

ARC Developments (NI) Ltd

**Filleted financial statements for the year
ended 31 December 2018**

Registration No: NI612006



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Directors and advisers

Directors

Mr Keith McIvor
Mrs Julia-Anne McIvor
Mr Michael Donnelly

Secretary

Mrs Julia-Anne McIvor

Registered office

11 Killycolp Road
Cookstown
Co Tyrone
BT80 9AD

Bankers

Danske Bank
Portadown Finance Centre
45-48 High Street
Portadown
Co Armagh
BT62 1LB

Registered auditors

ASM (D) Ltd
8 Park Road
Dungannon
Co Tyrone

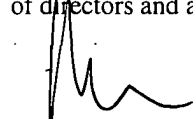
Balance sheet

	Notes	2018 £	2017 £
Fixed assets			
Tangible fixed assets	5	4,404,230	3,177,671
Investments	6	1,137,936	899,768
		<u>5,542,166</u>	<u>4,077,439</u>
Current assets			
Debtors: amounts falling due within one year	7	650,423	648,809
Debtors: amounts falling due after one year	8	106,469	179,636
Cash at bank and in hand		222,980	142,714
		<u>979,872</u>	<u>971,159</u>
Creditors: amounts falling due within one year	9	<u>(2,741,459)</u>	<u>(2,097,728)</u>
Net current liabilities		<u>(1,761,587)</u>	<u>(1,126,569)</u>
Total assets less current liabilities		3,780,579	2,950,870
Provisions for liabilities	10	<u>(52,098)</u>	<u>(28,969)</u>
Net assets		<u>3,728,481</u>	<u>2,921,901</u>
Capital and reserves			
Share capital	11	2	2
Reserves	12	3,728,479	2,921,899
Equity shareholders' funds		<u>3,728,481</u>	<u>2,921,901</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The profit and loss account and directors' report have not been delivered to the Registrar of Companies in accordance with the special provisions applicable to companies subject to the small companies regime.

These financial statements for ARC Developments (NI) Ltd (NI612006) were approved by the board of directors and authorised for issue on 21 June 2019 and signed on its behalf by:



Mr Keith McIvor
 Director

The notes on pages 3 to 9 form part of these financial statements.

Notes to the filleted financial statements

1. Principal accounting policies

Statement of compliance

The company's financial statements have been prepared in compliance with FRS 102 including the provisions of section 1A as it applies to the financial statements of the company for the year ended 31 December 2018.

General information and basis of preparation

ARC Developments (NI) Ltd is a company incorporated in Northern Ireland under the United Kingdom Companies Act. The address of the registered office is given on page 1. The principal activity of the company is the letting of commercial and residential property.

The financial statements have been prepared in accordance with applicable accounting standards. A summary of the more important policies, which have been applied consistently, is set out below. The financial statements are prepared in sterling which is the functional currency of the company. The financial statements are rounded to the nearest £1.

Tangible fixed assets

Fixed assets are stated at their purchase cost, together with any incidental costs of acquisition, less accumulated depreciation.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis, over their expected useful economic lives. The principal annual rates used for this purpose are:

	%
Freehold property	2
Plant and equipment	5/10

Investment properties

In accordance with FRS 102, investment properties are measured at fair value at each year end and the aggregate surplus or deficit is transferred to reserves and taken to the statement of other comprehensive income.

Full valuations are made by the directors with the assistance of independent professional advice, as required. The investment properties were valued for the purpose of the financial statements at open market valuation for existing use.

Notes to the financial statements (cont'd)

1. Principal accounting policies (cont'd)

Impairment of non-financial assets

The company assesses at each reporting date whether an asset may be impaired. If any such indication exists the company estimates the recoverable amount of the asset. If it is not possible to estimate the recoverable amount of the individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs. The recoverable amount of an asset or cash generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount of the asset is impaired and it is reduced to its recoverable amount through an impairment in the profit and loss account.

An impairment loss recognised for all assets is reversed in a subsequent period if and only if the reasons for the impairment loss have ceased to apply.

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Rental income

Rental income is recognised according to the terms of the lease.

Taxation

The charge for taxation is based on the profit for the period as adjusted for disallowable items and for timing differences to the extent that they are unlikely to result in an actual tax liability in the foreseeable future. Timing differences arise from the recognition for tax purposes of certain items of income and expenses in a different accounting period from that in which they are recognised in the financial statements. The tax effect of timing differences, as reduced by the tax benefit of any accumulated losses, is treated as a deferred tax liability.

