

REGISTERED NUMBER: 00849646 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017
FOR
GEORGE KILLOUGHERY LIMITED**

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**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Income Statement	7
Other Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Equity	10
Cash Flow Statement	11
Notes to the Cash Flow Statement	12
Notes to the Financial Statements	13

GEORGE KILLOUGHERY LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2017

DIRECTORS:	Mrs M Killoughery J Killoughery
SECRETARY:	J Killoughery
REGISTERED OFFICE:	43a Willow Lane Mitcham Surrey CR4 4NA
REGISTERED NUMBER:	00849646 (England and Wales)
AUDITORS:	ESW Limited Chartered Accountants & Registered Auditors 162-164 High Street Rayleigh Essex SS6 7BS
BANKERS:	HSBC Bank Plc 60 Queen Victoria Street London EC4N 4TR

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

The directors present their strategic report for the year ended 31 March 2017.

REVIEW OF BUSINESS

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, gross margin and return on capital employed.

The company has increased its turnover by 4% during the year, with a slight reduction in gross profit terms, in what has been a very competitive market. During the year the group took on the rentals and rates obligations of two new properties, resulting in a reduction in net profits, whilst the properties were brought to a standard allowing them to be let, which was achieved by the year end. It is believed that these properties will generate significant profits in the future.

The company is now well positioned to take advantage of the general improvement in the market, which it is believed will be reflected in future accounting periods.

Any future development of the company will be progressed bearing in mind the prevailing market conditions at the time.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'J Killoughery', with a long horizontal flourish extending to the right.

J Killoughery - Director

20 December 2017

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2017**

The directors present their report with the financial statements of the company for the year ended 31 March 2017.

PRINCIPAL ACTIVITY

The principal activities of the company continued to be that of building and civil engineering contractors, plant hire, haulage and waste management.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2017.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2016 to the date of this report.

Mrs M Killoughery
J Killoughery

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE COMPANY

The performance of the business is linked to the overall state of the economy but in particular to the activities within the sectors of the market in which we operate. As well as economic risks the waste industry has additional environmental legislative and compliance risks. We try to minimise these risks by employing highly skilled management, by training and by engaging specialist consultants so that we keep up with statutory regulations and comply with the conditions of our operating licences and permits at all times. Landfill charges and fuel prices are monitored on a weekly basis, thus ensuring that operating increases therein are recognised at an early state.

The banking crisis and lack of funding for businesses continues to have an adverse impact on business confidence and activity levels.

FINANCIAL INSTRUMENTS, CREDIT AND LIQUIDITY RISKS

The company's principal financial instruments comprise bank facilities, asset finance, loans to and from group and related undertakings, trade debtors and trade creditors. The main purpose of these instruments is to raise funds and to finance company operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding. The company makes use of bank facilities where funds are available.

The company's risk is primarily attributable to amounts recoverable from trade debtors and monies due from related undertakings. Trade debtors are managed by regular monitoring of outstanding balances and credit ratings. Debts due from related undertakings are closely monitored by management ensuring that adequate security is maintained for monies outstanding.

Trade creditors liquidity is managed by ensuring sufficient funds are available to meet amounts due.

POLITICAL DONATIONS AND EXPENDITURE

Donations paid during the year amounted to £6,851, none of which related to political organisations.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2017**

EMPLOYMENT OF DISABLED PERSONS

The company continues its policy regarding the employment of disabled persons and fair consideration is given to applications for employment by disabled persons having regard to their particular aptitudes and abilities.

HEALTH AND SAFETY AT WORK

Our yard managers are responsible for the health, safety and welfare of employees. We also continue to support the health and safety policies of our customers and the industry generally.

