

Eleven Acre Rise Limited

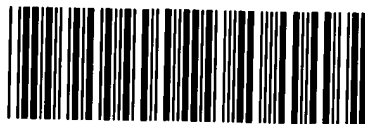
Unaudited Financial Statements

Year Ended

30 November 2019

Company Number 09038942

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Eleven Acre Rise Limited

Company Information

Directors	A O'connor K O'connor
Registered number	09038942
Registered office	732 Cranbrook Road Ilford Essex IG6 1HU
Accountants	BDO LLP 55 Baker Street London United Kingdom W1U 7EU

Eleven Acre Rise Limited

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Eleven Acre Rise Limited

Registered number: 09038942

Statement of Financial Position as at 30 November 2019

	Note	2019 £	2018 £
Current assets			
Stocks	5	1,516,648	4,032,125
Cash at bank and in hand	6	1,854,988	6,012
		<u>3,371,636</u>	<u>4,038,137</u>
Creditors: amounts falling due within one year	7	(3,416,504)	(4,103,494)
Net liabilities		<u>(44,868)</u>	<u>(65,357)</u>
Capital and reserves			
Share capital	8	1,000	1,000
Retained earnings		(45,868)	(66,357)
		<u>(44,868)</u>	<u>(65,357)</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 the 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 comprehensive income 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:



K O'Connor
Director

Date: 26.11.20

The notes on pages 2 to 6 form part of these financial statements.

Eleven Acre Rise Limited

Notes to the Financial Statements for the Year Ended 30 November 2019

1. General information

Eleven Acre Rise Limited is a private limited company limited by shares and incorporated and in England and Wales under the Companies Act 2006. The registered office address is 732 Cranbrook Road, Ilford, Essex, IG6 1HU.

The principal activity of the Company during the year was that of a property development company.

2. Accounting policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared in Pound Sterling as this is the currency of the primary economic environment in which the company operates and is rounded to the nearest pound.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The directors have agreed not to seek repayment of their loan account and will continue to provide adequate financial support for the Company for the foreseeable future. The directors of the Company are currently assessing the impact of COVID-19. The situation is evolving rapidly and it is not possible at this stage to determine with any certainty the impact on the Company, its customers, employees and suppliers. The directors are continually reviewing their plans and forecasts and believe that the going concern basis is appropriate, however depending on the severity and length of the crisis there is a risk that the Company could require further funding or support. The directors have agreed not to seek repayment of their loan account and will continue to provide adequate financial support for the Company for the foreseeable future and therefore these accounts have been prepared on the company's ability to continue as a going concern.

Eleven Acre Rise Limited

Notes to the Financial Statements for the Year Ended 30 November 2019

2. Accounting policies (continued)

2.3 Turnover

Turnover 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. Turnover 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

Turnover 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.

2.4 Finance costs

Finance costs are charged to the statement of comprehensive income 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.

2.5 Taxation

Tax is recognised in profit or loss 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.

2.6 Stocks

Work in progress consists of the purchase of freehold property plus development costs.

2.7 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.

2.8 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.

Eleven Acre Rise Limited

Notes to the Financial Statements for the Year Ended 30 November 2019

2. Accounting policies (continued)

2.9 Financial instruments

The company only enters into basic financial instrument 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 the 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 comprehensive income.

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 reporting date.

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.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Due to the simplicity of the Company's transaction streams and year-end financial position, the directors consider there to be no critical judgements, estimates or assumptions in the preparation of these financial statements.

Eleven Acre Rise Limited

Notes to the Financial Statements for the Year Ended 30 November 2019

4. Employees

There were no employees during the current or preceding period, except for the directors, who received no remuneration.

5. Stocks

	2019 £	2018 £
Stock held for sale	<u>1,516,648</u>	<u>4,032,125</u>

6. Cash at bank and in hand

	2019 £	2018 £
Cash at bank and in hand	<u>1,854,988</u>	<u>6,012</u>

7. Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans	-	1,473,241
Trade creditors	96,512	-
Corporation tax	4,806	-
Other creditors	3,312,486	2,628,803
Accruals and deferred income	2,700	1,450
	<u>3,416,504</u>	<u>4,103,494</u>

8. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

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Notes to the Financial Statements for the Year Ended 30 November 2019

9. Related party transactions

During the year, the directors paid administration expenses of £1,450 (2017: £1,500) on behalf of the Company. At the year end, included within other creditors is £1,685,726 (2017: £1,428,803) owed to the directors. This balance includes Interest accrued at the rate of 3.62% amounting to £256,923.

On the balance sheet date amount due to Cranbrook Basement Design & Construction Ltd a company owned by the directors was £1,600,885 (2018 - £Nil). The amount is interest free and repayable on demand.