REGISTERED NUMBER: 00934380 (England and Wales)

Group Strategic Report,

Report of the Directors and

Consolidated Financial Statements

for the Period

1 September 2018 to 29 February 2020

for

Blakedown Environment & Leisure Ltd

Previously known as Blakedown Environment & Leisure PLC

Blakedown Environment & Leisure Ltd (Registered number: 00934380)

Contents of the Consolidated Financial Statements
for the Period 1 September 2018 to 29 February 2020

Blakedown Environment & Leisure Ltd

Company Information
for the Period 1 September 2018 to 29 February 2020

DIRECTORS:	S W Buckingham P G Hook G A Farmer C F Wellbelove
SECRETARY:	A J Flint
REGISTERED OFFICE:	Halebourne Nurseries Halebourne Lane Chobham Woking GU24 8SL
REGISTERED NUMBER:	00934380 (England and Wales)
AUDITORS:	Kirk Newsholme Chartered Accountants and Statutory Auditors 4315 Park Approach Thorpe Park Leeds West Yorkshire LS15 8GB

Blakedown Environment & Leisure Ltd (Registered number: 00934380)

Group Strategic Report
for the Period 1 September 2018 to 29 February 2020

The directors present their strategic report of the group for the period ended 29 February 2020.

REVIEW OF BUSINESS
As shown in the profit and loss account the group has achieved another good period of trading with turnover slightly improved across the two differing period lengths. The mix of contracts in the period led to a reasonable growth in the overall gross margin and the directors are happy that the overall mixture of contracts has led to a satisfactory outturn. The overall operating profit has increased as a result of the improved margin in the year.

In October 2019 one of the group's largest customers entered administration which led to a very large bad debt write off of £2,174,083 as shown as an exceptional item below operating profit in the profit and loss account and as detailed in note 7 to the financial statements. The overall impact of the debt write off was mitigated by the profitable period. The directors are therefore pleased to report that following the results to 29 February 2020 the group balance sheet position has remained relatively consistent despite the debt write off.

The market for the provision of landscaping services and sport & play facilities remains highly competitive. The group has seen a growing demand in the market and has maintained its market share. The overall market appears to be robust despite the ongoing economic issues caused by the Covid-19 pandemic impacting on the market.

The balance sheet within the financial statements shows that the group's financial position is consistent with the performance of the business over the last 18 months. Retained profit has increased by 0.3% and the working capital position of the group remains healthy with significant headroom available.

Key performance indicators

Key performance indicator	2020	2018
1. Turnover	£39,836,807	£24,599,131
2. Gross profit %	15.1%	11.2%
3. Operating Profit	£2,273,781	£389,425
4. Order Book Horizon	£21.3m	£24.3m
5. Debtor days	57	62

Notes to KPI's

1 & 2 Turnover and Gross Profit % (Gross profit as a percentage of turnover).

The group aims to maximise profit available for distribution to shareholders as measured by a mixture of turnover growth and gross profit margins. Source data is taken from the audited financial statements.

Gross margin has increased in the year as a consequence of a higher focus on improving tender margins and an increased contract management presence. We have also focused on closing out a number of heritage final account negotiations which have rolled over from previous financial periods and these have delivered a larger sum than was previously reserved, therefore improving the overall margin position.

3 Operating profit

The group aims to increase shareholder value and measures performance against this objective by measuring operating profit. Source data is taken from the audited financial statements.

Due to increased turnover in the period, improvement in gross profit percentage and reduced overheads, operating profit has increased, however as noted above a large exceptional bad debt has been shown below operating profit..

4 The group monitors its order book on an ongoing basis to ensure that the group has a sustainable pipeline of work.

5 Debtor days = the average value of trade debtors divided by turnover expressed as a number of days. Source data is taken from the audited financial statements.

The group aims to maximise operating cash inflow generation by efficiently managing working capital and monitors this by measuring net cash from operating activities and monitoring debtor days as this is an important indicator of working capital requirements.

The group has continued to focus on credit control in the period to ensure that working capital requirements are maintained and managed effectively.

PRINCIPAL RISKS AND UNCERTAINTIES

Covid-19 Pandemic and going concern

In common with all businesses across the globe, the group faces risk and great uncertainty as a consequence of the impact of the Coronavirus, Covid-19 pandemic, and the disruption this continues to cause, including but not limited to the threat of continuity of supplies, the health of our employees and the ability of customers to meet payments, and for them to endure these same risks and uncertainties. What toll the impact of Covid-19 will take on this and many other businesses will not be known for some time but we continue to monitor the situation as it progresses and take all necessary measures including the use of Government backed support packages to ensure that all employees remain fit, healthy and able to continue to work, and to ensure we continue to maintain our strong supply chain and customer relationships.

The Management team have been reviewing the Company's cash flow forecasts looking forward every week. The Board have considered these forecasts and are satisfied the cash flow forecasts for the period of 12 months from the date of signing the financial statements, in the light of Coronavirus and taking into account certain Government assistance, show that the Company can meet its liabilities as they fall due.

Contract performance risk

Management have developed a number of contract costing tools that enable it to review and monitor material contracts to ensure that it is aware of current contract performance which enables it to maximise profit opportunities and minimise profit risk.

