

Culnafay Limited

**Unaudited financial statements for the year
ended 31 March 2023**

Registration No: NI619328 (Northern Ireland)



Culnafay Limited - Financial statements for the year ended 31 March 2023

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Company Information

Directors

John McLaughlin Snr
Monica McLaughlin

Accountants

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

Registered Office

75 Loughbeg Road
Toomebridge
Antrim

Bankers

Bank of Ireland
Market Street
Magherafelt

Danske Bank
Broad Street
Magherafelt

Solicitors

Anderson, Agnew & Co
14 Mill Street
Ballymena

Registration Number

NI619328 (Northern Ireland)

Statement of Financial Position

	Note	31 March 2023 £	31 March 2022 £
Fixed assets			
Property, plant and equipment	6	57,949	23,514
Investments	7	<u>118,635</u>	<u>118,635</u>
		<u>176,584</u>	<u>142,149</u>
Current assets			
Inventories	8	3,411,140	2,770,413
Receivables	9	16,222	53,818
Cash at bank and in hand		<u>79,716</u>	<u>632,921</u>
		<u>3,507,078</u>	<u>3,457,152</u>
Creditors: amounts falling due within one year	10	<u>1,147,560</u>	<u>1,099,482</u>
Net current assets		<u>2,359,518</u>	<u>2,357,670</u>
Total assets less current liabilities		<u>2,536,102</u>	<u>2,499,819</u>
Creditors: amounts falling due after one year	11	66,269	136,937
Provisions for liabilities	12	<u>14,487</u>	<u>4,475</u>
		<u>80,756</u>	<u>141,412</u>
Net assets		<u>2,455,346</u>	<u>2,358,407</u>
Capital and reserves			
Called up equity share capital	13	1,000,002	1,000,002
Reserves		<u>1,455,344</u>	<u>1,358,405</u>
Total equity shareholders' funds		<u>2,455,346</u>	<u>2,358,407</u>

The Company has taken advantage of the exemption provided for under Section 477 of the Companies Act 2006 not to have these financial statements audited, and has done so on the grounds that the conditions specified in Section 477 of the Companies Act 2006 are satisfied.

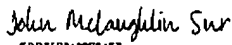
The Company's shareholders have not served a notice on the Company under Section 476(1) in accordance with Section 476(2) of the Companies Act 2006.

The Directors acknowledge the Company's obligations under the Companies Act 2006 to keep adequate accounting records and prepare financial statements which give a true and fair view of the assets, liabilities and financial position of the Company at the end of each period of account and of its profit or loss for each period of account, and otherwise comply with the requirements of the Companies Act 2006 relating to financial statements so far as they are applicable to the Company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small sized companies.

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 2 to 10 were approved and authorised for issue by the Board of Directors on 27 June 2023 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 3 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 March 2023 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	Straight Line	20.00%
Motor vehicles	Straight Line	20.00%

Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

Investment property

The Company holds certain properties for long-term investment, which are initially recognised at cost (which includes purchase cost and any directly attributable expenditure). On an ongoing basis investment properties are restated at fair value with any surplus or deficit arising on changes in fair value being 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.

Foreign Currencies

Transactions denominated in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of the transaction.

At the end of each financial accounting period assets and liabilities denominated in foreign currencies are translated into Sterling at the exchange rates ruling at that date and all exchange differences are taken to the Income Statement.

Financial Instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Notes to the financial statements

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 where cost represents the acquisition cost of land and any other expenditure incurred to date on each parcel of land, and net realisable value is based on estimated selling price less further costs expected to be incurred to completion or disposal.

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 has taken advantage of the exemption from the requirements of FRS 102 to present a Statement of Cash Flows on the grounds that it is a small sized company.

5. Employee information

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

	31 March 2023 (12 months) Number	31 March 2022 (12 months) Number
Total employees	2	2

Notes to the financial statements

6. Property, plant and equipment

	Plant and equipment	Motor vehicles	Total
	£	£	£
Cost or Valuation			
At 1 April 2022	76,582	15,180	91,762
Additions	39,000	-	39,000
Disposals	(16,750)	(4,680)	(21,430)
At 31 March 2023	98,832	10,500	109,332
Depreciation			
At 1 April 2022	62,070	6,178	68,248
Charge for the year	4,565	(533)	4,032
Disposals	(16,750)	(4,147)	(20,897)
At 31 March 2023	49,885	1,498	51,383
Net book value			
At 31 March 2023	48,947	9,002	57,949
At 31 March 2022	14,512	9,002	23,514

The net book value of property, plant and equipment include amounts of £Nil (2022: £Nil) in respect of assets held under asset purchase agreements.

