

RIALTO HOMES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2020

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COMPANIES HOUSE

RIALTO HOMES LIMITED

COMPANY INFORMATION

DIRECTORS

C. M. Barham
A. J. Barham
J. Nordigan
P. D. Barham

COMPANY SECRETARY

J. Nordigan

REGISTERED NUMBER

02698931

REGISTERED OFFICE

Bayley Hall
Queens Road
Hertford
Hertfordshire
SG14 1EN

INDEPENDENT AUDITORS

Wilder Coe Ltd
Chartered Accountants & Statutory Auditors
1st Floor, Sackville House
143-149 Fenchurch Street
London
EC3M 6BL

RIALTO HOMES LIMITED

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RIALTO HOMES LIMITED
REGISTERED NUMBER: 02698931

BALANCE SHEET
AS AT 31 OCTOBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	4	747	1,067
CURRENT ASSETS			
Stocks	5	713,384	4,401,865
Debtors: amounts falling due after more than one year	6	291,738	-
Debtors: amounts falling due within one year	6	8,083	9,031
Current asset investments	7	4,802,818	-
Cash at bank and in hand		2,782,620	4,943,376
		<u>8,598,643</u>	<u>9,354,272</u>
Creditors: amounts falling due within one year	8	(615,029)	(1,366,254)
NET CURRENT ASSETS		<u>7,983,614</u>	<u>7,988,018</u>
NET ASSETS		<u><u>7,984,361</u></u>	<u><u>7,989,085</u></u>
CAPITAL AND RESERVES			
Allotted, called up and fully paid share capital		8,758	8,758
Share premium account		7,592,242	7,592,242
Profit and loss account		383,361	388,085
EQUITY SHAREHOLDERS' FUNDS		<u><u>7,984,361</u></u>	<u><u>7,989,085</u></u>


The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the Directors' Report and the Statement of Comprehensive Income in accordance with provisions applicable to companies subject to the Small Companies' Regime, under section 444 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

4 March 2021.



C. M. Barham
 Director

The notes on pages 2 to 7 form part of these financial statements.

RIALTO HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

1. GENERAL INFORMATION

Rialto Homes Limited (company number: 02698931) having its registered office at Bayley Hall, Queens Road, Hertford, Hertfordshire, SG14 1EN, is a private limited company incorporated in England and Wales.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

At the balance sheet date of 31 October 2020 the company made a small loss for the financial year of £4,724 and had net assets at that date of £7,984,361 with cash reserves of £2,782,620.

The directors have considered the impact of Covid-19 on the business and do not believe that the results for the year ended 31 October 2020 have been directly affected in a significant way by the pandemic. Furthermore the company has the support of its director and shareholder C.M. Barham for the foreseeable future and for a period of at least 12 months from the date of signing these financial statements. On this basis the directors deem it appropriate to prepare these financial statements on the going concern basis.

2.3 Statement of Cash Flows

The company has taken advantage of the exemptions in Financial Reporting Standard section 1A.7 from the requirement to produce a Statement of Cash Flows on the grounds that it is a small company.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

RIALTO HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	20% straight-line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.6 Stocks

Land and development work in progress is valued at the lower of cost and net realisable value in the normal course of business.

Interest charges on loans to finance developments are charged to the Statement of Comprehensive Income as incurred.

2.7 Debtors

Short-term debtors are measured at transaction price, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

RIALTO HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.9 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the Balance Sheet date.

2.10 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

2.13 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.14 Government grants

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

RIALTO HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.15 Taxation

Tax is recognised in the Statement of Comprehensive Income. The tax expense for the year comprises current and deferred tax.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the company operates and generates income.

2.16 Valuation of investments

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 9 (2019 - 9).

RIALTO HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

4. TANGIBLE FIXED ASSETS

	Office equipment £
COST	
At 1 November 2019 and 31 October 2020	1,600
DEPRECIATION	
At 1 November 2019	533
Charge for the year	320
At 31 October 2020	<u>853</u>
NET BOOK VALUE	
At 31 October 2020	<u><u>747</u></u>
At 31 October 2019	<u><u>1,067</u></u>

5. STOCKS

	2020 £	2019 £
Work in progress	<u>713,384</u>	<u>4,401,865</u>

6. DEBTORS

	2020 £	2019 £
Due after more than one year		
Other debtors	<u>291,738</u>	<u>-</u>
Due within one year		
Other debtors	3,223	2,399
Prepayments and accrued income	4,860	6,632
	<u><u>8,083</u></u>	<u><u>9,031</u></u>

RIALTO HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

7. CURRENT ASSET INVESTMENTS

	2020 £	2019 £
Listed investments	<u>4,802,818</u>	<u>-</u>

8. CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,029	2,150
Corporation tax	-	13,302
Other taxation and social security	3,437	3,616
Other creditors	579,548	1,339,306
Accruals and deferred income	31,015	7,880
	<u>615,029</u>	<u>1,366,254</u>

The loan from C. M. Barham included within other creditors of £166,809 (2019: £270,096) is secured against the property developments to which it relates.

9. RELATED PARTY TRANSACTIONS

Included within other creditors due within one year are amounts due to key management personnel of the company of £166,809 (2019: £270,096).

Included within other creditors are amounts due to related parties of £412,739 (2019: £1,069,210).

Included within other debtors are loan amounts due from related parties of £291,738 (2019: £Nil).

10. AUDITORS' INFORMATION

The company was subject to an audit for the year ended 31 October 2020. The audit report issued by Robert Bradman BA CA, as Senior Statutory Auditor of Wilder Coe Ltd, was issued with an unqualified opinion.