Reputational risk

As the group operates in relatively small markets any damage to, or loss of reputation could be a major concern. Rigorous management attention and quality control procedures are in place to maximise right first time and on time project delivery. Responsibility is taken for ensuring swift remedial action on any snags and complaints.

Major customer loss

The group has sought to manage its risk of losing customers to competitors by maintaining a wide customer base and by the provision of value added services, improving response times in the supply of services and the handling of customer queries and by maintaining strong relationships and local representation with key customers.

Operational risk

Solid reporting systems and accurate and timely management information is reviewed by the directors monthly.

Compliance risk

The group regularly monitors compliance with its own procedures and with legislation. This is reviewed formally in Board meetings and informally, by senior management of the group.

Brexit impact

The group is prepared for the economic and political uncertainty in the future resulting from the UK vote to leave the EU. The group still maintains its long term strategic aim of growing core services, the group will continue to expand its operations with new and existing customers.

Blakedown Environment & Leisure Ltd (Registered number: 00934380)

Group Strategic Report
for the Period 1 September 2018 to 29 February 2020

As the group does not export any products or services we have focused on mitigating the import supply chain complications that may arise in the coming months. We have negotiated and communicated on a regular basis with all our stakeholders to ensure a minimal impact in relation to this matter.

Financial instruments
The group's operations expose it to a variety of financial risks including the effect of foreign exchange rates, credit risk and liquidity risk.

The group does not have material exposure in any of the areas identified above and, consequently only occasionally uses derivative instruments to measure these exposures.

The group's principal financial instruments comprise trade debtors, amounts recoverable on contracts and trade creditors that arise directly from operations.

The main risks arising from the group's financial instruments can be analysed as follows:

Price risk
The group has no significant exposure to securities price risk, as it holds no listed equity instruments.

Foreign currency risk
The group makes some of its purchases in Euro's as well as some in US Dollars. The group is therefore exposed to movements in the Euro and the US Dollar to Sterling exchange rate. Management monitors the net exposure and considers if any measures are required to mitigate the risk such as taking out forward exchange contracts from time to time.

Credit risk
The group's principal financial assets are trade debtors and amounts recoverable on contracts, which represent the group's maximum exposure to credit risk in relation to financial assets.

Credit risk is mitigated by a stringent management of customer credit limits by monitoring the aggregate amount and duration of exposure to any one group depending upon their credit rating. The amounts presented in the balance sheet are net of allowance for doubtful debts, estimated by the group's management based on prior experience and their assessment of the current economic environment.

Liquidity risk
The group's policy has been to ensure continuity of funding through acquiring an element of the group's fixed assets under finance leases, and arranged funding for operations via medium-term loans and overdrafts to aid short term flexibility.

The group monitors cash flow as part of its day to day control procedures and considers projections on a monthly basis to ensure that appropriate facilities are available to be drawn upon as necessary.

Cash flow interest rate risk
Interest rate bearing assets comprise cash and bank deposits, all of which earn interest at a fixed rate. The interest rate on the bank overdraft is at market rate and the group's policy is to keep the overdraft within defined limits such that the risk that could arise from a significant change in interest rates would not have a material impact on cash flows. The group's policy is to maintain other borrowings at fixed rates to fix the amount of future interest cash flows. The directors monitor the level of borrowings and interest costs to limit any adverse affects on financial performance of the group.

ON BEHALF OF THE BOARD:

S W Buckingham - Director

26 January 2021

Blakedown Environment & Leisure Ltd (Registered number: 00934380)

Report of the Directors
for the Period 1 September 2018 to 29 February 2020

The directors present their report with the financial statements of the company and the group for the period 1 September 2018 to 29 February 2020.

CHANGE OF NAME
The company passed a special resolution on 11 February 2020 changing its name from Blakedown Environment & Leisure PLC to Blakedown Environment & Leisure Ltd.

PRINCIPAL ACTIVITY
The principal activity of the group in the period under review was that of hard and soft landscaping, including leisure and amenity projects and the provision and installation of sport and play facilities, mainly for public sector clients.

DIVIDENDS
Dividends of £3.16 per share on the Ordinary £1 shares were paid during the period to 29 February 2020. The directors recommend that no final dividend be paid on these shares.

No interim dividend was paid on the Ordinary A £1 shares. The directors recommend that no final dividend be paid on these shares.

The total distribution of dividends for the period ended 29 February 2020 will be £120,000.

EVENTS SINCE THE END OF THE PERIOD
Information relating to events since the end of the period is given in the notes to the financial statements.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 September 2018 to the date of this report.

S W Buckingham
P G Hook
G A Farmer
C F Wellbelove

The group has made qualifying third party indemnity provisions for the benefit of certain of its directors and officers.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Group 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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Blakedown Environment & Leisure Ltd (Registered number: 00934380)

Report of the Directors
for the Period 1 September 2018 to 29 February 2020

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 group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:

S W Buckingham - Director

26 January 2021

Report of the Independent Auditors to the Members of
Blakedown Environment & Leisure Ltd (Registered number: 00934380)

Opinion
We have audited the financial statements of Blakedown Environment & Leisure Ltd (the 'parent company') and its subsidiaries (the 'group') for the period ended 29 February 2020 which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the group's and of the parent company affairs as at 29 February 2020 and of the group's profit for the period 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.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Group 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
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
Blakedown Environment & Leisure Ltd (Registered number: 00934380)

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report
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.

