

Culnafay Limited

**Unaudited financial statements for the year
ended 31 July 2019**

Registration No: NI619328 (Northern Ireland)

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Culnafay Limited - Financial statements for the year ended 31 July 2019

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Company Information

Directors

John McLaughlin
Monica McLaughlin

Accountants

ASM (M) Ltd
Chartered Accountants
The Diamond Centre
Market Street
Magherafelt

Registered Office

75 Loughbeg Road
Toomebridge

Bankers

Bank of Ireland
Market Street
Magherafelt

Solicitors

Anderson, Agnew & Co
14 Mill Street
Ballymena

Danske Bank
Broad Street
Magherafelt

Registration Number

NI619328 (Northern Ireland)

Independent Accountants' Report to the Directors of Culnafay Limited

In accordance with the terms of our engagement letter, we have prepared for your approval the unaudited financial statements of the Company for the year ended 31 July 2019, as set out on pages 3 to 10. Our engagement includes assisting you in lodging with Companies House unaudited financial statements prepared in accordance with Section 444 of the Companies Act 2006.

The unaudited financial statements have been prepared based on the Company's financial statements which the directors are required to prepare for the members of the Company in accordance with Section 394 of the Companies Act 2006.

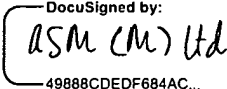
This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work, or for this report.

As a practising member firm of the Institute of Chartered Accountants in Ireland we are subject to its ethical guidance relating to members undertaking the compilation of financial statements.

It is your duty to ensure that the Company is a small company and you consider that the Company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit or a review of the unaudited financial statements. For this reason, we have not verified the accuracy or completeness of either the Company's financial statements prepared in accordance with Section 394 of the Companies Act 2006 or the unaudited financial statements prepared in accordance with Section 444 of the Companies Act 2006. We do not, therefore, express any opinion on the unaudited financial statements.

DocuSigned by:



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ASM (M) Ltd
Chartered Accountants
The Diamond Centre
Market Street
Magherafelt

28 February 2020

Statement of Financial Position

	Note	31 July 2019 £	31 July 2018 £
Fixed assets			
Property, plant and equipment	6	30,702	40,944
Investments	7	-	200,000
		<u>30,702</u>	<u>240,944</u>
Current assets			
Inventories	8	2,402,422	2,270,647
Receivables	9	12,020	14,024
Cash at bank and in hand		543,162	45,685
		<u>2,957,604</u>	<u>2,330,356</u>
Creditors: amounts falling due within one year	10	<u>1,077,812</u>	<u>937,502</u>
Net current assets		<u>1,879,792</u>	<u>1,392,854</u>
Total assets less current liabilities		<u>1,910,494</u>	<u>1,633,798</u>
Creditors: amounts falling due after one year	11	85,699	160,535
Provisions for liabilities	12	6,960	8,701
		<u>92,659</u>	<u>169,236</u>
Net assets		<u>1,817,835</u>	<u>1,464,562</u>
Capital and reserves			
Called up equity share capital	13	1,000,002	1,000,002
Reserves	14	817,833	464,560
Total equity shareholders' funds		<u>1,817,835</u>	<u>1,464,562</u>

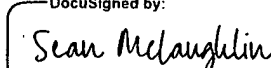
The Directors have taken advantage of the exemption conferred by Section 477 of the Companies Act 2006 not to have these financial statements audited and confirm that no notice has been deposited under Section 476 of the Companies Act 2006.

The financial statements have been prepared in accordance with the provisions of Part XV of the Companies Act 2006 relating to small sized 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 the financial statements.

In accordance with Section 444 of the Companies Act 2006 and the special provisions applicable to companies subject to the small companies regime, the Income Statement and the Directors' Report have not been delivered to the Registrar of Companies.

The financial statements on pages 3 to 10 were approved and authorised for issue by the Board of Directors on 28 February 2020 and were signed on its behalf by:

DocuSigned by:

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John McLaughlin Snr

Director

Registration Number: NI619328 (Northern Ireland)

The notes on pages 4 to 10 form part of these financial statements



Notes to the financial statements**1. Company Information****Legal status**

Culnafay Limited is a private company limited by shares established in Northern Ireland.

