

Company Registration No. 10005394 (England and Wales)

**HOPEWELL HOUSING LTD**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

**HOPEWELL HOUSING LTD**

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## **HOPEWELL HOUSING LTD**

### **REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF HOPEWELL HOUSING LTD**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Hopewell Housing Ltd for the year ended 30 September 2019 which comprise, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at <https://www.accaglobal.com/gb/en/member/standards/rules-and-standards/rulebook.html>.

This report is made solely to the Board of Directors of Hopewell Housing Ltd, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Hopewell Housing Ltd and state those matters that we have agreed to state to the Board of Directors of Hopewell Housing Ltd, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at [https://www.accaglobal.com/content/dam/ACCA\\_Global/Technical/fact/technical-factsheet-163.pdf](https://www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.pdf). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hopewell Housing Ltd and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Hopewell Housing Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Hopewell Housing Ltd. You consider that Hopewell Housing Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Hopewell Housing Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

**Stiles & Company**  
**Chartered Certified Accountants**  
2 Lake End Court  
Taplow Road  
Taplow  
Maidenhead  
SL6 0JQ

# HOPEWELL HOUSING LTD

## BALANCE SHEET

AS AT 30 SEPTEMBER 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	3	215,803		182,143	
Investment properties	4	17,897,084		14,617,690	
			18,112,887		14,799,833
<b>Current assets</b>					
Debtors	5	473,066		268,639	
Cash at bank and in hand		105,591		107,457	
			578,657		376,096
<b>Creditors: amounts falling due within one year</b>					
	6	(5,614,408)		(4,851,523)	
<b>Net current liabilities</b>			(5,035,751)		(4,475,427)
<b>Total assets less current liabilities</b>			13,077,136		10,324,406
<b>Creditors: amounts falling due after more than one year</b>					
	7	(13,598,600)		(10,868,910)	
<b>Net liabilities</b>			(521,464)		(544,504)
<b>Capital and reserves</b>					
Called up share capital			100		100
Profit and loss reserves			(521,564)		(544,604)
<b>Total equity</b>			(521,464)		(544,504)

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

**HOPEWELL HOUSING LTD**

**BALANCE SHEET (CONTINUED)**

***AS AT 30 SEPTEMBER 2019***

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The financial statements were approved by the board of directors and authorised for issue on 30 June 2020 and are signed on its behalf by:

Mr G Bafhtiar  
Director

Mr A Sattar  
Director

**Company Registration No. 10005394**

## HOPEWELL HOUSING LTD

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2019

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#### 1 Accounting policies

##### Company information

Hopewell Housing Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Unit 2 Progress Business Centre, Whittle Parkway, Slough, Berkshire, SL1 6DQ.

The management of the company is operated from Progress Business Centre, Whittle Park Way, Bath Road, Slough, SL1 6DQ.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

##### 1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

## HOPEWELL HOUSING LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

#### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	25% reducing balance
Fixtures and fittings	25% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

## HOPEWELL HOUSING LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

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#### 1 Accounting policies

(Continued)

##### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### *Classification of financial liabilities*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### *Basic financial liabilities*

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

##### 1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.



## HOPEWELL HOUSING LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

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#### 1 Accounting policies (Continued)

##### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

##### 1.11 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

#### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019 Number	2018 Number
Total	30	31
	<u>          </u>	<u>          </u>

# HOPEWELL HOUSING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 3 Tangible fixed assets

	Plant and equipment	fixtures and fittings	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 October 2018	44,006	148,023	71,750	263,779
Additions	2,748	81,180	-	83,928
At 30 September 2019	46,754	229,203	71,750	347,707
<b>Depreciation and impairment</b>				
At 1 October 2018	14,979	44,588	22,069	81,636
Depreciation charged in the year	7,788	30,060	12,420	50,268
At 30 September 2019	22,767	74,648	34,489	131,904
<b>Carrying amount</b>				
At 30 September 2019	23,987	154,555	37,261	215,803
At 30 September 2018	29,027	103,435	49,681	182,143

### 4 Investment property

	2019 £
<b>Fair value</b>	
At 1 October 2018	14,617,690
Additions	3,279,394
At 30 September 2019	17,897,084

The directors have considered the fair value of the investment property at the end of the year. After consultation on the matter, it has been deemed that there has been no material change in values during this year.

Properties undergoing development at the year end, will be considered on the completion of the development work.

### 5 Debtors

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Other debtors	473,066	268,639

# HOPEWELL HOUSING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 6 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	12,260	638
Taxation and social security	13,058	3,649
Other creditors	5,589,090	4,847,236
	<u>5,614,408</u>	<u>4,851,523</u>

### 7 Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Bank loans and overdrafts	13,591,520	10,856,520
Other creditors	7,080	12,390
	<u>13,598,600</u>	<u>10,868,910</u>

A revolving credit facility has been made available by HSBC to this company and other related companies. Security has been taken against the investment properties owned by this company, with guarantees being provided by each company and a director of this company.

The hire purchase balance outstanding at the balance sheet date is secured against the vehicle finance is related to.

### 8 Related party transactions

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

At the end of this year the company was owed £235,168 and owed £5,465,671 in relation to loans to/from company's connected to the directors. These loans are interest free and repayable on demand.

### 9 Directors' transactions

Dividends totalling £0 (2018 - £0) were paid in the year in respect of shares held by the company's directors.

Description	% Rate	Opening balance	Amounts advanced	Closing balance
		£	£	£
Loan - interest free	-	-	6,036	6,036
		<u>-</u>	<u>6,036</u>	<u>6,036</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.