EMPLOYEE INVOLVEMENT

Our workforce are our most important and valuable asset. They operate at the heart of our operations and the forefront of our activities and developments on a day to day basis. In addition regular meetings are held to discuss activity and performance and opportunity is given for management to be questioned on all areas that affect our employees. We encourage an open door policy of involvement and close cooperation.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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). 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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's 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:



J Killoughery - Director

20 December 2017

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GEORGE KILLOUGHERY LIMITED

We have audited the financial statements of George Killoughery Limited for the year ended 31 March 2017 on pages seven to twenty. 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 Financial Reporting Standard 102 '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 a Report of the Auditors 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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

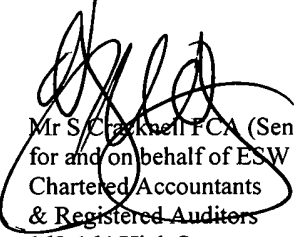
In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Strategic Report or the Report of the Directors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
GEORGE KILLOUGHERY LIMITED**

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.



Mr S. Cricknell FCA (Senior Statutory Auditor)
for and on behalf of ESW Limited
Chartered Accountants
& Registered Auditors
162-164 High Street
Rayleigh
Essex
SS6 7BS

20 December 2017

GEORGE KILLOUGHERY LIMITED (REGISTERED NUMBER: 00849646)

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	2017 £	2016 £
TURNOVER		11,605,035	11,115,058
Cost of sales		<u>(8,380,120)</u>	<u>(7,888,355)</u>
GROSS PROFIT		3,224,915	3,226,703
Administrative expenses		<u>(2,330,052)</u>	<u>(1,900,544)</u>
OPERATING PROFIT	4	894,863	1,326,159
Exceptional items	5	<u>-</u>	<u>(419,010)</u>
		894,863	907,149
Interest payable and similar expenses	6	<u>(136,907)</u>	<u>(135,879)</u>
PROFIT BEFORE TAXATION		757,956	771,270
Tax on profit	7	<u>(182,739)</u>	<u>127,113</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>575,217</u></u>	<u><u>898,383</u></u>

The notes form part of these financial statements

GEORGE KILLOUGHERY LIMITED (REGISTERED NUMBER: 00849646)

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	2017 £	2016 £
PROFIT FOR THE YEAR		575,217	898,383
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>575,217</u></u>	<u><u>898,383</u></u>

The notes form part of these financial statements

GEORGE KILLOUGHERY LIMITED (REGISTERED NUMBER: 00849646)

**BALANCE SHEET
31 MARCH 2017**

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	8	6,450,420	6,439,617
CURRENT ASSETS			
Stocks	9	61,254	48,346
Debtors	10	7,044,550	6,486,319
Cash at bank		605,048	643,455
		<u>7,710,852</u>	<u>7,178,120</u>
CREDITORS			
Amounts falling due within one year	11	(3,364,041)	(3,525,625)
NET CURRENT ASSETS		<u>4,346,811</u>	<u>3,652,495</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		10,797,231	10,092,112
CREDITORS			
Amounts falling due after more than one year	12	(3,038,185)	(2,960,836)
PROVISIONS FOR LIABILITIES	15	(604,599)	(552,046)
NET ASSETS		<u>7,154,447</u>	<u>6,579,230</u>
CAPITAL AND RESERVES			
Called up share capital	16	20,000	20,000
Share premium	17	2,590,000	2,590,000
Retained earnings	17	4,544,447	3,969,230
SHAREHOLDERS' FUNDS		<u>7,154,447</u>	<u>6,579,230</u>

The financial statements were approved by the Board of Directors on 20 December 2017 and were signed on its behalf by:



J Killoughery - Director

The notes form part of these financial statements

GEORGE KILLOUGHERY LIMITED (REGISTERED NUMBER: 00849646)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2015	10,000	3,070,847	-	3,080,847
Changes in equity				
Issue of share capital	10,000	-	2,590,000	2,600,000
Total comprehensive income	-	898,383	-	898,383
Balance at 31 March 2016	<u>20,000</u>	<u>3,969,230</u>	<u>2,590,000</u>	<u>6,579,230</u>
Changes in equity				
Total comprehensive income	-	575,217	-	575,217
Balance at 31 March 2017	<u><u>20,000</u></u>	<u><u>4,544,447</u></u>	<u><u>2,590,000</u></u>	<u><u>7,154,447</u></u>

