

# **HOBSTONES HOMES LIMITED**

**Report and Financial Statements**

**Year ended 31 March 2017**

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## Officers and professional advisors

**Directors** Ed Barber  
Anthony Duerden  
Helen Thompson (appointed 25 April 2017)  
Tracy Woods (resigned 31 March 2017)

**Registered Office** Centenary Court  
Croft Street  
Burnley  
Lancashire  
BB11 2ED

**Registered Number** 08156717

**External Auditor** Beaver and Struthers  
Chartered Accountants and Statutory Auditor  
St George's House  
215-219 Chester Road  
Manchester  
M15 4JE

**Solicitors** Forbes Solicitors  
Rutherford House  
4 Wellington Street  
St. Johns  
Blackburn  
BB1 8DD

**Bankers** National Westminster Bank  
6th Floor  
1 Spinningfields Square  
Manchester  
M3 3AP

## Directors Report

The Directors' are pleased to present their report along with the financial statements for the year ended 31 March 2017.

### Principal Activities

The principal activity of the company during the year was the provision of design and construction services.

### Financial Review

Gross profit for the year was £97k (2016: £14k) from sales of £4.7 million (2016: £2.1 million).

At 31 March 2017, there was a funds deficit of £14k (2016: £17k).

### Directors

The current Board of Directors, together with details of the changes which have occurred up to the date of approval of this report by the Board, are set out on page 1.

### Statement as to disclosure of information to auditor

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### Statement of Directors' Responsibilities in respect of the Annual Report & Financial Statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" ("FRS 102").

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditor

Beever and Struthers have indicated their willingness to continue in office. A resolution to reappoint them as auditors will be proposed at the forthcoming annual general meeting.

### Small company provisions

The report of the directors has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by the Board and signed on its behalf by:-

Anthony Duerden  
**Director**  
11 September 2017

## Independent auditor's report to the members of Hobstones Homes Limited

We have audited the financial statements of Hobstones Homes Limited for the year ended 31 March 2017 which comprise the Statement of Comprehensive Income and Retained Earnings, Statement of Changes in Equity, the Statement of Financial Position and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and the auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's ("FRC's") Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Maria Hallows  
Senior Statutory Auditor  
For and on behalf of **BEEVER AND STRUTHERS**, Statutory Auditor  
St George's House  
215-219 Chester Road  
Manchester  
M15 4JE

Date: 11 September 2017

## Statement of Comprehensive Income For the year ended 31 March 2017

	Note	2017 £	2016 £
Turnover		4,720,173	2,098,305
Cost of Sales		(4,622,769)	(2,084,404)
<b>Gross profit</b>		<u>97,404</u>	<u>13,901</u>
Overhead Costs		(93,901)	(35,260)
Interest		-	(25)
<b>Profit/(Loss) on ordinary activities before taxation</b>	2	<u>3,503</u>	<u>(21,384)</u>
Taxation on ordinary activities	4	-	9
<b>Total comprehensive profit/(loss) for the year</b>		<u><u>3,503</u></u>	<u><u>(21,375)</u></u>

All of the activities in the financial year are derived from continuing operations.

The notes on pages 6 to 8 form part of the accounts.

## Statement of Changes in Equity For the year ended 31 March 2017

	Called up Share Capital	Income & Expenditure Reserve	Total
	£	£	£
At 1 April 2015	1	4,101	4,102
Loss for the financial year	-	(21,375)	(21,375)
At 31 March 2016	<u>1</u>	<u>(17,274)</u>	<u>(17,273)</u>
Profit for the financial year	-	3,503	3,503
At 31 March 2017	<u><u>1</u></u>	<u><u>(13,771)</u></u>	<u><u>(13,770)</u></u>

## Statement of Financial Position At 31 March 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Investments	8	1	1
		<u>          </u>	<u>          </u>
<b>Current assets</b>			
Debtors	5	1,011,004	135,237
Cash at bank and in hand		9,052	6,286
		<u>          </u>	<u>          </u>
		1,020,056	141,523
<b>Creditors: Amounts falling due within one year</b>	6	(1,033,827)	(158,797)
		<u>          </u>	<u>          </u>
<b>Net current (liabilities)/assets</b>		(13,771)	(17,274)
		<u>          </u>	<u>          </u>
<b>Net (liabilities)/assets</b>		(13,770)	(17,273)
		<u>          </u>	<u>          </u>
<b>Capital and reserve</b>			
Called up share capital	7	1	1
Income and expenditure reserve		(13,771)	(17,274)
		<u>          </u>	<u>          </u>
<b>Shareholders' Funds</b>		(13,770)	(17,273)
		<u>          </u>	<u>          </u>

These accounts have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on page 4 to 8 were approved by the directors and authorised for issue on 11 September 2017 and signed on their behalf by:

Anthony Duerden  
**Director**  
11 September 2017

## Notes to the Financial Statements

Hobstones Homes Limited is a registered company, limited by shares, in England & Wales. The registered office is Centenary Court, Croft Street, Burnley, Lancashire, BB11 2ED.

