1,501	-	1,738	1,784	5,023
Eliminated on disposal	-	-	(3,283)	(27,286)	(30,569)
At 30 April 2019	<u>1,515</u>	<u>939</u>	<u>15,534</u>	<u>1,834</u>	<u>19,822</u>
Carrying amount					
At 30 April 2019	<u>4,765</u>	<u>7</u>	<u>2,122</u>	<u>41,016</u>	<u>47,910</u>
At 30 April 2018	<u>5,803</u>	<u>7</u>	<u>3,321</u>	<u>8,704</u>	<u>17,835</u>

6 Debtors

	2019 £	2018 £
Trade debtors	27,136	7,056
Directors loan accounts	118,016	57,661
Prepayments	422	350
Other debtors	-	25
	<u>145,574</u>	<u>65,092</u>

Hill Construction (N.E) Limited

Notes to the Financial Statements for the Year Ended 30 April 2019 (continued)

7 Creditors

Creditors: amounts falling due within one year

	2019 £	2018 £
Due within one year		
Bank loans and overdrafts	63,511	-
Trade creditors	17,125	131,115
Taxation and social security	12,849	24,831
Accruals and deferred income	2,390	2,320
Other creditors	2,376	11,235
Corporation tax liability	33,957	33,066
	<u>132,208</u>	<u>202,567</u>

Creditors include bank loans and overdrafts and net obligations under finance lease and hire purchase contracts which are secured of £63,511.

Creditors: amounts falling due after more than one year

	2019 £	2018 £
Due after one year		
Loans and borrowings	<u>7,917</u>	<u>-</u>

Creditors include bank loans and overdrafts and net obligations under finance lease and hire purchase contracts which are secured of £7,917.

8 Financial commitments, guarantees and contingencies

Amounts disclosed in the balance sheet

Included in the balance sheet are pensions of £395 (2018 - £8,326).

Hill Construction (N.E) Limited

Notes to the Financial Statements for the Year Ended 30 April 2019 (continued)

9 Related party transactions

Loans to related parties

	Directors £
2019	
At start of period	57,661
Advanced	157,326
Repaid	<u>(96,971)</u>
At end of period	<u>118,016</u>
	Directors £
2018	
At start of period	44,238
Advanced	162,045
Repaid	(149,771)
Interest transactions	<u>1,149</u>
At end of period	<u>57,661</u>

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.