

Registered number: NI060729

## Racarbry Developments Ltd

Unaudited

Financial statements

For the year ended 31 August 2017

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# **Racarbry Developments Ltd**

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## **Racarbry Developments Ltd**

### **Company information**

<b>Directors</b>	Francis Rice Leo Rice Thomas Rice
<b>Company secretary</b>	Leo Rice
<b>Registered number</b>	NI060729
<b>Registered office</b>	8 Annvale Road Keady Co Armagh BT60 2RP
<b>Chartered Accountants</b>	PricewaterhouseCoopers LLP Chartered Accountants Waterfront Plaza 8 Laganbank Road Belfast BT1 3LR
<b>Bankers</b>	Bank of Ireland 14 Main Street Keady Co Armagh BT60 3SU
<b>Solicitors</b>	LJ Mallon & Co 9 Upper English Street Armagh Co Armagh BT61 7BH

**Racarbry Developments Ltd**  
**Registered number: NI060729**

**Balance sheet**  
**As at 31 August 2017**

	<b>Note</b>	<b>2017 £</b>	<b>2016 £</b>
<b>Fixed assets</b>			
Tangible assets	4	<b>38,902</b>	38,284
		<b>38,902</b>	38,284
<b>Current assets</b>			
Stocks	5	<b>2,648,686</b>	2,533,387
Debtors: amounts falling due within one year	6	<b>169,198</b>	170,298
Cash at bank and in hand	7	<b>15</b>	57,726
		<b>2,817,899</b>	2,761,411
Creditors: amounts falling due within one year	8	<b>(56,049)</b>	(50,338)
<b>Net current assets</b>		<b>2,761,850</b>	2,711,073
<b>Total assets less current liabilities</b>		<b>2,800,752</b>	2,749,357
Creditors: amounts falling due after more than one year	9	<b>(2,867,425)</b>	(2,798,862)
<b>Net liabilities</b>		<b>(66,673)</b>	(49,505)
<b>Capital and reserves</b>			
Called up share capital	10	<b>4</b>	4
Profit and loss account		<b>(66,677)</b>	(49,509)
<b>Total shareholders' deficit</b>		<b>(66,673)</b>	(49,505)

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

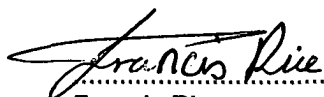
The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

**Racarbry Developments Ltd**  
**Registered number: NI060729**

**Balance sheet (continued)**  
**As at 31 August 2017**

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 were approved and authorised for issue by the board and were signed on its behalf on 29 May 2018.

A handwritten signature in black ink, reading "Francis Rice", followed by a dotted line for a signature line.

**Francis Rice**

Director

The notes on pages 4 to 11 form part of these financial statements.

## **Racarbry Developments Ltd**

### **Notes to the financial statements For the year ended 31 August 2017**

#### **1. General information**

Racarbry Developments Ltd is a private company, limited by shares, incorporated in and domiciled in the United Kingdom, registration number NI060729. The registered office is, 8 Annvale Road, Keady, Co Armagh, BT60 2RP.

The Company's principal activity during the year was that of residential property development.

#### **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.

Information on the impact of first-time adoption of FRS 102 is given in note 12.

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.

The following principal accounting policies have been applied:

##### **2.2 Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, required under Section 7 of FRS 102 and para 3.17(d), on the basis that it is a small company; and
- from disclosing the Company's key management personnel compensation as required by FRS 102 para 33.7

##### **2.3 Going concern**

These financial statements have been prepared on the going concern basis due to the continued financial support of the directors for a period of at least the last 12 months from the date these financial statements were approved.

**Notes to the financial statements  
For the year ended 31 August 2017**

**2. Accounting policies (continued)**

**2.4 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.

**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.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	15%
Motor vehicles	-	25%

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 income and retained earnings.

**2.6 Stocks**

Stocks are stated at the lower of cost and net realisable value. Cost comprises materials, direct wages and other direct production costs together with a proportion of production overheads relevant to the stage of completion of work in progress and finished goods.

At each balance sheet 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.

**Notes to the financial statements  
For the year ended 31 August 2017**

**2. Accounting policies (continued)**

**2.7 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.

**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. 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.

**2.9 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, loans to related parties and investments in non-puttable ordinary shares.

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.

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 of the recoverable amount, 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.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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.

**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.



**Notes to the financial statements  
For the year ended 31 August 2017**

**2. Accounting policies (continued)**

**2.11 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

**2.12 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.

**2.13 Interest income**

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

**2.14 Borrowing costs**

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

**Notes to the financial statements  
For the year ended 31 August 2017**

**2. Accounting policies (continued)**

**2.15 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 balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**3. Employees**

The average monthly number of employees, including directors, during the year was 2 (2016 - 2).

# Racarbry Developments Ltd

## Notes to the financial statements For the year ended 31 August 2017

### 4. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 September 2016	153,864	5,200	159,064
Additions	-	9,000	9,000
At 31 August 2017	<u>153,864</u>	<u>14,200</u>	<u>168,064</u>
<b>Depreciation</b>			
At 1 September 2016	119,480	1,300	120,780
Charge for the year	5,157	3,225	8,382
At 31 August 2017	<u>124,637</u>	<u>4,525</u>	<u>129,162</u>
<b>Net book value</b>			
At 31 August 2017	<u>29,227</u>	<u>9,675</u>	<u>38,902</u>
At 31 August 2016	<u>34,384</u>	<u>3,900</u>	<u>38,284</u>

### 5. Stocks

	2017 £	2016 £
Work in progress	530,010	414,711
Land bank	<u>2,118,676</u>	<u>2,118,676</u>
	<u>2,648,686</u>	<u>2,533,387</u>

### 6. Debtors

	2017 £	2016 £
Other debtors	1,167	1,445
Prepayments and accrued income	<u>168,031</u>	<u>168,853</u>
	<u>169,198</u>	<u>170,298</u>

# Racarbry Developments Ltd

## Notes to the financial statements For the year ended 31 August 2017

### 7. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	15	57,726
Less: bank overdrafts	(25,456)	-
	<u>(25,441)</u>	<u>57,726</u>

### 8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	25,456	-
Trade creditors	4,251	19,609
Amounts owed to related party undertakings	21,040	25,138
Corporation tax	-	150
Other taxation and social security	3,602	3,741
Accruals and deferred income	1,700	1,700
	<u>56,049</u>	<u>50,338</u>

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

### 9. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Amounts owed to related party undertakings	2,867,425	2,798,862
	<u>2,867,425</u>	<u>2,798,862</u>

### 10. Called up share capital

	2017 £	2016 £
<b>Allotted and fully paid</b>		
4 (2016 - 4) ordinary shares of £1 each	4	4
	<u>4</u>	<u>4</u>

### 11. Ultimate controlling party

The ultimate controlling party is Francis Rice due to his shareholding in the company.

**Notes to the financial statements  
For the year ended 31 August 2017**

**12. First time adoption of FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.