The notes form part of these financial statements

GEORGE KILLOUGHERY LIMITED (REGISTERED NUMBER: 00849646)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	2017 £	2016 £
Cash flows from operating activities			
Cash generated from operations	1	1,518,244	3,038,315
Interest element of hire purchase payments paid		(136,907)	(135,879)
Tax paid		(29,912)	(4,158)
Net cash from operating activities		<u>1,351,425</u>	<u>2,898,278</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(371,927)	(781,722)
Sale of tangible fixed assets		295,598	343,199
Net cash from investing activities		<u>(76,329)</u>	<u>(438,523)</u>
Cash flows from financing activities			
Group company loan movements		(483,780)	(1,785,919)
New loans from factors		(58,539)	(756,266)
Capital repayments in year		(781,184)	(509,826)
Amount introduced by directors		10,000	-
Net cash from financing activities		<u>(1,313,503)</u>	<u>(3,052,011)</u>
Decrease in cash and cash equivalents		<u>(38,407)</u>	<u>(592,256)</u>
Cash and cash equivalents at beginning of year	2	643,455	1,235,711
Cash and cash equivalents at end of year	2	<u><u>605,048</u></u>	<u><u>643,455</u></u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2017	2016
	£	£
Profit before taxation	757,956	771,270
Depreciation charges	834,843	899,904
Loss on disposal of fixed assets	109,815	119,091
Finance costs	136,907	135,879
	<u>1,839,521</u>	<u>1,926,144</u>
(Increase)/decrease in stocks	(12,908)	4,114
(Increase)/decrease in trade and other debtors	(74,451)	2,106,670
Decrease in trade and other creditors	(233,918)	(998,613)
	<u>1,518,244</u>	<u>3,038,315</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2017

	31.3.17	1.4.16
	£	£
Cash and cash equivalents	<u>605,048</u>	<u>643,455</u>

Year ended 31 March 2016

	31.3.16	1.4.15
	£	£
Cash and cash equivalents	<u>643,455</u>	<u>1,235,711</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. STATUTORY INFORMATION

George Killoughery Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents the total invoice value, excluding value added tax, from contract income, plant hire, haulage and waste management during the year.

Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Plant and machinery	-	12.5% reducing balance
Fixtures, fittings and equipment	-	25% reducing balance
Motor vehicles	-	25% reducing balance

Stocks

Stocks of raw materials, consumables, recycled aggregates and land for development are valued at the lower of cost and net realisable value.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017

2. ACCOUNTING POLICIES - continued

Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated over future periods. The finance element of the rental payments is charged over the profit and loss account so as to produce a constant periodic rate of charge on the net obligations outstanding in each period.

Pensions

The pension costs charged in the financial statements represent the contributions paid by the company during the period.

3. EMPLOYEES AND DIRECTORS

	2017	2016
	£	£
Wages and salaries	1,164,127	1,158,202
Social security costs	70,222	120,465
Other pension costs	6,322	10,702
	<u>1,240,671</u>	<u>1,289,369</u>

The average monthly number of employees during the year was as follows:

	2017	2016
Directors	1	1
Direct labour	27	32
Administration	3	5
	<u>31</u>	<u>38</u>

	2017	2016
	£	£
Directors' remuneration	-	48,000
	<u>-</u>	<u>48,000</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2017	2016
Money purchase schemes	<u>1</u>	<u>1</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2017	2016
	£	£
Hire of plant and machinery	545,656	484,820
Depreciation - owned assets	834,843	899,904
Loss on disposal of fixed assets	109,815	119,091
Auditors' remuneration	12,360	12,000
Auditors' remuneration for non audit work	2,060	2,000
	<u>1,504,734</u>	<u>1,517,815</u>