Neill Rayland BA FCA (Senior Statutory Auditor)
for and on behalf of Kirk Newsholme
Chartered Accountants and Statutory Auditors
4315 Park Approach
Thorpe Park
Leeds
West Yorkshire
LS15 8GB

26 January 2021

Blakedown Environment & Leisure Ltd (Registered number: 00934380)

Consolidated Profit and Loss Account
for the Period 1 September 2018 to 29 February 2020

	Notes	Period 1.9.18 to 29.2.20 £	Year Ended 31.8.18 £
TURNOVER	3	39,836,807	24,599,131
Cost of sales		33,815,422	21,842,669
GROSS PROFIT		6,021,385	2,756,462
Administrative expenses		3,772,804	2,398,857
		2,248,581	357,605
Other operating income		25,200	31,820
OPERATING PROFIT	6	2,273,781	389,425
Exceptional item - exceptional bad debt	7	2,174,083	-
		99,698	389,425
Fair value gain on investment property		155,000	25,000
		254,698	414,425
Interest payable and similar expenses	8	82,554	45,096
PROFIT BEFORE TAXATION		172,144	369,329
Tax on profit	9	43,919	72,568
PROFIT FOR THE FINANCIAL PERIOD		128,225	296,761
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		128,225	296,761
Profit attributable to:			
Owners of the parent		128,225	296,761
Total comprehensive income attributable to:			
Owners of the parent		128,225	296,761

The notes on pages 15 to 32 form part of these financial statements

Blakedown Environment & Leisure Ltd (Registered number: 00934380)

Consolidated Balance Sheet
29 February 2020

	Notes	2020 £	2020 £	2018 £	2018 £
FIXED ASSETS					
Tangible assets	12		3,178,425		3,076,709
Investments	13		-		-
Investment property	14		650,000		495,000
			3,828,425		3,571,709
CURRENT ASSETS					
Debtors	15	7,939,690		10,774,370	
Cash at bank and in hand		-		739,946	
		7,939,690		11,514,316	
CREDITORS					
Amounts falling due within one year	16	7,741,503		11,187,716	
NET CURRENT ASSETS			198,187		326,600
TOTAL ASSETS LESS CURRENT LIABILITIES			4,026,612		3,898,309
CREDITORS					
Amounts falling due after more than one year	17		(359,084)		(328,400)
PROVISIONS FOR LIABILITIES	20		(295,278)		(205,884)
NET ASSETS			3,372,250		3,364,025
CAPITAL AND RESERVES					
Called up share capital	21		63,000		63,000
Capital redemption reserve	22		241,000		241,000
Retained earnings	22		3,068,250		3,060,025
SHAREHOLDERS' FUNDS			3,372,250		3,364,025

The financial statements were approved by the Board of Directors and authorised for issue on 26 January 2021 and were signed on its behalf by:

S W Buckingham - Director

The notes on pages 15 to 32 form part of these financial statements

Blakedown Environment & Leisure Ltd (Registered number: 00934380)

Company Balance Sheet
29 February 2020

	Notes	2020 £	2020 £	2018 £	2018 £
FIXED ASSETS					
Tangible assets	12		1,490,686		1,491,867
Investments	13		1,000,008		100,008
Investment property	14		650,000		495,000
			3,140,694		2,086,875
CURRENT ASSETS					
Debtors	15	44,869		27,601	
CREDITORS					
Amounts falling due within one year	16	1,840,837		884,042	
NET CURRENT LIABILITIES			(1,795,968)		(856,441)
TOTAL ASSETS LESS CURRENT LIABILITIES			1,344,726		1,230,434
CREDITORS					
Amounts falling due after more than one year	17		(99,594)		(192,269)
PROVISIONS FOR LIABILITIES	20		(75,892)		(45,890)
NET ASSETS			1,169,240		992,275
CAPITAL AND RESERVES					
Called up share capital	21		63,000		63,000
Capital redemption reserve	22		241,000		241,000
Retained earnings	22		865,240		688,275
SHAREHOLDERS' FUNDS			1,169,240		992,275
Company's profit for the financial year			296,965		145,014

The financial statements were approved by the Board of Directors and authorised for issue on 26 January 2021 and were signed on its behalf by:

S W Buckingham - Director

The notes on pages 15 to 32 form part of these financial statements

Blakedown Environment & Leisure Ltd (Registered number: 00934380)

Consolidated Statement of Changes in Equity
for the Period 1 September 2018 to 29 February 2020

	Called up share capital £	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 September 2017	63,000	2,527,296	310,968	241,000	3,142,264
Changes in equity					
Dividends	-	(75,000)	-	-	(75,000)
Total comprehensive income	-	296,761	-	-	296,761
Reclassification	-	310,968	(310,968)	-	-
Balance at 31 August 2018	63,000	3,060,025	-	241,000	3,364,025
Changes in equity					
Dividends	-	(120,000)	-	-	(120,000)
Total comprehensive income	-	128,225	-	-	128,225
Balance at 29 February 2020	63,000	3,068,250	-	241,000	3,372,250

