

REGISTERED NUMBER: 03605592 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017
FOR
HENCAN (SOUTHERN) LIMITED

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for the Year Ended 31 July 2017

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COMPANY INFORMATION
for the Year Ended 31 July 2017

DIRECTOR: R F C Cattle

SECRETARY: Mrs M Cattle

REGISTERED OFFICE: Herschel House
58 Herschel Street
Slough
Berkshire
SL1 1PG

REGISTERED NUMBER: 03605592 (England and Wales)

ACCOUNTANTS: Oury Clark Chartered Accountants
Herschel House
58 Herschel Street
Slough
Berkshire
SL1 1PG

BALANCE SHEET
31 July 2017

	Notes	31.7.17 £	£	31.7.16 £	£
FIXED ASSETS					
Tangible assets	4		1,159		6,473
CURRENT ASSETS					
Stocks		3,185,862		13,126,892	
Debtors	5	387,048		343,360	
Cash at bank		<u>5,667</u>		<u>76,495</u>	
		3,578,577		13,546,747	
CREDITORS					
Amounts falling due within one year	6	<u>12,494,967</u>		<u>23,522,727</u>	
NET CURRENT LIABILITIES			<u>(8,916,390)</u>		<u>(9,975,980)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(8,915,231)</u>		<u>(9,969,507)</u>
CAPITAL AND RESERVES					
Called up share capital	8		2		2
Retained earnings		<u>(8,915,233)</u>		<u>(9,969,509)</u>	
SHAREHOLDERS' FUNDS		<u>(8,915,231)</u>		<u>(9,969,507)</u>	

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2017 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director on 27 April 2018 and were signed by:

R F C Cantle - Director

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 July 2017**

1. STATUTORY INFORMATION

Hencan (Southern) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The market for luxury homes has experienced a severe downturn resulting in a fall in the property values. In the case that a property is sold, no return is expected to be available to the company as Law of Property Act receivers have been appointed since the year end over the company stock.

The financial statements continue to be prepared on a going concern basis as the Director is confident of identifying future profitable opportunities in the housing market.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 20% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Financial instruments

Basic Financial Instruments, as covered by Section 11 of FRS 102, are measured at amortised cost. The company does not have any Other Financial Instruments, as covered by Section 12 of FRS 102.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 July 2017

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was NIL.

4. **TANGIBLE FIXED ASSETS**

Plant and
machinery
etc
£

COST

At 1 August 2016
and 31 July 2017

98,241

DEPRECIATION

At 1 August 2016

91,768

Charge for year

5,314

At 31 July 2017

97,082

NET BOOK VALUE

At 31 July 2017

1,159

At 31 July 2016

6,473

5. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

31.7.17	31.7.16
£	£
Trade debtors	279,640
Other debtors	<u>63,720</u>
<u>387,048</u>	<u>343,360</u>

6. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

31.7.17	31.7.16
£	£
Bank loans and overdrafts	-
Trade creditors	416,263
Taxation and social security	22,490
Other creditors & accruals	<u>23,083,974</u>
<u>12,109,185</u>	<u>23,522,727</u>
<u>12,494,967</u>	<u>23,522,727</u>

7. **SECURED DEBTS**

Within other creditors are secured loans totaling £7,278,301 (2016: £15,142,596)

8. **CALLED UP SHARE CAPITAL**

Allotted and issued:

Number:	Class:	Nominal value:	31.7.17	31.7.16
		£1	£	£
2	Ordinary		<u>2</u>	<u>2</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 July 2017**

9. CONTINGENT ASSETS

The company has been involved in a joint venture being undertaken in the nominee company Trenac Country Homes Limited. The company has been dissolved since the year end date and therefore Hencan (Southern) Limited has taken over all liabilities. The total liabilities recognised amount to £952,772.

A claim is to made against the joint venture partner in due course to recover their contribution of the loss.

10. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

The director has provided funding to the company to meet its working capital requirements. The loan is interest free, has no fixed repayment date and no repayment schedule. At the balance sheet date the amount due to the director was £1,170,870 (2016: £998,978).

11. RELATED PARTY DISCLOSURES

Hencan Wentworth Limited

A company under common control

Funding was provided between the two companies throughout the year. The loan is interest free, has no repayment schedule and has no fixed repayment date.

The balance due from the related party is deemed irrecoverable. A further provision has been provided against the balance owing from the related party of £37,363.

The balance due from the related party at the year end date is £nil (2016: £nil)

Hencan Moonraker Limited

A company under common control

Funding was provided between the two companies throughout the year. The loan is interest free, has no repayment schedule and has no fixed repayment date.

	31.7.17	31.7.16
	£	£
Amount due from/(to) related party at the balance sheet date	<u>37,018</u>	<u>(33,075)</u>

12. FIRST YEAR ADOPTION

The company adopted FRS 102 for the accounting year ended 31 July 2017. There were no adjustments arising at the transition date or at the end of the comparative period, therefore there is no difference between equity under the previous financial reporting framework and equity under FRS 102.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.