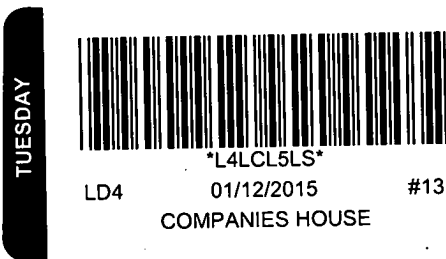


Financial Statements Vascroft Contractors Limited

For the year ended 31 August 2015



Registered number: 01293674

Company Information

Directors	Mr S K Vekaria Mr M S Vekaria
Company Secretary	Mrs C Vora
Registered number	01293674
Registered office	Vascroft Estate 861 Coronation Road Park Royal London NW10 7PT
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP
Bankers	HSBC Bank Plc 5th Floor 70 Pall Mall London SW1Y 5EZ
Solicitors	Clarkslegal LLP One Forbury Square The Forbury Reading RG1 3EB

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Directors' report

For the year ended 31 August 2015

The directors present their report and the audited financial statements for the year ended 31 August 2015.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Principal activities

The principal activity of the company remains that of building contractors. Since incorporation in January 1977 it has specialised in the construction and refurbishment of high end residential projects, elegant hotels, prestigious restaurants, commercial developments, schools, religious buildings and medical centres.

The company has four in-house divisions, namely Vascroft Contractors, Vascroft Joinery Services, Vascroft Mechanical and Electrical Services and Vascroft Metal Fabrication.

Dividends

During the year the company paid a dividend of £825,000 (2014: £2,475,000).

Directors

The directors who served during the year were:

Mr S K Vekaria
Mr M S Vekaria

Directors' report

For the year ended 31 August 2015

Donations

Charitable donations in the year amounted to £250 (2014: £6,270)

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Mr M S Vekaria
Director

Date: 27 Nov 2015

Strategic report

For the year ended 31 August 2015

Business review

The Directors have continued to keep the progress of the company under close scrutiny. The company continues to secure decent projects by obtaining new clients as well as retaining the business of its key clients. This all has been possible because the company's ethos and driving force of all its stakeholders is to provide excellence. The company's vision, mission and values statements continues to reflect the ever dynamic outlook of the construction industry and are filtered throughout the organisation. The company has always empathised with the need for adhering to its corporate social responsibilities in the heart of all operations. Vascroft is firmly committed to its social, economic and environmental sustainability. We know that if we are to be a true market leader, we need to minimise the impact of our activities on the environment and its surroundings inclusive of the communities that serve these areas. To this end, the company is on a drive of continuous improvement following its ISO 9001, ISO 14001 accreditations and CE marking for the metal fabrication division.

The business has adopted continuous improvement processes in all aspects of its operations from head office to site level management. The result of this progress is reflective in our high ratings under the Considerate Constructor Schemes awards on our projects. The talent of our people is a key aspect to our business. We have invested greatly in ensuring their training requirements are met. We are also proud to announce that the company received an award by The College of North West London in recognition of Providing Outstanding Support for the Training and Development of Apprentices

Principal risks and uncertainties

The company uses various financial instruments including cash and various items which arise directly from its operations such as trade debtors, trade creditors and a bank loan. The main purpose of these are to raise working capital and carry out business operations.

The main risks arising from the company's financial instruments are market risk, liquidity risk, interest rate risk and credit risk. The directors review and agree policies for managing each of these risks and they are summarised below.

Market risk

Market risk encompasses two types of risk being fair value interest rate risk and price risk. The company's policy for managing cash flow interest rate risk is set out in the subsection entitled 'interest rate risk' below.

Price risk

Price risk mainly arises from the time delay between the start of a tendering process for any materials to when they are actually purchased. This risk is mitigated by factoring inflation rate into tender prices for any project. Any increase in the price of materials is notified to the company by our specialist buyer and suppliers in advance.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available through an overdraft facility to meet foreseeable needs at any given point. The directors review weekly cash reports which enable them to plan accordingly for any significant expenditure.