The notes on pages 15 to 32 form part of these financial statements

Blakedown Environment & Leisure Ltd (Registered number: 00934380)

Company Statement of Changes in Equity
for the Period 1 September 2018 to 29 February 2020

	Called up share capital £	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 September 2017	63,000	307,293	310,968	241,000	922,261
Changes in equity					
Dividends	-	(75,000)	-	-	(75,000)
Total comprehensive income	-	145,014	-	-	145,014
Reclassification	-	310,968	(310,968)	-	-
Balance at 31 August 2018	63,000	688,275	-	241,000	992,275
Changes in equity					
Dividends	-	(120,000)	-	-	(120,000)
Total comprehensive income	-	296,965	-	-	296,965
Balance at 29 February 2020	63,000	865,240	-	241,000	1,169,240

The notes on pages 15 to 32 form part of these financial statements

Blakedown Environment & Leisure Ltd (Registered number: 00934380)

Consolidated Cash Flow Statement
for the Period 1 September 2018 to 29 February 2020

	Notes	Period 1.9.18 to 29.2.20 £	Year Ended 31.8.18 £
Cash flows from operating activities			
Cash generated from operations	28	32,110	910,250
Interest paid		(41,486)	(24,564)
Interest element of hire purchase payments paid		(41,068)	(20,532)
Tax paid		(69,223)	(95,496)
Net cash from operating activities		(119,667)	769,658
Cash flows from investing activities			
Purchase of tangible fixed assets		(113,746)	(54,812)
Sale of tangible fixed assets		10,008	4,700
Net cash from investing activities		(103,738)	(50,112)
Cash flows from financing activities			
New bank loans in year		200,000	-
Bank loan repayments in year		(224,647)	(80,580)
Repayment of hire purchase		(452,668)	(359,824)
Amount withdrawn by directors		(2,584)	-
Equity dividends paid		(120,000)	(75,000)
Net cash from financing activities		(599,899)	(515,404)
(Decrease)/increase in cash and cash equivalents		(823,304)	204,142
Cash and cash equivalents at beginning of period	29	739,946	535,804
Cash and cash equivalents at end of period	29	(83,358)	739,946

The notes on pages 15 to 32 form part of these financial statements

Notes to the Consolidated Financial Statements
for the Period 1 September 2018 to 29 February 2020

1. **COMPANY INFORMATION**

Blakedown Environment & Leisure Ltd is a company limited by shares, incorporated in England & Wales. Its registered office is given on page 1.

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 UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention modified to include certain items at fair value.

The functional and presentational currency of the company and the group is considered to be pounds sterling.

Going concern
The financial statements have been prepared using the going concern basis. The COVID-19 pandemic will have an impact on all businesses globally and the group will be no exception.

The full impact of COVID-19 is not yet known but the group has plans to mitigate the effects. During the pandemic our objectives are to protect our workforce to ensure that they are fit and healthy and to continue trading as normally as possible. The group has applied for relevant UK government backed finance schemes that are available to it.

There will remain a level of uncertainty in the short term as we have no experience of a similar crises or predicting the extent that the effect of COVID-19 will have on our sales. It is not yet clear how widespread the virus will be at any one time, how long the pandemic will last and what the effect of the pandemic will be on our customers. The situation is changing on a daily basis and the directors are working to respond quickly to any ultimate effect this may have on the business.

Despite the uncertainty surrounding the impact of COVID-19, the directors consider that given the availability of Government support packages, alongside a good level of headroom in financing facilities that the group is in a strong position to overcome the challenges that may arise over the coming months. The directors have prepared cash flow forecasts covering the period to 31 December 2021 and these show that the group should have sufficient financial resources. After consideration of these factors, the directors consider it appropriate to prepare the financial statements on a going concern basis.

Financial reporting standard 102 - reduced disclosure exemptions
The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirement of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Related party exemption
The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

continued...

2. **ACCOUNTING POLICIES - continued**

Basis of consolidation
The Group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 29 February 2020. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed.

Business combinations are accounted for under the purchase method. Where necessary adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transaction, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

Turnover
Turnover is measured at the fair value of the consideration received or receivable, excluding discounts and value added tax.

Turnover from the supply of services represents the value of services provided under construction contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where a construction contract has only been partially completed at the balance sheet date turnover represents the fair value of the service provided to date based on the stage of completion and the contract activity at the balance sheet date. Where payments are received from customers in advance of services provided, the amounts are recorded as payments on account and included as part of creditors due within one year.

Construction contracts
Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date. This is normally measured by reference to third party or internally generated contract valuations, except in rare instances where this would not be representative of the stage of completion. Variations in contract work are included to the extent that the amount can be measured reliably and its receipt considered probable.

Profits are recognised on contracts when the outcome can be assessed with reasonable certainty and based upon expected costs to completion after assessing the stage of the contract.

Where the outcome of a contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Tangible fixed assets
Tangible fixed assets are stated at purchase cost together with any incidental expenses of acquisition, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible assets, other than freehold land, at annual rates calculated to write off the cost less estimated residual value of each asset on a straight line basis over its expected useful life as follows:

Plant and machinery	10% - 33%
Motor vehicles	15% - 33%

No depreciation has been provided on freehold property as the directors are of the opinion that its carrying value is already below its residual value.

continued...

