

Company Registration number NI042910

Hilltop Homes Limited

Abbreviated Accounts

For the year ended 30 June 2011



THURSDAY



JNI *J007IXKQ* 15/12/2011 #80
COMPANIES HOUSE

HILLTOP HOMES LIMITED

Financial statements for the year ended 30 June 2011

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HILLTOP HOMES LIMITED

Independent auditors' report to Hilltop Homes Limited under section 449 of the Companies Act 2006

We have examined the abbreviated accounts on pages 4 to 6, together with the financial statements of Hilltop Homes Limited for the year ended 30 June 2011 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The director is responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Other information

On 6.12.11, we reported as auditors of Hilltop Homes Limited to the members of the company on the financial statements prepared under section 396 of the Companies Act 2006 and our report was as follows:

"We were engaged to audit the financial statements of Hilltop Homes Limited for the year ended 30 June 2011 which are set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

HILLTOP HOMES LIMITED

Independent auditors' report to Hilltop Homes Limited under section 449 of the Companies Act 2006 (continued)

Respective responsibilities of directors and auditors

As explained more fully in the Director's Responsibilities Statement set out on page 2, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. Because of the matter described in the Basis for Disclaimer of Opinion on Financial Statements paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements.

Basis for disclaimer of opinion on financial statements

With respect to stock having a carrying amount of £5,062,141, the audit evidence available to us was limited. In the current economic climate it is recognised that property values have fallen, often to less than cost. The director has not had external valuations carried out due to the cost and difficulty in obtaining reliable valuations. There were no alternative audit procedures available to provide suitable audit evidence on the stock valuation.

We also draw your attention to note 1(a) in the accounts which sets out the uncertainty in relation to stock valuation as well as the uncertainty surrounding the continuing support of the bank.

Disclaimer of opinion on financial statements

Because of the potential significance of the matters described in the Basis for Disclaimer of Opinion on Financial Statements paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly we do not express an opinion on the financial statements.

Opinion on other matter prescribed by the Companies Act 2006

Notwithstanding our disclaimer of opinion on the view given by the financial statements, in our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

HILLTOP HOMES LIMITED

Independent auditors' report to Hilltop Homes Limited
under section 449 of the Companies Act 2006 (continued)

Matters on which we are required to report by exception

In respect solely of the limitation on our work relating to stock valuation, described above:

we have not obtained all the information and explanations that we considered necessary for the purpose of our audit

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

the financial statements are not in agreement with the accounting records and returns; or

certain disclosures of director's remuneration specified by law are not made; or

the director was not entitled to prepare the financial statements and the director's report in accordance with the small companies regime."

Jane O'Rourke

**Mrs Jane O'Rourke (Senior Statutory Auditor)
for and on behalf of Harbinson Mulholland,
Chartered Accountants and Statutory Auditors**

IBM House
4 Bruce Street
Belfast
BT2 7JD

6 December 2011

HILLTOP HOMES LIMITED

Abbreviated balance sheet as at 30 June 2011

	<u>Notes</u>	<u>2011</u> £	<u>2010</u> £
Fixed assets			
Investments	2	2	2
Current assets			
Stock		5,062,141	5,244,928
Debtors		43,683	24,388
		<u>5,105,824</u>	<u>5,269,316</u>
Creditors: amounts falling due within one year		<u>(4,874,179)</u>	<u>(4,958,275)</u>
Net current assets		<u>231,645</u>	<u>311,041</u>
Total assets less current liabilities		<u>231,647</u>	<u>311,043</u>
Creditors: amounts falling due after more than one year		<u>(879,218)</u>	<u>(873,319)</u>
		<u>(647,571)</u>	<u>(562,276)</u>
Capital and reserves			
Called up share capital	4	5	5
Deficit on profit and loss account		(647,576)	(562,281)
Shareholders' funds		<u>(647,571)</u>	<u>(562,276)</u>

These accounts have been prepared in accordance with the provisions available to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the board of directors on 29-11-11 and signed on its behalf.



Antonio Giordano - Director

Company Registration No: NI042910

HILLTOP HOMES LIMITED

Notes to the abbreviated accounts for the year ended 30 June 2011

1 Accounting policies

a) Going concern

The company has experienced a loss in the year of £85,295 and has a deficit on net assets of £647,571. This principally arises due to closing stock and work in progress being written down to net realisable value in the year ended 30 June 2008 resulting in an exceptional charge of £1,422,519 included in cost of sales.

Stock and Work in Progress consists of 13 developed houses and lands for development. Obtaining reliable valuation of these properties is very difficult and the director continues to carry the houses at cost and the lands at the 2008 valuation. The director is hopeful of selling the properties in the future and considers that their ultimate realisable value will exceed the value recorded in the balance sheet.

Included in creditors are borrowings from Northern Bank totalling £4,869,551 and a loan due to the director totalling £879,218. The accounts have been prepared on the going concern basis on the assumption that the bank and director will continue to support the company through the present difficulties in the property market. The bank facility expired on 30 September 2011 and is currently under review with the bank. The director will not seek payment of the loan until the company is in a position to do so.

The key risks and uncertainties faced by the company are as follows:

Valuation - none of the properties has been written down in the accounts. In light of current market conditions it is difficult to establish reliable net realisable values for the properties.

Current financing - the company is dependent on its bank continuing to allow facilities on an interest only basis.

The Director recognises that the circumstances described above represent a material uncertainty that casts doubt on the ability of the company to continue as a going concern. Nevertheless, having considered these circumstances, the director has a reasonable expectation that the company will continue in operational existence for the foreseeable future. For this reason, he continues to adopt the going concern basis in preparing the financial statements.

b) Basis of accounting

The financial statements are prepared on the historical cost basis of accounting and have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The company has taken advantage of the exemption, conferred by Financial Reporting Standard 1, from presenting a cash flow statement as it qualifies as a small company.

c) Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax.

d) Consolidation

The company and its subsidiary comprise a small group, which falls within the Small Companies Regime of the Companies Act 2006. The company is therefore not required to prepare group financial statements and accordingly these financial statements present information about the company as a single undertaking.

HILLTOP HOMES LIMITED

Notes to the abbreviated accounts for the year ended 30 June 2011 (continued)

1 Accounting policies (continued)

e) Stocks

Work in progress is valued at the lower of cost and estimated net realisable value.

Cost for this purpose comprises the purchase cost of land and buildings, development expenditure and overheads. In considering the net realisable value of land and properties it is assumed developments will be completed and sold in the ordinary course of business and that they would not be placed on the market for immediate sale.

f) Investments

Fixed Asset Investments are stated at cost.

2 Fixed assets

	<u>Investments</u> £
Cost:	
At 1 July 2010	2
At 30 June 2011	2
Depreciation:	
At 30 June 2011	-
Net book value:	
At 30 June 2011	2
At 30 June 2010	2

3 Secured creditors

Included in creditors are secured creditors of £4,869,551 (2010: £4,950,874)

4 Called-up share capital

	<u>2011</u> £	<u>2010</u> £
Allotted, called up and fully paid		
Equity shares:		
Ordinary shares of £1 each	5	5