Depreciation of tangible fixed assets includes £409,178 (2016 - £510,548) relating to assets held under finance lease agreements.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017

5. EXCEPTIONAL ITEMS

	2017 £	2016 £
Exceptional items	-	(419,010)

Exceptional items comprise;

Details	2017	2016
Reinstatement of previous leasehold site to its former condition	-	169,010
Business rates arrears on leasehold site	-	250,000
	-	419,010

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017 £	2016 £
Hire purchase interest and finance lease charges	136,806	135,879
Other interest	101	-
	136,907	135,879

7. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit for the year was as follows:

	2017 £	2016 £
Current tax:		
UK corporation tax	130,186	24,138
Deferred tax	52,553	(151,251)
Tax on profit	182,739	(127,113)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017

7. TAXATION - continued

Reconciliation of total tax charge/(credit) included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £	2016 £
Profit before tax	757,956	771,270
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20%)	151,591	154,254
Effects of:		
Expenses not deductible for tax purposes	2,782	2,763
Capital allowances in excess of depreciation	(2,994)	(33,685)
Utilisation of tax losses	(27,991)	(102,391)
Adjustments to tax charge in respect of previous periods	-	(5,774)
Loss on disposal of fixed assets	21,963	23,818
Net finance lease payments	(15,165)	(14,847)
Deferred tax	52,553	(151,251)
Total tax charge/(credit)	182,739	(127,113)

8. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 April 2016	10,689,660	35,437	173,968	10,899,065
Additions	1,209,396	-	41,663	1,251,059
Disposals	(798,000)	(16,145)	-	(814,145)
At 31 March 2017	11,101,056	19,292	215,631	11,335,979
DEPRECIATION				
At 1 April 2016	4,302,470	27,259	129,719	4,459,448
Charge for year	821,806	1,107	11,930	834,843
Eliminated on disposal	(396,337)	(12,395)	-	(408,732)
At 31 March 2017	4,727,939	15,971	141,649	4,885,559
NET BOOK VALUE				
At 31 March 2017	6,373,117	3,321	73,982	6,450,420
At 31 March 2016	6,387,190	8,178	44,249	6,439,617

Included above are assets held under hire purchase contracts and finance leases whose net book value at the balance sheet date amounted to £3,421,485 (2016 - £3,729,230).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017

9. STOCKS

	2017	2016
	£	£
Consumables and recycled aggregates	<u>61,254</u>	<u>48,346</u>

10. DEBTORS

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	2,958,987	2,786,257
Amounts owed by group undertakings	614,948	1,738,243
Amounts owed by associates	1,500	-
Other debtors	1,700,000	1,700,000
Prepayments	<u>163,540</u>	<u>261,819</u>
	<u>5,438,975</u>	<u>6,486,319</u>

Amounts falling due after more than one year:

Amounts owed by group undertakings	41,861	-
Amounts owed by associates	<u>1,563,714</u>	<u>-</u>
	<u>1,605,575</u>	<u>-</u>

Aggregate amounts	<u>7,044,550</u>	<u>6,486,319</u>
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11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Hire purchase contracts (see note 13)	800,968	780,369
Trade creditors	1,019,155	884,552
Tax	130,186	29,912
Social security and other taxes	134,591	241,185
Other creditors	883	1,059
Factor advance	1,131,255	1,189,794
Directors' current accounts	10,000	-
Accruals and deferred income	<u>137,003</u>	<u>398,754</u>
	<u>3,364,041</u>	<u>3,525,625</u>

Interest on bank facilities is charged at rates determined by and fluctuating with movements in the UK bank lending base rate. Bank invoice finance is repayable by 3 months notice and secured by a charge over the book debts of the company. Hire purchase agreements are secured on the assets to which they relate.