2. **ACCOUNTING POLICIES - continued**

Residual value represents the estimated amount which would currently be obtained from disposal of an asset after deducting estimated costs of disposal, if the asset were already at an age and in the condition expected at the end of its estimated useful life.

The need for any fixed asset impairment write down is assessed by comparison of the carrying value of the assets against the higher of realisable value and value in use.

The gain or loss arising on the disposal of an asset is determined on the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

Investment property
Investment property is measured at fair value annually with any change in fair value recognised in the profit and loss account.

Taxation
Current tax, including UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to the reversal of the timing difference.

Deferred tax relating to investment property carried at fair value is measured using the tax rates expected to apply to the reversal of the timing differences.

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 recognised in the profit and loss account.

Hire purchase and leasing commitments
Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

continued...

2. **ACCOUNTING POLICIES - continued**

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense. Where material, the cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Retirement benefits
The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Investments
Investments in subsidiaries are measured at cost less impairment.

Dividends
Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an Annual General Meeting.

Financial instruments
Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit and loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The following assets and liabilities are classified as basic financial instruments - trade debtors, other debtors, cash and bank balances, payments on account, bank loans, trade creditors, other creditors, director loan account accruals and inter-company balances.

Trade debtors, other debtors, cash and bank balances, payments on account, trade creditors, other creditors, accruals and inter-company balances (being repayable on demand) are measured at the amortised cost equivalent to the undiscounted amount of cash or other consideration expected to be paid or received.

Bank loans are measured at amortised cost using the effective interest method.

Impairment of assets
Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit and loss as described below.

Non financial assets
An asset is impaired when there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

continued...

2. **ACCOUNTING POLICIES - continued**

Financial assets
For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had the impairment loss not been recognised.

Critical accounting judgements and sources of estimation uncertainty
In the application of the group's accounting policies, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The critical judgements that the directors have made in applying the group's accounting policies and the key sources of estimation uncertainty that have had the most significant effect on the amounts recognised in the financial statements are described below:

Construction contracts
Construction contracts are assessed on a contract by contract basis and reflected in the profit and loss account by recognising turnover and related costs as the contract activity progresses. Where contract activity can be reasonably assessed during the contract term an apportionment of the contract profit is also recognised.

The directors make an assessment at the period end as to the stage of completion of each contract and recognise the appropriate level of turnover and costs in the profit and loss account based on contract forecasts and by reference to valuations.

Amounts recoverable on contracts are recognised in debtors, as the amount recognised in turnover but not yet invoiced, to the extent that these amounts are considered recoverable. Any forecast contract losses are recognised in full at in the profit and loss account at the point the directors consider this outcome to be likely.

Ageing of retentions
Certified retentions that have not been billed at the period end are shown as trade debtors due after more than one year. This is because of the uncertainty associated with the timing of the billing of retentions, which typically coincide with the issuing of final accounts to customers. In the specific sector in which the group operates the agreement of final accounts can take a considerable time because of elements in contracts such as variations, defects and maintenance etc. Some of these retentions shown as due after one year may get billed and received within one year however experience shows that they will predominantly take more than a year and so this approach is deemed reasonable and ensures a consistency of presentation.

Recoverability of trade debtors
Outstanding trade debtor balances are reviewed on a line by line basis by management to identify possible amounts where an impairment provision is required. When assessing recoverability the directors have considered factors such as the ageing of the debts, past experience of recoverability, and the credit profile of individual customers.

continued...

2. ACCOUNTING POLICIES - continued

Useful economic lives of tangible assets
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Investment property
The group makes an estimate of the fair value of investment property at each reporting date. The last independent professional valuation of the group's investment property was performed on 19 July 2016. The directors undertake a review of the property portfolio at each reporting date to assess whether the fair value has changed significantly since the previous reporting date. When assessing the fair values, management considers current residential property trends and recent sales of similar residential properties..

3. TURNOVER

Turnover is wholly attributable to income from construction contracts and arises solely within the United Kingdom.

4. EMPLOYEES AND DIRECTORS

	Period 1.9.18 to 29.2.20 £	Year Ended 31.8.18 £
Wages and salaries	5,436,656	3,632,531
Social security costs	584,553	397,769
Other pension costs	279,178	203,568
	6,300,296	4,233,868

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

	Period 1.9.18 to 29.2.20	Year Ended 31.8.18
Office and management	31	28
Production	61	69
	92	97

5. DIRECTORS' EMOLUMENTS

	Period 1.9.18 to 29.2.20 £	Year Ended 31.8.18 £
Directors' remuneration	412,316	197,517
Directors' pension contributions to money purchase schemes	71,779	54,156

continued...