7. Fixed asset investments

	Investment property	Total
	£	£
Cost or Valuation		
At 1 April 2022	118,635	118,635
Additions	-	-
At 31 March 2023	118,635	118,635
Amortisation		
At 1 April 2022	-	-
Charge for the year	-	-
At 31 March 2023	-	-
Net book value		
At 31 March 2023	118,635	118,635
At 31 March 2022	118,635	118,635

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.

8. Inventory

	31 March 2023	31 March 2022
	£	£
Land held for development	3,411,140	2,770,413
	3,411,140	2,770,413

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

Inventory values are stated after provisions for impairment of £Nil (2022: £Nil).

Notes to the financial statements

9. Receivables

	31 March 2023	31 March 2022
	£	£
Amounts falling due within one year		
Trade receivables	50	840
Owed by related undertakings	-	10,000
Value added taxation	16,172	13,622
Other receivables	-	29,356
	<u>16,222</u>	<u>53,818</u>

Trade receivable values are stated after provisions for impairment of £Nil (2022: £Nil).

10. Creditors: amounts falling due within one year

	31 March 2023	31 March 2022
	£	£
Bank overdraft	-	14,017
Bank loans	32,781	35,341
Trade payables	3,377	17,399
Owed to related undertakings	908,069	712,079
Owed to directors	184,276	259,647
Corporation tax payable	14,313	56,373
Accruals	4,744	4,591
Interest accrual	-	35
	<u>1,147,560</u>	<u>1,099,482</u>

11. Creditors: amounts falling due after one year

	31 March 2023	31 March 2022
	£	£
Bank loans	<u>66,269</u>	<u>136,937</u>
	<u>66,269</u>	<u>136,937</u>

Bank security

The Company's bank debt facilities are secured by fixed charges over the Company's property assets.

Loan and asset finance maturity

The repayment profile of loan and asset finance facilities is set out in the table below.

	31 March 2023	31 March 2022
	£	£
Bank loans		
In one year or less, or on demand	32,781	35,341
In more than one year, but not more than two years	34,450	35,710
In more than two years, but not more than five years	<u>31,819</u>	<u>101,227</u>
	<u>99,050</u>	<u>172,278</u>
Total financial liabilities	<u>99,050</u>	<u>172,278</u>

12. Provisions for liabilities

Deferred taxation

Deferred taxation provided in the financial statements is analysed as follows:

Notes to the financial statements

	31 March 2023	31 March 2022
	£	£
Gross fixed asset timing differences	10,067	1,608
Gross revaluation surpluses	4,421	-
Other timing differences		
Other timing differences (2)	-	2,867
Net timing differences	14,488	4,475
Timing differences not provided	-	-
Deferred tax provision	14,488	4,475

An increase in the UK corporation tax rate to 25% (effective 1st April 2023) was substantively enacted after the year end. The deferred tax balance has been calculated based on the 25% corporation tax rate.

13. Called up share capital

	31 March 2023	31 March 2022
	£	£
Allotted, called up and fully paid		
2 (2022: 2) Ordinary £1.000 Shares	2.00	2.00
1,000,000 (2022: 1,000,000) Preference £1.000 Shares	1,000,000.00	1,000,000.00
	<u>1,000,002.00</u>	<u>1,000,002.00</u>
Called up equity share capital	1,000,002.00	1,000,002.00
	<u>1,000,002.00</u>	<u>1,000,002.00</u>

The Company has one class of issued equity 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. Contingent liabilities

The Company had no material contingent liabilities at 31 March 2023 or at 31 March 2022.

15. 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.

16. Capital commitments

The Company did not have any material capital commitments at 31 March 2023 or at 31 March 2022.

17. 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.

Notes to the financial statements

18. Related party transactions

Related undertakings

The amounts owed by/(to) related undertakings at the start and end of the financial year and the transactions with these related undertakings during the year are summarised in the table below.

Category of related party	At 1 April 2022	Interest receivable/ (payable)	Rent receivable/ (payable)	Amounts written off	Exchange adjustments	Loan advances/ (repayments)	Other	Provision	Accounts receivable/p ayable movement	At 31 March 2023
	£	£	£	£	£	£	£	£	£	£
Entities with control, joint control or significant influence over the Company	(702,079)	-	-	-	-	(209,590)	-	-	3,600	(908,069)
	<u>(702,079)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(209,590)</u>	<u>-</u>	<u>-</u>	<u>3,600</u>	<u>(908,069)</u>

19. Approval of the financial statements

The Board of Directors approved the financial statements for issue on 27 June 2023.