

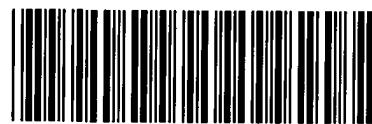
Registered number: 03778310

FERNHAM HOMES LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED
28 FEBRUARY 2017

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COMPANIES HOUSE

FERNHAM HOMES LTD
REGISTERED NUMBER:03778310

BALANCE SHEET
AS AT 28 FEBRUARY 2017

		28 February 2017	29 February 2016
	Note	£	£
Fixed assets			
Tangible assets	4	1,869	2,492
Investment property	5	60,000	60,000
Investments	6	1	1
		<u>61,870</u>	<u>62,493</u>
Current assets			
Stocks	7	11,550,030	3,379,403
Debtors: amounts falling due within one year	8	412,148	97,643
Cash at bank and in hand		1,435,139	439,180
		<u>13,397,317</u>	<u>3,916,226</u>
Creditors: amounts falling due within one year	9	(8,644,707)	(2,918,513)
Net current assets		<u>4,752,610</u>	<u>997,713</u>
Total assets less current liabilities		<u>4,814,480</u>	<u>1,060,206</u>
Creditors: amounts falling due after more than one year	10	(3,751,755)	(561,938)
Provisions for liabilities			
Other provisions	11	(232,997)	(254,963)
		<u>(232,997)</u>	<u>(254,963)</u>
Net assets		<u><u>829,728</u></u>	<u><u>243,305</u></u>

FERNHAM HOMES LTD
REGISTERED NUMBER: 03778310

BALANCE SHEET (CONTINUED)
AS AT 28 FEBRUARY 2017

		28 February 2017	29 February 2016
	Note	£	£
Capital and reserves			
Called up share capital		150	150
Fair value reserve	12	59,997	59,997
Profit and loss account	12	769,581	183,158
		<u>829,728</u>	<u>243,305</u>

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.

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 by:



M. C. Canham
Director

Date: 31/1/18

The notes on pages 3 to 10 form part of these financial statements.

FERNHAM HOMES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

1. General information

Fernham Homes Limited (the Company) is a limited company domiciled and incorporated in England and Wales.

The address of its registered office is C/O Buzzacott LLP, 130 Wood Street, London, EC2V 6DL.

The place of business is Canham Business Centre, 426 Vale Road, Tonbridge, Kent, TN9 1SW.

The principal activity of the Company continues to be the construction of new build homes.

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.

The following principal accounting policies have been applied:

2.2 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.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, 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.

FERNHAM HOMES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

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

Plant & machinery	-	25% reducing balance
Fixtures & fittings	-	25% reducing balance

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.

2.4 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of income and retained earnings.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Work in progress and finished goods include labour and attributable overheads.

Stocks include the Company's share of a jointly controlled asset, recognised at cost less impairment.

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.

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

2.8 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

FERNHAM HOMES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

2. Accounting policies (continued)

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.10 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.11 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.

FERNHAM HOMES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

2. Accounting policies (continued)

2.12 Joint ventures

The company recognises its share of jointly controlled assets at cost. Any income or expenses arising from the jointly controlled asset are recognised in profit or loss according to the Company's share as stated in the joint venture agreement.

3. Employees

The average monthly number of employees, including directors, during the year was 4 (2016 -4).

4. Tangible fixed assets

	Plant & machinery £	Fixtures & fittings £	Total £
Cost or valuation			
At 1 March 2016	16,375	6,749	23,124
At 28 February 2017	16,375	6,749	23,124
Depreciation			
At 1 March 2016	15,452	5,180	20,632
Charge for the year on owned assets	231	392	623
At 28 February 2017	15,683	5,572	21,255
Net book value			
At 28 February 2017	692	1,177	1,869
At 29 February 2016	923	1,569	2,492

FERNHAM HOMES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

5. Investment property

	Freehold investment property £
Valuation	
At 1 March 2016 and 28 February 2017	60,000

The 2017 valuations were made by the directors, on an open market value for existing use basis.

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 March 2016 and 28 February 2017	1
Net book value	
At 28 February 2017	1
At 29 February 2016	1

7. Stocks

	28 February 2017 £	29 February 2016 £
Work in progress (properties to be sold)	11,550,030	3,379,403

Work in progress includes a jointly controlled asset of £972,762, comprising land for development.

FERNHAM HOMES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

8. Debtors

	28 February 2017 £	29 February 2016 £
Trade debtors	320,538	6,853
Amounts owed by group undertakings	121	121
Other debtors	91,489	90,669
	<u>412,148</u>	<u>97,643</u>

9. Creditors: Amounts falling due within one year

	28 February 2017 £	29 February 2016 £
Bank overdrafts	1,504	6
Bank loans	865,062	-
Trade creditors	1,289,442	814,876
Corporation tax	90,810	-
Other taxation and social security	5,838	15,318
Other creditors	6,157,026	2,083,388
Accruals and deferred income	235,025	4,925
	<u>8,644,707</u>	<u>2,918,513</u>

National Westminster Bank plc and Close Brothers Limited hold fixed securities over all freehold properties included in stock at the period end. Fixed and floating charges are held over the other assets of the company and a guarantee of £100,000 has been provided by the shareholders.

FERNHAM HOMES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

10. Creditors: Amounts falling due after more than one year

	28 February 2017 £	29 February 2016 £
Bank loans	2,751,755	561,938
Other loans	1,000,000	-
	<u>3,751,755</u>	<u>561,938</u>

Secured loans

National Westminster Bank plc and Close Brothers Limited hold fixed securities over all freehold properties included in stock at the period end. Fixed and floating charges are held over the other assets of the company and a guarantee of £100,000 has been provided by the shareholders. An individual lender holds a second charge over one of the freehold properties included in stock at the period-end.

11. Provisions

	Legal claims and fees £	NHBC liability £	Total £
At 1 March 2016	100,000	154,963	254,963
Charged to profit or loss	-	8,725	8,725
Utilised in year	-	(30,691)	(30,691)
At 28 February 2017	<u>100,000</u>	<u>132,997</u>	<u>232,997</u>

Legal claims and fees

The company has provided for legal costs in relation to a claim made by a member of the public. This claim is still ongoing and as yet no settlement has been made.

NHBC liability

The company registers their new homes with the NHBC once they have been completed and upon purchase the homebuyer does the same. This registration entitles the homebuyer to a guarantee against property defects for 2 years and structural defects for 10 years. The company is responsible for completing any works required as part of the guarantee and have included a provision in the accounts to cover the cost of any such works.

FERNHAM HOMES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

12. Reserves

The company's reserves are represented by the following:

Fair value reserve

The cumulative revaluation gains and losses in respect of investment property.

Profit and loss account

The cumulative profit and loss, net of distribution to owners.

13. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £681 (2016 - £nil). Contributions totalling £nil (2016 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

14. 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.