5. **DIRECTORS' EMOLUMENTS - continued**

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

Money purchase schemes	4	4

Information regarding the highest paid director for the period ended 29 February 2020 is as follows:

	Period 1.9.18 to 29.2.20 £
Emoluments etc	156,411
Pension contributions to money purchase schemes	22,642

6. **OPERATING PROFIT**

The operating profit is stated after charging / (crediting):

	2020 £	2018 £
Depreciation - owned assets	427,615	217,022
Depreciation - assets on hire purchase contracts	208,824	146,859
Loss on disposal of assets	1,950	135
Rent receivable	(25,200)	(31,820)
Audit services - Company and consolidated accounts	3,000	2,000
Other services- Auditing of company's associates under legislation	19,500	16,500
Other taxation services	3,500	2,500
Impairment of trade debtors	396,459	111,633
Operating leases	13,763	6,176

7. **EXCEPTIONAL ITEMS**

	Period 1.9.18 to 29.2.20 £	Year Ended 31.8.18 £
Exceptional item - exceptional bad debt	2,174,083	-

The exceptional item relates to a bad debt incurred when a major customer of the group entered administration in October 2019 owing the group £2,001,560 plus VAT together with the write off of unbilled contract balances with this same customer. The prospect of recovery of the debt and contract balances is remote and so the debts and contract balances have been fully written off.

continued...

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1.9.18 to 29.2.20	Year Ended 31.8.18
	£	£
Bank interest	41,486	24,564
Hire purchase and finance leases	41,068	20,532
	82,554	45,096

9. TAXATION

Analysis of the tax charge
The tax charge on the profit for the period was as follows:

	Period 1.9.18 to 29.2.20	Year Ended 31.8.18
	£	£
Current tax:		
UK corporation tax	(45,475)	69,223
Adjustment in respect of previous periods	-	1,605
Total current tax	(45,475)	70,828
Deferred tax:		
Deferred tax	89,394	2,332
Adjustment in respect of previous periods	-	(592)
Total deferred tax	89,394	1,740
Tax on profit	43,919	72,568

continued...

9. TAXATION - continued

Reconciliation of total tax charge included in profit and loss
The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1.9.18 to 29.2.20 £	Year Ended 31.8.18 £
Profit before tax	172,144	369,329
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	32,707	70,173
Effects of:		
Expenses not deductible for tax purposes	3,709	1,654
Adjustments to tax charge in respect of previous periods	-	1,605
Deferred tax asset not recognised	7,503	-
Other adjustments	-	(864)
Total tax charge	43,919	72,568

10. INDIVIDUAL PROFIT AND LOSS ACCOUNT

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements.

11. DIVIDENDS

	Period 1.9.18 to 29.2.20 £	Year Ended 31.8.18 £
Ordinary shares of £1 each Dividends - £3.16 (2018 - £1.97) per share	120,000	75,000
	120,000	75,000

continued...

12. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 September 2018	1,605,698	3,025,375	1,671,528	6,302,601
Additions	-	460,131	289,982	750,113
Disposals	-	-	(19,950)	(19,950)
At 29 February 2020	1,605,698	3,485,506	1,941,560	7,032,764
DEPRECIATION				
At 1 September 2018	121,185	1,799,067	1,305,640	3,225,892
Charge for period	-	394,031	242,408	636,439
Eliminated on disposal	-	-	(7,992)	(7,992)
At 29 February 2020	121,185	2,193,098	1,540,056	3,854,339
NET BOOK VALUE				
At 29 February 2020	1,484,513	1,292,408	401,504	3,178,425
At 31 August 2018	1,484,513	1,226,308	365,888	3,076,709

Included in cost of land and buildings is freehold land of £1,049,293 (2018 - £1,049,293) which is not depreciated.

The net book value of tangible fixed assets includes assets held under finance leases and hire purchase contracts as follows:

	2020 £	2018 £
Motor Vehicles	289,675	267,629
Plant and Machinery	492,167	459,806
	781,841	727,435

Company

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 September 2018	1,605,698	32,415	58,949	1,697,062
Additions	-	5,190	-	5,190
At 29 February 2020	1,605,698	37,605	58,949	1,702,252
DEPRECIATION				
At 1 September 2018	121,185	28,724	55,286	205,195
Charge for period	-	2,708	3,663	6,371
At 29 February 2020	121,185	31,432	58,949	211,566
NET BOOK VALUE				
At 29 February 2020	1,484,513	6,173	-	1,490,686
At 31 August 2018	1,484,513	3,691	3,663	1,491,867

continued...

12. TANGIBLE FIXED ASSETS - continued

Company

Included in cost of land and buildings is freehold land of £1,049,293 (2018 - £1,049,293) which is not depreciated.

13. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 September 2018	105,014
Additions	900,000
At 29 February 2020	1,005,014
PROVISIONS	
At 1 September 2018 and 29 February 2020	5,006
NET BOOK VALUE	
At 29 February 2020	1,000,008
At 31 August 2018	100,008

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Blakedown Landscapes (SE) Limited
Registered office: Halebourne Nurseries Halebourne Lane, Chobham, Woking, Surrey, GU24 8SL
Nature of business: Landscaping Contractor

Class of shares:	% holding
Ordinary	100.00

Blakedown Sport & Play Limited
Registered office: Halebourne Nurseries Halebourne Lane, Chobham, Woking, England, GU24 8SL
Nature of business: Sports Facility Contractor

Class of shares:	% holding
Ordinary	100.00

The following subsidiary undertakings are dormant companies that have been included within the consolidated financial statements.

