

# 5 Star Homes Limited

trading as 5 Star Homes Ltd

Annual Report and Unaudited Abridged Financial Statements  
for the Year Ended 31 December 2016

Richard Clements & Co  
Certified  
Omagh Business Complex  
Gortrush Industrial Estate  
Omagh  
Co. Tyrone  
BT78 5LU

**5 Star Homes Limited**  
**trading as 5 Star Homes Ltd**

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**5 Star Homes Limited**  
**trading as 5 Star Homes Ltd**

**Company Information**

|                          |   |
|--------------------------|---|
| <b>Directors</b>         | Mr John O'Hagan<br>Mr Desmond O'Hagan   |
| <b>Registered office</b> | 104 Corkhill Road<br>Omagh<br>Co Tyrone<br>BT78 1UX   |
| <b>Solicitors</b>        | McCaffrey & Co<br>8 - 10 Church Hill<br>Omagh<br>Co Tyrone<br>BT78 1DQ  |
| <b>Accountants</b>       | Richard Clements & Co<br>Certified<br>Omagh Business Complex<br>Gortrush Industrial Estate<br>Omagh<br>Co. Tyrone<br>BT78 5LU |

**Chartered Certified Accountants' Report to the Board of Directors on the Preparation of the  
Unaudited Statutory Accounts of  
5 Star Homes Limited  
trading as 5 Star Homes Ltd  
for the Year Ended 31 December 2016**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of 5 Star Homes Limited for the year ended 31 December 2016 as set out on pages 3 to 8 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 <http://www.accaglobal.com/gb/en/discover/public-value/rulebook.html>.

This report is made solely to the Board of Directors of 5 Star Homes Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of 5 Star Homes Limited and state those matters that we have agreed to state to the Board of Directors of 5 Star Homes Limited, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at <http://www.accaglobal.com/gb/en/technical-activities/technical-resources-search/2009/october/factsheet-163-audit-exempt-companies.html>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than 5 Star Homes Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that 5 Star Homes Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of 5 Star Homes Limited. You consider that 5 Star Homes Limited 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 accounts of 5 Star Homes Limited. 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 accounts.

.....  
Richard Clements & Co  
Certified  
Omagh Business Complex  
Gortrush Industrial Estate  
Omagh  
Co. Tyrone  
BT78 5LU

29 September 2017

**5 Star Homes Limited**  
**trading as 5 Star Homes Ltd**

**(Registration number: NI030743)**

**Abridged Balance Sheet as at 31 December 2016**

|  | Note     | 2016<br>£   | 2015<br>£   |
|--|----------|-------------|-------------|
| <b>Current assets</b>  |          |             |             |
| Stocks   | <u>4</u> | 300,000     | 2,000,000   |
| Debtors  |          | 103         | 103         |
| Cash at bank and in hand                                       |          | 38          | 38          |
|  |          | 300,141     | 2,000,141   |
| <b>Creditors:</b> Amounts falling due within one year          |          | (204,979)   | (198,604)   |
| <b>Total assets less current liabilities</b>                   |          | 95,162      | 1,801,537   |
| <b>Creditors:</b> Amounts falling due after more than one year |          | (3,568,364) | (3,568,364) |
| <b>Accruals and deferred income</b>                            |          | (818,102)   | (818,362)   |
| <b>Net liabilities</b>   |          | (4,291,304) | (2,585,189) |
| <b>Capital and reserves</b>                                    |          |             |             |
| Called up share capital  |          | 2           | 2           |
| Profit and loss account  |          | (4,291,306) | (2,585,191) |
| <b>Total equity</b>  |          | (4,291,304) | (2,585,189) |

For the financial year ending 31 December 2016 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 accounts 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 accounts.

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 Profit and Loss Account has been taken.

All of the company's members have consented to the preparation of an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

The notes on pages 5 to 8 form an integral part of these abridged financial statements.  
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**5 Star Homes Limited**  
**trading as 5 Star Homes Ltd**

**(Registration number: NI030743)**  
**Abridged Balance Sheet as at 31 December 2016**

Approved and authorised by the Board on 29 September 2017 and signed on its behalf by:

.....

Mr John O'Hagan

Director

The notes on pages 5 to 8 form an integral part of these abridged financial statements.  
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**5 Star Homes Limited**  
**trading as 5 Star Homes Ltd**

**Notes to the Abridged Financial Statements for the Year Ended 31 December 2016**

**1 General information**

The company is a private company limited by share capital incorporated in Northern Ireland.

The address of its registered office is:

104 Corkhill Road

Omagh

Co Tyrone

BT78 1UX

These financial statements were authorised for issue by the Board on 29 September 2017.

**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 abridged financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

**Basis of preparation**

These abridged 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.

**Going concern**

As a result of the collapse in the residential property market, the directors have critically reviewed the appropriateness of continuing to adopt the going concern basis in preparing the financial statements. The banking facilities are subject to ongoing negotiations with the company bankers. Therefore the directors continue to adopt the going concern basis in preparing the financial statements.

**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:

| <b>Asset class</b>  | <b>Depreciation method and rate</b> |
|---------------------|-------------------------------------|
| Plant and machinery | 15% Straight line                   |
| Office equipment    | 25% Straight line                   |

**5 Star Homes Limited**  
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**Notes to the Abridged Financial Statements for the Year Ended 31 December 2016**

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

**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.

**Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.



**5 Star Homes Limited**  
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**Notes to the Abridged Financial Statements for the Year Ended 31 December 2016**

**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.

**3 Tangible assets**

|                          | <b>Total<br/>£</b> |
|--------------------------|--------------------|
| <b>Cost or valuation</b> |                    |
| At 1 January 2016        | 14,529             |
| At 31 December 2016      | 14,529             |
| <b>Depreciation</b>      |                    |
| At 1 January 2016        | 14,529             |
| At 31 December 2016      | 14,529             |
| <b>Carrying amount</b>   |                    |
| At 31 December 2016      | -                  |

**4 Stocks**

|                   | <b>2016<br/>£</b> | <b>2015<br/>£</b> |
|-------------------|-------------------|-------------------|
| Other inventories | 300,000           | 2,000,000         |

**5 Related party transactions**

**Transactions with directors**

|                        | <b>At 1 January<br/>2016<br/>£</b> | <b>Other<br/>payments<br/>made to<br/>company by<br/>director<br/>£</b> | <b>At 31<br/>December<br/>2016<br/>£</b> |
|------------------------|------------------------------------|---|--|
| <b>2016</b>            |                                    |   |  |
| <b>Mr John O'Hagan</b> |                                    |   |  |
| Loan                   | (141,276)                          | (6,375)   | (147,651)                                |

**5 Star Homes Limited**  
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**Notes to the Abridged Financial Statements for the Year Ended 31 December 2016**

|                        | At 1 January<br>2015<br>£ | Other<br>payments<br>made to<br>company by<br>director<br>£ | At 31<br>December<br>2015<br>£ |
|------------------------|---------------------------|---|--------------------------------|
| <b>2015</b>            |                           |   |                                |
| <b>Mr John O'Hagan</b> |                           |   |                                |
| Loan                   | (140,451)                 | (825)   | (141,276)                      |

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.