

REGISTERED NUMBER: 02952632 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2018

FOR

HEADON HOMES (PROPERTY) LIMITED

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FOR THE YEAR ENDED 31 JULY 2018**

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HEADON HOMES (PROPERTY) LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 JULY 2018**

DIRECTORS:

Mr F G Kaye
Mrs K M Kaye

REGISTERED OFFICE:

Charity Farm
Church Street
East Markham
NEWARK
Nottinghamshire
NG22 0SA

REGISTERED NUMBER:

02952632 (England and Wales)

ACCOUNTANTS:

Rigel Wolf Ltd
Chartered Accountants
Orion House
28A Spital Terrace
GAINSBOROUGH
Lincolnshire
DN21 2HQ

BALANCE SHEET
31 JULY 2018

	Notes	31.7.18 £	£	31.7.17 £	£
FIXED ASSETS					
Tangible assets	4		1,533		1,936
Investment property	5		<u>1,200,000</u>		<u>1,170,000</u>
			1,201,533		1,171,936
CURRENT ASSETS					
Debtors	6	143,595		90,902	
Cash at bank		<u>2,327</u>		<u>52,151</u>	
		145,922		143,053	
CREDITORS					
Amounts falling due within one year	7	<u>23,886</u>		<u>14,993</u>	
NET CURRENT ASSETS			<u>122,036</u>		<u>128,060</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,323,569		1,299,996
CREDITORS					
Amounts falling due after more than one year	8		(563,944)		(567,930)
PROVISIONS FOR LIABILITIES	10		-		(368)
NET ASSETS			<u>759,625</u>		<u>731,698</u>
CAPITAL AND RESERVES					
Called up share capital	11		2		2
Revaluation reserve	12		761,417		731,417
Retained earnings	12		<u>(1,794)</u>		<u>279</u>
SHAREHOLDERS' FUNDS			<u>759,625</u>		<u>731,698</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

BALANCE SHEET - continued
31 JULY 2018

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 24 April 2019 and were signed on its behalf by:

Mr F G Kaye - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

1. **STATUTORY INFORMATION**

Headon Homes (Property) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents the invoiced value of rents receivable.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Investment properties	- not provided
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 20% on cost

Investment property

In accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006, the investment properties will be valued annually and included in the financial statements at fair value. The surplus or deficit will be transferred to a revaluation reserve. No depreciation or amortisation is provided in respect of the freehold investment properties.

The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principles set out in the FRS. The director considers that, because these properties are not held for consumption but for their investment potential, to depreciate them would not give a true and fair view and that it is necessary to adopt the provisions of the FRS regarding investment properties in order to give them a true and fair view.

If this departure from the Act had not been made, the loss for the financial year would have been increased by depreciation. However, the amount of depreciation cannot reasonably be quantified, because depreciation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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 is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 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.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 1 (2017 - 1) .

4. **TANGIBLE FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 August 2017 and 31 July 2018	<u>1,352</u>	<u>624</u>	<u>1,500</u>	<u>1,569</u>	<u>5,045</u>
DEPRECIATION					
At 1 August 2017	1,074	94	375	1,566	3,109
Charge for year	<u>42</u>	<u>80</u>	<u>281</u>	<u>-</u>	<u>403</u>
At 31 July 2018	<u>1,116</u>	<u>174</u>	<u>656</u>	<u>1,566</u>	<u>3,512</u>
NET BOOK VALUE					
At 31 July 2018	<u>236</u>	<u>450</u>	<u>844</u>	<u>3</u>	<u>1,533</u>
At 31 July 2017	<u>278</u>	<u>530</u>	<u>1,125</u>	<u>3</u>	<u>1,936</u>

5. **INVESTMENT PROPERTY**

	Total £
FAIR VALUE	
At 1 August 2017	1,170,000
Additions	<u>30,000</u>
At 31 July 2018	<u>1,200,000</u>
NET BOOK VALUE	
At 31 July 2018	<u>1,200,000</u>
At 31 July 2017	<u>1,170,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2018

5. INVESTMENT PROPERTY - continued

Fair value at 31 July 2018 is represented by:

	£
Valuation in 2006	416,435
Valuation in 2007	250,000
Valuation in 2008	100,000
Valuation in 2011	(117,618)
Valuation in 2012	(27,400)
Valuation in 2013	15,000
Valuation in 2014	25,000
Valuation in 2016	70,000
Valuation in 2018	30,000
Cost	<u>438,583</u>
	<u>1,200,000</u>

If the investment properties had not been revalued they would have been included at the following historical cost:

	31.7.18 £	31.7.17 £
Cost	<u>438,583</u>	<u>438,583</u>

The investment properties were valued on an open market basis on 31 July 2018 by the directors .

The revaluation of the investment properties does not constitute a timing difference. At current market value stated above, the potential liability to tax in event of disposal is estimated at £144,700.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.18 £	31.7.17 £
Trade debtors	95	-
Directors' current accounts	116,649	69,461
Tax	26,829	21,268
Prepayments and accrued income	<u>22</u>	<u>173</u>
	<u>143,595</u>	<u>90,902</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.18 £	31.7.17 £
Bank loans and overdrafts	14,018	12,424
Trade creditors	64	-
Tax	8,186	1,009
Social security and other taxes	57	-
Accruals and deferred income	<u>1,561</u>	<u>1,560</u>
	<u>23,886</u>	<u>14,993</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2018

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.7.18	31.7.17
	£	£
Bank loans - 1-2 years	13,049	17,035
Bank loans more 5 yrs non-inst	550,895	550,895
	<u>563,944</u>	<u>567,930</u>

Amounts falling due in more than five years:

Repayable otherwise than by instalments		
Bank loans more 5 yrs non-inst	<u>550,895</u>	<u>550,895</u>

9. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.7.18	31.7.17
	£	£
Bank loans	<u>577,962</u>	<u>580,354</u>

10. **PROVISIONS FOR LIABILITIES**

	31.7.18	31.7.17
	£	£
Deferred tax	<u>-</u>	<u>368</u>

	Deferred tax
	£
Balance at 1 August 2017	368
Accelerated capital allowances	(77)
Tax losses	(291)
Balance at 31 July 2018	<u>-</u>

11. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.7.18	31.7.17
			£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2018

12. RESERVES

	Retained earnings £	Revaluation reserve £	Totals £
At 1 August 2017	279	731,417	731,696
Deficit for the year	(2,073)		(2,073)
Surplus/(reduction) in valuation	-	30,000	30,000
At 31 July 2018	<u>(1,794)</u>	<u>761,417</u>	<u>759,623</u>

13. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 July 2018 and 31 July 2017:

	31.7.18 £	31.7.17 £
Mr F G Kaye		
Balance outstanding at start of year	69,461	79,961
Amounts advanced	70,581	81,224
Amounts repaid	(23,393)	(91,724)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>116,649</u>	<u>69,461</u>

Interest has been charged on this loan at a normal commercial rate. An amount of £22,000 was repaid by the director on 24 April 2019.

During the year, Mr F G Kaye - a director and 100% shareholder - charged the company £208 (2017 - £208) for use of home as office.

14. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr F G Kaye.

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.