Town Grass Limited
Registered office: Halebourne Nurseries Halebourne Lane, Chobham, Woking, England, GU24 8SL
Nature of business: Dormant

Class of shares:	% holding
Ordinary	100.00

continued...

13. **FIXED ASSET INVESTMENTS - continued**

Blakedown Landscapes Limited
Registered office: Halebourne Nurseries Halebourne Lane, Chobham, Woking, England, GU24 8SL
Nature of business: Dormant

Class of shares:	% holding
Ordinary	100.00

Advantage Sports Maintenance Limited
Registered office: Halebourne Nurseries Halebourne Lane, Chobham, Woking, England, GU24 8SL
Nature of business: Dormant

Class of shares:	% holding
Ordinary	100.00

Advantage Maintenance Limited
Registered office: Halebourne Nurseries Halebourne Lane, Chobham, Woking, England, GU24 8SL
Nature of business: Dormant

Class of shares:	% holding
Ordinary	100.00

Environment & Leisure Limited
Registered office: Halebourne Nurseries Halebourne Lane, Chobham, Woking, England, GU24 8SL
Nature of business: Dormant

Class of shares:	% holding
Ordinary	100.00

Blakedown Sports Limited
Registered office: Halebourne Nurseries Halebourne Lane, Chobham, Woking, England, GU24 8SL
Nature of business: Dormant

Class of shares:	% holding
Ordinary	100.00

Envirosport Surfaces Limited
Registered office: Halebourne Nurseries Halebourne Lane, Chobham, Woking, Surrey, United Kingdom, GU24 8SL
Nature of business: Sports Surfaces Contractor

Class of shares:	% holding
Ordinary	100.00

During the period the company subscribed for an additional 900,000 Ordinary shares of £1 in Blakedown Sport & Play Limited, a wholly owned subsidiary.

continued...

14. INVESTMENT PROPERTY

Group

	Total
	£
FAIR VALUE	
At 1 September 2018	495,000
Fair value adjustment	155,000
At 29 February 2020	650,000
NET BOOK VALUE	
At 29 February 2020	650,000
At 31 August 2018	495,000

The directors are of the opinion that the fair value of investment property as at 29 February 2020 increased to £650,000 (2018 - £495,000) based on a review of similar residential property sales in the surrounding area. The last independent valuation was carried out by Keningtons LLP Chartered Surveyors, an independent valuer with recent experience in the location and category of property being valued. The valuation was completed on 19 July 2016 and was based on an open market value.

Company

	Total
	£
FAIR VALUE	
At 1 September 2018	495,000
Fair value adjustment	155,000
At 29 February 2020	650,000
NET BOOK VALUE	
At 29 February 2020	650,000
At 31 August 2018	495,000

The historical cost of investment property as at 29 February 2020 was £173,635 (2018 - £173,635).

15. DEBTORS

	Group		Company	
	2020	2018	2020	2018
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	2,597,872	1,021,777	-	-
Amounts recoverable on contracts	2,605,303	7,487,259	-	-
Other debtors	-	2,801	6,844	-
Corporation tax repayment	45,475	-	-	-
Prepayments and accrued income	157,880	65,666	38,025	27,601
	5,406,530	8,577,503	44,869	27,601

continued...

15. **DEBTORS - continued**

	Group		Company	
	2020	2018	2020	2018
	£	£	£	£
Amounts falling due after more than one year:				
Trade debtors	2,533,160	2,196,867	-	-
Aggregate amounts	7,939,690	10,774,370	44,869	27,601

16. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2020	2018	2020	2018
	£	£	£	£
Bank loans and overdrafts (see note 18)	238,434	87,048	504,570	402,855
Hire purchase contracts (see note 19)	280,053	219,713	-	13
Payments on account	-	132,012	-	-
Trade creditors	4,357,291	7,101,501	36,177	3,471
Amounts owed to group undertakings	-	-	1,139,575	311,609
Corporation tax	-	69,223	-	6,484
Social security and other taxes	594,903	384,462	5,936	2,079
Other creditors	133,367	38,252	-	-
Directors' loan accounts	118,096	120,680	118,096	120,680
Accruals and deferred income	2,019,359	3,034,825	36,483	36,851
	7,741,503	11,187,716	1,840,837	884,042

The bank overdraft facility is secured by a legal charge over freehold properties, and an unlimited debenture.

17. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group		Company	
	2020	2018	2020	2018
	£	£	£	£
Bank loans (see note 18)	99,594	192,269	99,594	192,269
Hire purchase contracts (see note 19)	259,490	136,131	-	-
	359,084	328,400	99,594	192,269

Obligations under hire purchase contracts and finance lease are secured on the assets to which they relate.

continued...

18. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2020	2018	2020	2018
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	83,358	-	349,494	315,807
Bank loans	155,076	87,048	155,076	87,048
	238,434	87,048	504,570	402,855
Amounts falling due between one and two years:				
Bank loans	99,594	87,308	99,594	87,308
Amounts falling due between two and five years:				
Bank loans	-	104,961	-	104,961

The bank loan is secured by a legal charge over freehold properties and a debenture.

