

45 HR LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2017

45 HR LIMITED
REGISTERED NUMBER: 09338635

BALANCE SHEET
AS AT 31 OCTOBER 2017

| | Note | 2017 £ | 2016 £ |
|--|------------------|----------------|------------|
| CURRENT ASSETS | | | |
| Work in progress | 1,590,121 | - | |
| Debtors | 24,228 | - | |
| Cash at bank and in hand | 20,690 | 100 | |
| | <u>1,635,039</u> | <u>100</u> | |
| Creditors: amounts falling due within one year | (1,001,788) | - | |
| NET CURRENT (LIABILITIES)/ASSETS | | 633,251 | 100 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 633,251 | 100 |
| NET (LIABILITIES)/ASSETS | | 633,251 | 100 |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 11 | 420 | 100 |
| Share premium account | | 699,790 | - |
| Profit and loss account | | (66,959) | - |
| | | <u>633,251</u> | <u>100</u> |

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 income and retained earnings 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:

Matthew Phillips
Director

Date: 23 July 2018
The notes on pages 2 to 6 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

1. ACCOUNTING POLICIES

1.1 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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

1.2 Work in progress

Work in progress is valued at the lower of cost and net realisable value. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.3 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.

1.4 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.

1.5 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 non-puttable ordinary shares.

1.6 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.

1.7 Finance costs

Finance costs are charged to the Statement of income and retained earnings 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.

1.8 Borrowing costs

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.9 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 the Statement of income and retained earnings 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.

1.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, 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.

2. GENERAL INFORMATION

45 HR Limited is a limited company incorporated in England and Wales. The Company's principal place of business is 26 Monck Street, London, SW1P 2AP.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 8 (2016 - 4).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

4. TAXATION

2017
£

DEFERRED TAX

Origination and reversal of timing differences **(15,706)**

TAXATION ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

(15,706)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19.42% (2016 - 20%).

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

5. WORK IN PROGRESS

| | 2017 £ | 2016 £ |
|------------------|-------------------------|-------------------------|
| Work in progress | <u>1,590,121</u> | <u>-</u> |

6. DEBTORS

| | 2017 £ | 2016 £ |
|-------------------|-------------------------|-------------------------|
| VAT repayable | 8,522 | - |
| Deferred taxation | 15,706 | - |
| | <u>24,228</u> | <u>-</u> |

7. CASH AND CASH EQUIVALENTS

| | 2017 £ | 2016 £ |
|--------------------------|-------------------------|-------------------------|
| Cash at bank and in hand | <u>20,690</u> | <u>100</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

8. CREDITORS: Amounts falling due within one year

| | 2017 £ | 2016 £ |
|-----------------|------------------|-----------|
| Bank loans | 894,251 | - |
| Other loans | 45,392 | - |
| Trade creditors | 62,145 | - |
| | <u>1,001,788</u> | <u>-</u> |

Secured loans

Included within Bank loans, are secured loans provided by Close Brothers Limited. The loans are to assist with the acquisition and development of land, with a balance outstanding as at 31 October 2017 of £894,251. The loans are secured against the development property and are due for repayment by 30 September 2018.

9. FINANCIAL INSTRUMENTS

| | 2017 £ | 2016 £ |
|--|---------------|------------|
| FINANCIAL ASSETS | | |
| Financial assets measured at fair value through profit or loss | <u>20,690</u> | <u>100</u> |

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

10. DEFERRED TAXATION

| | 2017 £ |
|---------------------------|---------------|
| Charged to profit or loss | 15,706 |
| AT END OF YEAR | <u>15,706</u> |

The deferred tax asset is made up as follows:

| | 2017 £ | 2016 £ |
|----------------------------|---------------|-----------|
| Tax losses carried forward | <u>15,706</u> | <u>-</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

11. SHARE CAPITAL

| | 2017 | <i>2016</i> |
|---|-------------|-------------|
| | £ | <i>£</i> |
| Allotted, called up and fully paid | | |
| 210 A Ordinary shares of £1 each | 210 | - |
| 210 B Ordinary shares of £1 each | 210 | - |
| 100 Ordinary shares of £1 each | - | <i>100</i> |
| | <hr/> | <hr/> |
| | 420 | <i>100</i> |
| | <hr/> | <hr/> |

During the period 100 Ordinary shares of £1 each were re-designated as 100 B Ordinary shares of £1 each.

During the period 210 A Ordinary shares of £1 each and 110 B Ordinary shares of £1 each were allotted and fully paid.

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