

Registered number: NI622337

Lagan Homes (Ardnalvalley) Ltd

Financial statements

For the year ended 31 December 2019

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Lagan Homes (Ardnavalley) Ltd

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Lagan Homes (Ardnavalley) Ltd

Company information

Directors	D Canavan C Mulligan S McCann
Registered number	NI622337
Registered office	Lagan House 19 Clarendon Road Belfast BT1 3BG
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Waterfront Plaza 8 Laganbank Road Belfast BT1 3LR
Bankers	Danske Bank Donegall Square West Belfast BT1 6JS
Solicitors	MKB Law 14 Great Victoria Street Belfast BT2 7BA

Lagan Homes (Ardnalvalley) Ltd
Registered number: NI622337

Statement of financial position
As at 31 December 2019

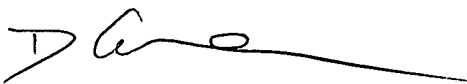
	Note	2019 £	2019 £	2018 £	2018 £
Current assets					
Stocks	5	1,210,261		1,209,027	
Debtors	6	71,795		54,505	
Cash at bank and in hand		275,402		75,427	
		<u>1,557,458</u>		<u>1,338,959</u>	
Creditors: amounts falling due within one year	7	(488,584)		(584,558)	
Net current assets			<u>1,068,874</u>		754,401
Net assets			<u>1,068,874</u>		<u>754,401</u>
Capital and reserves					
Called up share capital	8		1		1
Retained earnings			<u>1,068,873</u>		<u>754,400</u>
Total shareholder's funds			<u>1,068,874</u>		<u>754,401</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 Statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 2 to 7 were approved and authorised for issue by the board and were signed on its behalf on 4/6/20



D Canavan
Director

The notes on pages 3 to 7 form part of these financial statements.

Lagan Homes (Ardnalvalley) Ltd

Notes to the financial statements For the year ended 31 December 2019

1. General information

The company's principal activity is the construction of high quality housing developments.

The company is a private company limited by shares and is incorporated and domiciled in Northern Ireland, within the United Kingdom. The address of its registered office is Lagan House, 19 Clarendon Road, Belfast, BT1 3BG.

2. Statement of compliance

The financial statements of Lagan Homes (Ardnalvalley) Ltd have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, Section 1A, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Accounting policies

3.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention 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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies. No critical judgements or critical accounting estimates have been applied to these financial statements.

The following principal accounting policies have been applied consistently unless otherwise stated.

3.2 New standards, amendments and interpretations issued but not yet effective

The FRC completed its triennial review of FRS 102 in December 2017. The key amendments which are effective from 1 January 2019 have no material impact on the company.

3.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Sale of goods

Revenue 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 revenue 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.

**Notes to the financial statements
For the year ended 31 December 2019**

3. Accounting policies (continued)

3.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is 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.

3.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

3.6 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

3.7 Financial instruments

The company only enters into basic financial instruments 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 (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. 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. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Notes to the financial statements
For the year ended 31 December 2019**

3. Accounting policies (continued)

3.8 Creditors

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

3.9 Finance costs

Finance costs are charged to the Statement of income and retained earnings 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.

3.10 Borrowing costs

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

3.11 Current taxation

Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

3.12 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

4. Employee numbers

The company has no employees other than the directors (2018: Nil).

5. Stocks

	2019 £	2018 £
Work in progress	<u>1,210,261</u>	<u>1,209,027</u>

~~There is no significant difference between the replacement cost of work-in-progress and their carrying amount.~~

Lagan Homes (Ardnavey) Ltd

**Notes to the financial statements
For the year ended 31 December 2019**

6. Debtors

	2019	2018
	£	£
Trade debtors	12,993	14,695
Other debtors	58,802	39,810
	71,795	54,505

7. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	359,353	447,869
Amounts owed to group undertakings	85,469	97,439
Corporation tax	23,874	31,715
Other tax and social security	-	6,903
Other creditors	19,888	632
	488,584	584,558

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

8. Called up share capital

	2019	2018
	£	£
Allotted and fully paid		
1 (2018: 1) Ordinary share of £1	1	1

Lagan Homes (Ardnalvalley) Ltd

Notes to the financial statements For the year ended 31 December 2019

9. Related party transactions

The company has taken advantage of the exemptions contained in FRS 102 not to disclose balances related with companies which are controlled within the Lagan Homes Group Ltd, of which the company is a subsidiary.

The company had the following transactions with related undertakings during the year:

	2019 £	2018 £
*Lagan Cement Products Limited (common influence)		
Purchases	-	15,639
*Whitemountain Quarries Ltd (common influence)		
Purchases	-	34,961
	<u>-</u>	<u>50,600</u>

*This company was considered to be a related party as at 31 December 2017 and up to 20 April 2018.

10. Ultimate controlling party and parent undertakings

The immediate parent company is Eastonville Limited. The ultimate parent company for the group is Lagan Homes Group Ltd.

The parent undertaking of the smallest and largest group of undertakings, of which this company is a member, and for which consolidated financial statements are prepared is Lagan Homes Group Ltd, a company incorporated in the United Kingdom. Copies of the consolidated financial statements are available to the public from Companies House, The Linenhall, 32 Linenhall Street, Belfast, BT2 2BG.

The company considers Kevin Lagan to be ultimate controlling party.

11. Post balance sheet events

In March 2020, the World Health Organisation declared the outbreak of a new Coronavirus, now known as Covid-19, a pandemic. The outbreak of Covid-19 affected business and economic activity around the world, including in the United Kingdom. The company continues to closely monitor the development of the coronavirus outbreak and its impact on market conditions. The company considers the impact of Covid-19 to be a non-adjusting post balance sheet event as of 31 December 2019. Given the inherent uncertainties, it is not practical at this time to determine the impact of Covid-19 on the company or to provide a quantitative estimate of its impact.

12. Auditors' information

PricewaterhouseCoopers LLP are the statutory auditors for Lagan Homes (Ardnalvalley) Ltd. An unqualified audit opinion was signed by the Senior Statutory Auditor, Kevin MacAllister, and issued on behalf of PricewaterhouseCoopers LLP on 5/6/20 for the financial year ended 31 December 2019.