19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2020	2018
	£	£
Net obligations repayable:		
Within one year	280,053	219,713
Between one and five years	259,490	136,131
	539,543	355,844

Company

	Hire purchase contracts	
	2020	2018
	£	£
Net obligations repayable:		
Within one year	-	13

Group

	Non-cancellable operating leases	
	2020	2018
	£	£
Within one year	19,000	-
Between one and five years	28,500	-
	47,500	-

continued...

19. **LEASING AGREEMENTS - continued**

Company

	Non-cancellable operating leases	
	2020	2018
	£	£
Within one year	19,000	-
Between one and five years	28,500	-
	47,500	-

20. **PROVISIONS FOR LIABILITIES**

	Group		Company	
	2020	2018	2020	2018
	£	£	£	£
Deferred tax	295,278	205,884	75,892	45,890

Group

	Deferred tax
	£
Balance at 1 September 2018	205,884
Charge to Profit and Loss Account during period	89,394
Balance at 29 February 2020	295,278

Company

	Deferred tax
	£
Balance at 1 September 2018	45,890
Charge to Profit and Loss Account during period	30,002
Balance at 29 February 2020	75,892

The provision for deferred tax relates to accelerated capital allowances, and an amount of £67,929 (2018: £38,479) in respect of the fair value uplift of the investment property. Deferred tax has been calculated at a tax rate of 19%.

21. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020	2018
			£	£
38,000	Ordinary	£1	38,000	38,000
25,000	Ordinary A	£1	25,000	25,000
			63,000	63,000

continued...

21. **CALLED UP SHARE CAPITAL - continued**

Ordinary shares have the right to vote on all matters pertaining to the company and the right to dividends on distributable profits.

Ordinary A shares do not have the right to vote.

22. **RESERVES**

Retained earnings represent cumulative profits or losses net of dividends and other adjustments.

The capital redemption reserve contains the amount arising on the repurchase of the company's own shares.

In previous years financial statements a revaluation reserve contained the uplift in fair value of investment property less provision for deferred tax. This was reclassified as part of retained earnings as permitted by FRS102 in the year ended 31 August 2018.

At 29 February 2020 within retained earnings is a non-distributable amount of £408,436 (2018 - £282,886) relating to fair value adjustments to investment property.

23. **CONTINGENT LIABILITIES**

Performance bonds totalling £468,330 (2018 - £861,238), entered into in the normal course of business have been guaranteed by either the group's bankers or certain insurance companies.

The company has guaranteed bank borrowings of its subsidiaries. At the year end the liabilities covered by these guarantees totalled £nil (2018 - £nil).

As a consequence of the group VAT registration Blakedown Environment & Leisure Ltd has a joint and several liability in respect of its subsidiary companies VAT liabilities. As at 29 February 2020 this contingent liability to the company amounted to £463,410 (2018 - £235,689). This is included in group social security and other taxes.

24. **CAPITAL COMMITMENTS**

	2020 £	2018 £
Contracted but not provided for in the financial statements	168,831	-

25. **RELATED PARTY DISCLOSURES**

Key management personnel compensation
The total remuneration for key management personnel for the period totalled £616,639 (2018 - £403,517).

Dividends of £120,000 (2018 - £75,000) were paid to the directors during the period to 29 February 2020.

The brother of a director of the company
In the period ended 29 February 2020 the group purchased subcontractor services totalling £587,255 (2018 - £234,181). This was charged on a commercial basis. At 29 February 2020 a balance of £44,378 (2018 - £63,544) was owed to this business.

A director of the company
At the period end the balance owed to a director was £118,096 (2018 - £120,680).

continued...

26. **POST BALANCE SHEET EVENTS**

The Coronavirus (COVID-19) pandemic began affecting a widespread number of UK businesses in March 2020 for an indeterminate period. In common with all businesses in its sector, the company has been impacted by the pandemic.

At the date of approval of the financial statements it has not been possible to quantify or ascertain with any certainty the financial impact of COVID-19. As it is a non-adjusting event occurring after the year-end no adjustments have been made to any figures in the financial statements as a result of the pandemic.

On 9 November 2020 Blakedown Environment & Leisure Ltd purchased the entire share capital of Thornbury Sports Limited for an amount of £650,000, partly funded by a bank loan of £400,000.

27. **ULTIMATE CONTROLLING PARTY**

S W Buckingham has overall control of the company.

28. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	Period 1.9.18 to 29.2.20	Year Ended 31.8.18
	£	£
Profit before taxation	172,144	369,329
Depreciation charges	636,439	363,861
Loss on disposal of fixed assets	1,950	135
Fair value gain on investment property	(155,000)	(25,000)
Finance costs	82,554	45,096
	738,087	753,421
Decrease in trade and other debtors	2,880,155	244,837
Decrease in trade and other creditors	(3,586,132)	(88,008)
Cash generated from operations	32,110	910,250

29. **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:

Period ended 29 February 2020

	29.2.20	1.9.18
	£	£
Cash and cash equivalents	-	739,946
Bank overdrafts	(83,358)	-
	(83,358)	739,946

Year ended 31 August 2018

	31.8.18	1.9.17
	£	£
Cash and cash equivalents	739,946	535,804

30. **NON-CASH TRANSACTIONS**

During the year the Group entered into hire purchase arrangements in respect of assets with a total capital value at the inception of the leases of £636,367 (2018 - £275,903)