Registration number and registered office

The Company's registered office address and registration number is set out on page 1.

Functional currency

The financial statements are prepared in sterling (£) which is the functional currency of the Company.

2. Basis of preparation of financial statements**Applicable legislation and accounting standards**

These financial statements have been prepared in accordance with:

- (i) applicable UK accounting standards including Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- (ii) the historical cost basis of accounting; and
- (iii) the Companies Act 2006.

Going concern

The Company made a profit during the year ended 31 July 2019 and, at that date, the Company's assets exceeded its liabilities.

After making enquiries the Company's Directors consider there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and accordingly have prepared the financial statements on the going concern basis.

3. Judgements and key sources of estimation uncertainty

Judgements and key sources of estimation uncertainty are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgements used in the application of accounting policies

There were no critical judgements used in the application of accounting policies and the preparation of the financial statements.

Critical accounting estimates and assumptions

There were no critical accounting estimates or assumptions used in the application of accounting policies and the preparation of the financial statements.

Notes to the financial statements**4. Principal accounting policies****Property, plant and equipment**

Plant and other equipment is stated at purchase cost, net of depreciation and any provision for impairment.

The carrying value of plant and equipment is reviewed for impairment in each accounting period if events or changes in circumstances indicate the carrying value may not be recoverable.

Depreciation is calculated so as to write off the costs of plant and equipment, less their estimated residual values, over the expected useful economic lives of the assets concerned. The principal annual rates and bases used for this purpose are as follows:

Asset category	Basis of amortisation	%
Plant and equipment	Reducing Balance	20.00%
Motor vehicles	Reducing Balance	20.00%

Investment property

The Company holds certain properties for long-term investment.

Investment properties are initially recognised at cost which includes purchase cost and any directly attributable expenditure.

On an ongoing basis investment properties are carried at fair value. Any surplus or deficit arising on changes in fair value is credited or charged respectively to the Income Statement.

Notes to the financial statements**Turnover**

Turnover represents amounts receivable for goods and services net of value added taxes and trade discounts.

Investment Income

Income from deposits is included, together with any related tax credit, in the Income Statement on an accruals basis.

Hire Purchase Assets

Assets acquired under hire purchase contracts are capitalised based on the purchase price of the assets. Depreciation is provided on the same basis as for owned assets. The interest element of the hire purchase payment is charged to the Income Statement over the period of the contract.

The capital value of hire purchase assets is included in the Statement of Financial Position as a liability, reduced by the capital element of the hire purchase payments.

Inventory

Inventory is stated at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion or disposal.

Provision is made for obsolete, slow-moving or defective items where appropriate.

Land Held For Development

Land held for development is stated at the lower of cost and net realisable value. Cost represents the acquisition cost of land and any other expenditure incurred to date on each parcel of land.

Deferred taxation

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Cash Flow Presentation Exemption

The Company is exempt from the requirements of FRS 102 to present a Statement of Cash Flows on the grounds that it is a small company.

Notes to the financial statements

5. Employee information

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

	31 July 2019 (12 months) Number	31 July 2018 (12 months) Number
By activity		
Administration indirect payroll	2	2
	<u>2</u>	<u>2</u>

6. Property, plant and equipment

	Plant and equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 August 2018	76,447	10,080	86,527
Additions	-	-	-
At 31 July 2019	76,447	10,080	86,527
Depreciation			
At 1 August 2018	41,587	3,996	45,583
Charge for the year	9,024	1,218	10,242
At 31 July 2019	50,611	5,214	55,825
Net book value			
At 31 July 2019	25,836	4,866	30,702
At 31 July 2018	34,860	6,084	40,944

The net book value of property, plant and equipment includes an amount of £26,872 (2018: £33,590) in respect of assets held under asset purchase agreements.