### 1. Accounting policies

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 ("FRS 102") issued by the Financial Reporting Council.

The company meets the definition of a qualifying entity under FRS 102 and has taken advantage of the disclosure exemptions available to it in respect of presentation of a cash flow statement and financial instruments.

#### **Going concern**

The company is reliant on trading from Calico Homes Limited. The directors having assessed the responses of the directors of Calico Homes Limited to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of Calico Homes Limited to continue as a going concern.

On the basis of this assessment, the financial statements have been prepared on a going concern basis as the directors are of the opinion that the Company will be able to continue in operational existence for the foreseeable future.

#### **Turnover**

Turnover represents income from contracts, which is recognised at the fair value of the consideration received or receivable for the sale of the services of design and construction based on when the service has been provided;

All income is stated net of Value Added Tax (VAT).

#### **Value added tax**

The Company charges VAT and is able to recover all of the VAT it incurs on expenditure.

#### **Taxation**

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the reporting date.

#### **Financial instruments**

Financial assets and financial liabilities are initially measured at the transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

### 2. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Audit fees	1,585	1,770
	<u>          </u>	<u>          </u>

### 3. Directors' remuneration

None of the Directors receive any remuneration or expenses from the company during the period (2017: none) and were remunerated by another group company.

There are no direct employees within Hobstones Homes Limited.

## Notes to the Financial Statements (continued)

### 4. Taxation

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Current Tax Charge</b>		
UK Corporation tax at 20% (2016:20%) on profit/loss for the period	-	(9)
	<u>          </u>	<u>          </u>
<i>Factors effecting the tax charge for the period</i>		
Profit/(loss) on ordinary activities before tax	3,503	(21,384)
Losses surrendered (from)/to group companies for no payment	(3,503)	21,338
	<u>          </u>	<u>          </u>
	-	(46)
Taxation at the standard rate of corporation tax in the UK of 20%	-	(9)
	<u>          </u>	<u>          </u>
Current tax charge for the period	-	(9)
	<u>          </u>	<u>          </u>

There are no timing differences for which a deferred tax provision is required.

### 5. Debtors

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Other tax and social security	219,081	15,844
Amounts owed to group undertakings	791,923	119,393
	<u>          </u>	<u>          </u>
	1,011,004	135,237
	<u>          </u>	<u>          </u>

Debtors are all due within one year

### 6. Creditors: amounts falling due within one year

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade Creditors	19,080	-
Accruals and deferred income	140,882	102,078
Amounts owed to group undertakings	873,865	56,719
	<u>          </u>	<u>          </u>
	1,033,827	158,797
	<u>          </u>	<u>          </u>

### 7. Share capital

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Allotted, called up and fully paid: 1 ordinary share of £1 each	1	1
On incorporation the company allotted 1 ordinary share of £1.	<u>          </u>	<u>          </u>

## Notes to the Financial Statements (continued)

### 8. Fixed Asset Investment

On 25 February 2016, the Company paid a capital contribution of £1 to become a designated member of Ring Stones Maintenance and Construction LLP.

### 9. Parent Undertaking

The Company is a subsidiary of The Calico Group Limited, a company incorporated in England and Wales.

Consolidated accounts which include the results of the Company can be obtained from:

- Company Secretary, The Calico Group Limited, Centenary Court, Croft Street, Burnley, BB11 2ED

No other accounts include the results of the Company.

The directors consider The Calico Group Limited to be the ultimate parent entity.

### 10. Related party transactions

Transactions between related parties are on an arm's length basis at normal market prices. Outstanding balances are unsecured and interest free.

**The Calico Group Limited** ("Group"), the parent company

During the year, Group recharged office costs amounting to £42,000 (2016: £Nil).

At 31 March 2017, the company owed Group £23,000 (2016: £1,000).

**Ring Stones Maintenance and Construction LLP** ("Ring Stones")

Hobstones Homes Ltd and Calico JV Ltd, are both designated members of Ring Stones and subsidiaries of Group

During the year, the Company purchased goods and services amounting to £5,058,000 (2016: £2,071,000) from Ring Stones.

At 31 March 2017, Ring Stones owed the company £61,000 (2016: £49,000 owed to).

**Calico Homes Limited** ("Homes"), a fellow subsidiary of The Calico Group Limited

During the year, sales to Homes were £4,973,000 (2016: £2,101,000) and Homes recharged office costs amounting to £51,000 (2016: £22,000).

At 31 March 2017, the company owed Homes £121,000 (2016: £7,000).