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	£	£
Hire purchase contracts (see note 13)	1,338,185	1,260,836
Other creditors	<u>1,700,000</u>	<u>1,700,000</u>
	<u>3,038,185</u>	<u>2,960,836</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017

13. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Gross obligations repayable:		
Within one year	902,356	910,144
Between one and five years	1,488,015	1,418,600
	<u>2,390,371</u>	<u>2,328,744</u>
Finance charges repayable:		
Within one year	101,388	129,775
Between one and five years	149,830	157,764
	<u>251,218</u>	<u>287,539</u>
Net obligations repayable:		
Within one year	800,968	780,369
Between one and five years	1,338,185	1,260,836
	<u>2,139,153</u>	<u>2,041,205</u>

14. SECURED DEBTS

The company's banking facilities with HSBC Bank plc are secured by a fixed and floating charge over all assets dated 26 October 2016.

15. PROVISIONS FOR LIABILITIES

	2017 £	2016 £
Deferred tax	<u>604,599</u>	<u>552,046</u>
		Deferred tax
		£
Balance at 1 April 2016		552,046
Accelerated capital allowances		<u>52,553</u>
Balance at 31 March 2017		<u>604,599</u>

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2017 £	2016 £
Number:	Class:	Nominal value:		
20,000	Ordinary	£1	<u>20,000</u>	<u>20,000</u>

GEORGE KILLOUGHERY LIMITED (REGISTERED NUMBER: 00849646)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017**

17. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 April 2016	3,969,230	2,590,000	6,559,230
Profit for the year	575,217		575,217
	<hr/>	<hr/>	<hr/>
At 31 March 2017	4,544,447	2,590,000	7,134,447
	<hr/>	<hr/>	<hr/>

18. PENSION COMMITMENTS

The company operates a defined contribution pension scheme in respect of employees, including the directors. The scheme and its assets are held by independent managers. The pension charge represents contributions paid by the company during the period and amounted to £6,322 (2016 : £10,702). At the balance sheet date there were no contributions (2016 : £Nil) owed to the fund.

19. ULTIMATE PARENT COMPANY

Killoughery Holdings Limited is regarded by the directors as being the company's ultimate parent company.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017

20. RELATED PARTY DISCLOSURES

During the year the company was related to The George Killoughery Limited Executive Retirement Benefits Scheme, Killoughery Construction Limited, Killoughery Construction Limited Executive Retirement Benefits Scheme, Waterwise Limited, Garratt Court Properties Limited, Bio Collectors Limited and G.J. Killoughery Limited by virtue of all being under the control of the Killoughery family.

It is also related to Killoughery Holdings Limited and Killoughery Properties Limited by virtue of being group companies.

During the period the company undertook the following transactions with its related undertakings.

Company	Nature of transaction	2017	2016
Bio Collectors Limited	Sales	300	50
Bio Collectors Limited	Trade debtors	360	-
Waterwise Limited	Rent payable	-	122,308
Waterwise Limited	Sales	548	-
Killoughery Properties Limited	Sales	300	-
Killoughery Properties Limited	Rent payable	238,427	-
G.J. Killoughery Limited	Sale of assets	137,453	-
G.J. Killoughery Limited	Sales	205,921	102,954
G.J. Killoughery Limited	Purchases	242,312	341,152

Legal and professional fees include £70,000 (2016 : £nil) paid to Recycled Thermal Energy Limited, being an entity controlled by key management personnel.

As at the balance sheet date the financial statements included the following loan account balances with associated companies;

Company	Nature of transaction	2017	2016
Killoughery Properties Limited	Other debtors	614,948	1,738,243
Killoughery Holdings Limited	Other debtors	41,861	-
GJ Killoughery Limited	Other debtors	1,500	-
Waterwise Limited	Other debtors	1,563,714	-

The company is claiming exemption under Financial Reporting Standard 8 from disclosing transactions with other wholly owned group companies.