

HILLTOP HOMES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016
PAGES FOR FILING WITH REGISTRAR



HILLTOP HOMES LIMITED

COMPANY INFORMATION

Director	Mr A Giordano
Secretary	Mrs D Giordano
Company number	NI042910
Registered office	Villa Italia Restaurant 37-41 University Road Belfast BT7 1ND
Accountants	Harbinson Mulholland Centrepont 24 Ormeau Avenue Belfast Co. Antrim Northern Ireland BT2 8HS
Bankers	Danske Bank 49-51 University Road Belfast BT7 1ND

HILLTOP HOMES LIMITED

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HILLTOP HOMES LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Investments	2		2		2
Current assets					
Stocks		2,135,502		2,860,502	
Debtors	3	467,812		59,816	
Cash at bank and in hand		-		962	
		<u>2,603,314</u>		<u>2,921,280</u>	
Creditors: amounts falling due within one year	4	<u>(4,775,869)</u>		<u>(4,776,330)</u>	
Net current liabilities			(2,172,555)		(1,855,050)
Total assets less current liabilities			<u>(2,172,553)</u>		<u>(1,855,048)</u>
Capital and reserves					
Called up share capital	5		5		5
Profit and loss reserves			(2,172,558)		(1,855,053)
Total equity			<u>(2,172,553)</u>		<u>(1,855,048)</u>

The director of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Act 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.

The financial statements were approved and signed by the director and authorised for issue on 14.09.17



Mr A Giordano
Director

Company Registration No. NI042910

HILLTOP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Hilltop Homes Limited is a private company limited by shares incorporated in Northern Ireland. The registered office is Villa Italia Restaurant, 37-41 University Road, Belfast, BT7 1ND.

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 certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2016 are the first financial statements of Hilltop Homes Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

The company has made a loss in the year of £317,505 and has net liabilities of £2,172,553.

Included in creditors less than one year are borrowings from Danske Bank totalling £3,886,702 and a loan due to the director totalling £839,666. 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 key risk and uncertainty faced by the company is future financing - any future development on lands already held is dependent on funding being available.

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.

1.3 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.

HILLTOP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

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 professional 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 are recoverable.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

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.

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 statement of financial position 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.

HILLTOP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

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.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

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.

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.

1.8 Equity instruments

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

HILLTOP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

2 Fixed asset investments

	2016 £	2015 £
Investments	2	2

The directors consider that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2016 & 31 December 2016	2
Carrying amount	
At 31 December 2016	2
At 31 December 2015	2

3 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Amounts due from group undertakings	36,569	36,569
Other debtors	431,243	23,247
	467,812	59,816

4 Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	3,886,702	3,887,246
Amounts due to group undertakings	44,541	44,541
Other creditors	844,626	844,543
	4,775,869	4,776,330

HILLTOP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

5 Called up share capital

	2016 £	2015 £
Ordinary share capital Issued and fully paid 5 Ordinary shares of £1 each	5	5

6 Related party transactions

Transactions with related parties

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

	Expenses paid on behalf of related company		Expenses paid for the company	
	2016 £	2015 £	2016 £	2015 £
Entities with control, joint control or significant influence over the company	-	-	-	287,213
Entities over which the entity has control, joint control or significant influence	-	1,013	-	-
Other related parties	406,842	22,700	-	-

The following amounts were outstanding at the reporting end date:

	2016 £	2015 £
Amounts owed to related parties		
Entities with control, joint control or significant influence over the company	44,541	44,541

The following amounts were outstanding at the reporting end date:

	2016 Balance £
Amounts owed by related parties	
Entities over which the entity has control, joint control or significant influence	36,569
Other related parties	429,542
	2015 Balance £
Amounts owed in previous period	
Entities over which the entity has control, joint control or significant influence	36,569
Other related parties	22,700

HILLTOP HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

6 Related party transactions

(Continued)

There is a company guarantee in place from subsidiary company Desano Limited.

7 Directors' transactions

Other creditors include amounts owing to the director of £839,666 (2015: £839,088).