

Hockley Developments (Mount Street) Limited

Annual Report and Unaudited Financial Statements
for the Period from 1 July 2018 to 30 September 2019

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Company Information

Director	Mr Alan Forsyth
Registered office	15 Clarendon Street Nottingham NG1 5HR

(Registration number: 10855081)
Balance Sheet as at 30 September 2019

	Note	2019 £	2018 £
Current assets			
Stocks	<u>3</u>	1,433,589	9,177
Debtors	<u>4</u>	89,411	978
Cash at bank and in hand		30	11
		1,523,030	10,166
Creditors: Amounts falling due within one year	<u>5</u>	(1,523,277)	(10,165)
Net (liabilities)/assets		<u>(247)</u>	<u>1</u>
Capital and reserves			
Called up share capital		100	1
Profit and loss account		(347)	-
Total equity		<u>(247)</u>	<u>1</u>

For the financial period ending 30 September 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 9 June 2020

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Mr Alan Forsyth
Director

The notes on pages 3 to 6 form an integral part of these financial statements.
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Notes to the Unaudited Financial Statements for the Period from 1 July 2018 to 30 September 2019

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

15 Clarendon Street
Nottingham
NG1 5HR
England

The principal place of business is:

Studio House
Lace Mills
New Basford
Nottingham
NG7 7HX
England

These financial statements were authorised for issue by the director on 9 June 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Notes to the Unaudited Financial Statements for the Period from 1 July 2018 to 30 September 2019

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Stocks

	2019 £	2018 £
Work in progress	1,433,589	9,177

4 Debtors

	Note	2019 £	2018 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	7	37,977	-
Prepayments		7,976	-
Other debtors		43,458	978
		89,411	978

Notes to the Unaudited Financial Statements for the Period from 1 July 2018 to 30 September 2019

5 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Loans and borrowings	<u>6</u>	1,117,772	-
Trade creditors		47,842	3,240
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>7</u>	-	6,925
Accruals and deferred income		10,041	-
Other creditors		347,622	-
		<u>1,523,277</u>	<u>10,165</u>

6 Loans and borrowings

	2019 £	2018 £
Current loans and borrowings		
Bank borrowings	967,778	-
Other borrowings	149,994	-
	<u>1,117,772</u>	<u>-</u>

Bank borrowings

Development funding is denominated in pound sterling (£) with a nominal interest rate of 8.25%, and the final instalment is due on 13 February 2021. The carrying amount at period end is £967,778 (2018 - £Nil).

Zorin Finance Limited & P2P Global Investments PLC have provided funding to acquire and develop our site at Mount Street. This facility is secured via a first charge against all assets of the company. The maximum term of this facility is 20 months from 13 June 2019.

Other borrowings

Other borrowings is denominated in pound Sterling (£) with a nominal interest rate of 0%. The carrying amount at period end is £149,994 (2018 - £Nil).

CPM (Stourbridge) Limited, a shareholder of the company, loaned the company funds totalling £150,000 during the period. £149,994 remained outstanding at 30 September 2019, which is included in other borrowings. This loan is non interest bearing, unsecured and repayable on demand.

7 Related party transactions

Summary of transactions with parent

Notes to the Unaudited Financial Statements for the Period from 1 July 2018 to 30 September 2019

Hockley Developments Limited is the parent company.

Loans to or from the parent company are unsecured, non-interest bearing and repayable on demand.

£37,977 was payable to Hockley Developments Limited at 30 September 2019, which is included in 'amounts owed by group undertakings'.

Management fees are payable to the parent company throughout the development project for architectural, management and accounting services. These services are conducted at market rate. £33,000 was charged during this period and are included in direct costs. £14,400 (including VAT) was outstanding at 30 September 2019 and is included in trade creditors.

Summary of transactions with other related parties

Transactions with companies controlled by parent company Hockley Developments Limited.

Hockley Construction Services Limited provided construction services during the period to 30 September 2019. These transactions are recorded at market rate.

Construction services totalling £189,992 are included within direct costs. There was no liability outstanding at 30 September 2019 in trade creditors. £65,000 is included in amounts due on contracts, which is included in other creditors.

8 Parent and ultimate parent undertaking

The company's immediate parent is Hockley Developments Limited, incorporated in England & Wales.

The parent of the largest group in which these financial statements are consolidated is Hockley Developments Limited, incorporated in England & Wales.

The address of Hockley Developments Limited is:

15 Clarendon Street
Nottingham
NG1 5HR

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.