Short term employee benefits

Short term employee benefits are recognised as an expense in the period in which they are incurred.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Notes to the financial statements (cont'd)

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the company's accounting policies

During the current and preceding financial years the directors believe they have not made any critical judgements in the process of applying the company's accounting policies that have a significant effect on the amounts recognised in the accounts.

Key sources of estimation uncertainty

During the preceding financial year the directors revised the depreciation policy for plant and equipment to more accurately reflect the carrying value of fixed assets in the company's accounts by reference to residual values and estimated useful life.

3. Going concern

The directors, after making enquiries, have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in the preparation of the accounts.

4. Employee information

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

	2018 Number	2017 Number
By activity:		
Management	<u>3</u>	<u>3</u>

Notes to the financial statements (cont'd)

5. Tangible fixed assets

	Total £
Cost or valuation	
As at 1 January 2017	3,257,204
Additions	1,288,087
Reclassification	(27,378)
As at 31 December 2018	<u>4,517,913</u>
Depreciation	
As at 1 January 2017	79,553
Charge for the year	34,325
Disposals	(175)
As at 31 December 2018	<u>113,683</u>
Net book value	
As at 31 December 2018	<u>4,404,230</u>
As at 31 December 2017	<u>3,177,671</u>

6. Investments

	Total £
Cost or revaluation	
As at 1 January 2017	899,768
Additions	412,806
Disposals	(202,016)
Reclassification	27,378
As at 31 December 2018	<u>1,137,936</u>
Net book value	
As at 31 December 2018	<u>1,137,936</u>
As at 31 December 2017	<u>899,768</u>

Notes to the financial statements (cont'd)

7. Debtors: amounts falling due within one year

	2018 £	2017 £
Trade debtors	38,921	10,148
Other debtors	609,419	636,603
Prepayments and accrued income	2,083	2,058
	<u>650,423</u>	<u>648,809</u>

8. Debtors: amounts falling due after one year

	2018 £	2017 £
Other debtors	<u>106,469</u>	<u>179,636</u>
	Between 1 and 2 years £	Between 2 and 5 years £
Amounts due by instalments:		Total £
Other debtors	<u>78,848</u>	<u>27,621</u>
		<u>106,469</u>

9. Creditors: amounts falling due within one year

	2018 £	2017 £
Bank overdraft	-	6,677
Trade creditors	35,283	9,819
Other taxes and social security	-	8,219
Amounts owed to group undertakings	2,674,738	1,745,837
Corporation tax	27,297	83,117
Other creditors	2,291	239,118
Accruals and deferred income	1,850	4,141
	<u>2,741,459</u>	<u>2,097,728</u>

Notes to the financial statements (cont'd)

10. Provisions for liabilities

	2018	2017
	£	£
Deferred taxation		
Accelerated capital allowances	40,769	17,491
Revaluation surplus	11,329	11,478
	<u>52,098</u>	<u>28,969</u>
Movement in the provision during the year		£
At 1 January 2018		28,969
Transfer from profit and loss account		23,129
At 31 December 2018		<u>52,098</u>

11. Share capital

	2018	2017
	£	£
Allotted, called up and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

The company has one class of ordinary shares which carries voting rights and rights to participate in a distribution as respects dividend and capital.

12. Reserves

Profit and loss account

This reserve records cumulative profits or losses, net of dividends paid. This reserve is distributable in full.

Revaluation reserve

This reserve records the gains or losses on revaluation of investment properties. This reserve is not distributable.

13. Parent company

The directors regard K Holdings (NI) Ltd, which is registered in Northern Ireland, to be the company's parent company. K Holdings (NI) Ltd has a 100% interest in the ordinary share capital of ARC Developments (NI) Ltd at 31 December 2018.

Notes to the financial statements (cont'd)

14. Related parties

The company was under the control of K Holdings (NI) Ltd, a company incorporated in Northern Ireland, by way of its effective control of 100% of the equity share capital of the company throughout the year.

Advantage has been taken of the exemption not to disclose any transactions with entities that are part of the group qualifying as related parties, because consolidated financial statements in which they are included are publicly available at the registered office of the holding company.

	Transactions £	Balance £
Transactions with other related parties	-	219,556

15. Directors advances, credits and guarantees

During the year certain directors entered into the following advances and credits with the company:

	B/fwd balance £	Advances /(credits) £	Balance outstanding £
Mr Keith McIvor & Mrs Julia-Ann McIvor	(239,118)	280,952	41,834

Interest is charged on the outstanding balance at the HMRC official rate of interest.

16. Summary audit opinion

The auditors' report for the year dated 31 December 2018 was unqualified.

The senior statutory auditor was Alistair-Cooke, for and on behalf of ASM (D) Ltd.