7. Fixed asset investments

	Investment property	Total
	£	£
Cost		
At 1 August 2018	200,000	200,000
Additions	-	-
Disposals	(200,000)	(200,000)
At 31 July 2019	-	-
Amortisation		
At 1 August 2018	-	-
Charge for the year	-	-
At 31 July 2019	-	-
Net book value		
At 31 July 2019	-	-
At 31 July 2018	200,000	200,000

Investment property

There has been no external valuation of the Company's investment property during the year. The fair value of the Company's investment property at the year end was determined by the Company's directors. In assessing the fair value of the Company's investment property, the directors took into consideration sales values and capitalised rental values achieved on the sale and rental respectively, of comparable investment properties located in the same areas as the Company's investment properties.

Notes to the financial statements**8. Inventory**

	31 July 2019	31 July 2018
	£	£
Land held for development	2,402,422	2,270,647
	<u>2,402,422</u>	<u>2,270,647</u>

There is no material difference between the replacement costs of inventory and the Statement of Financial Position amounts.

Inventory amounts are stated after provisions for impairment of £Nil (2018: £Nil).

9. Receivables

	31 July 2019	31 July 2018
	£	£
Amounts falling due within one year		
Trade receivables	385	260
Owed by related undertakings	10,000	10,000
Value added taxation	1,635	3,764
	<u>12,020</u>	<u>14,024</u>

Trade receivables are stated after provisions for impairment of £Nil (2018: £Nil).

10. Creditors: amounts falling due within one year

	31 July 2019	31 July 2018
	£	£
Bank overdraft	835	-
Bank loans	35,119	-
Other loans	-	11,568
Hire purchase creditors	5,428	7,238
Trade payables	4,997	6,212
Owed to related undertakings	421,707	421,707
Owed to directors	384,886	302,318
Corporation tax payable	84,928	49,681
Accruals	5,314	4,778
Other payables	134,000	134,000
Interest accrual	598	-
	<u>1,077,812</u>	<u>937,502</u>

11. Creditors: amounts falling due after one year

	31 July 2019	31 July 2018
	£	£
Bank loans	85,699	155,107
Hire purchase creditors	-	5,428
	<u>85,699</u>	<u>160,535</u>

Bank security

The Company's bank loan facilities are secured by The Company's bank loan facilities are secured by a fixed charge over all assets held by the Company along with a letter of guarantee from the directors.

Other Loans security

The Company's other loan facilities are unsecured.

Notes to the financial statements**Asset finance security**

Hire purchase asset finance facilities are secured on the assets concerned.

12. Provisions for liabilities

	Deferred taxation	Total
	£	£
Cost		
At 1 August 2017	-	-
Charge for the year	8,701	8,701
At 31 July 2018	8,701	8,701
Charge for the year	(1,741)	(1,741)
At 31 July 2019	6,960	6,960
Net book value		
At 31 July 2019	6,960	6,960
At 31 July 2018	8,701	8,701

13. Called up share capital

	31 July 2019	31 July 2018
	£	£
Allotted, called up and fully paid		
2 (2018: 2) Ordinary £1.00 Shares	2	2
1,000,000 (2018: 1,000,000) Preference £1.00 Shares	1,000,000	1,000,000
	1,000,002	1,000,002
Called up equity share capital	1,000,002	1,000,002
	1,000,002	1,000,002

The Company has two classes of issued shares and there are no restrictions on the distribution of dividends or the repayment of capital

The Company did not issue any shares during the year.

14. Reserves

	Profit and loss reserve	Total
	£	£
At 1 August 2017	269,559	269,559
Total comprehensive income for the year	195,001	195,001
At 31 July 2018	464,560	464,560
Total comprehensive income for the year	353,273	353,273
At 31 July 2019	817,833	817,833

15. Contingent liabilities

The Company had no material contingent liabilities at 31 July 2019 or at 31 July 2018.

16. Events after the reporting period

There were no material events in the period between the end of the reporting year and the date of the approval of the financial statements.

17. Capital commitments

The Company did not have any material capital commitments at 31 July 2019 or at 31 July 2018.

Notes to the financial statements

18. Contracts with inception dates after the end of the reporting period

The Company did not enter into any material contractual commitments in the period between the year end and the date of approval of these financial statements.

19. Ultimate controlling party

The ultimate controlling parties are the directors who control the majority of the equity share capital in Culnafay Limited.

20. Approval of the financial statements

The Board of Directors approved the financial statements for issue on 28 February 2020.

Certificate Of Completion

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