Interest rate risk

The company finances its operations through a mixture of retained profits and bank borrowings. The borrowings bear interest at a floating rate and the company's interest expense is therefore affected by movements in interest rates.

Strategic report (continued)

For the year ended 31 August 2015

Credit risk

The company's principal financial assets are debtors and the principal credit risk arises from these debtors.

In order to manage credit risk the directors have introduced a credit checking facility by subscribing to an independent agency. This provides all financial details and trading history needed to consider risk associated with new clients and especially with fast track projects e.g. restaurants. On larger projects invoices are raised on a monthly basis and collection made accordingly. The company also seeks deposits upfront for some projects.

Financial key performance indicators

The company's key performance indicators are revenue and gross margin. These allow the directors and Management to monitor the growth as well as the profitability of the company. Turnover for the year generated from the principal business activities amounted to £41.3m. Although this represents a 4% increase from last year's turnover, our focus has never been on chasing higher turnover levels with and as such the performance is in line with the expectations as set by the board. The directors consider these performance indicators to be satisfactory. The company maintains an order book which currently stands at £59m detailing all current secured jobs which is used as an indicator of future business activity levels.

Outlook and future developments

The company's strategic focus is to enhance its market position, to invest in and to continue developing its core strengths across the residential and hotel sectors. It has seen challenging conditions predominate across the industry, with competitive pressures impacting on margins and profitability. The Company's track record and integrated offer of design, construction, boutique and be-spoke solutions has enabled it to win significant projects.

Our people remain at the heart of our business. They have shown great resilience and dedication during the construction industry's prolonged period of adverse conditions. As we begin to emerge into a period of growth, our employees will be critical to ensuring our success. We have also had a renewed drive to recruit the relevant staff to add to our current team of professionals to assist the company to continue its journey to achieve the set milestones.

Vision, mission and values

Our vision is exciting and ambitious. We aim to target profitable growth, build business within our key markets and with our existing clients, whilst also exploring further opportunities to broaden our client base and pursue new markets. We will also build on our considerable success and expertise to provide a truly integrated one stop solution for our clients.

Mission – To be the contractor of choice for all our clients and to continue to build positive relationships to deliver excellence.

Values - The guiding principles behind the growth of Vascroft Contractors Ltd have been to provide quality, value, experience, partnership, service excellence and consistency. Living and working by these principles, is at the heart of our success. Our team of dedicated professionals are enhanced with continuous professional developments through various mediums of training. Coupled with our commitment to putting our clients' needs first, we derive great pleasure in exceeding their expectations.

We strive to offer an unbeatable range of advisory, construction and refurbishment services and thrill at taking on challenges that have defeated others. Providing a truly integrated one stop shop solution for clients, our approach to all of these challenges has remained consistent over the decades.

Strategic report (continued)

For the year ended 31 August 2015

A team of approximately 130 professionals is also integral to our success. Our craftsmen are undoubtedly our greatest assets. They are committed to putting our customers' needs first and all share a passion for building. Many of them have been with us for years and they know it's more important to do what's right rather than what's easy. We know it's important to employ the best because, that way, we deliver the best.

We provide continuous staff development through training, seminars and exhibitions. This ensures our staff are up to date with current legislation, technological changes and modern methods of construction.

Property revaluation

Park Royal's unique status as the main industrial location within London has ensured that the demand for properties has remained more resilient than other regions. The Directors have reviewed this position and are of the opinion that the property owned by the company (the Head office) has not had any significant changes since the last valuation (2011).

This report was approved by the board on 27 Nov 2015 and signed on its behalf.



Mr M S Vekaria
Director



Independent auditor's report to the members of Vascroft Contractors Limited

We have audited the financial statements of Vascroft Contractors Limited for the year ended 31 August 2015, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report and the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent auditor's report to the members of Vascroft Contractors 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.

Grant Thornton UK LLP

Andy Ka (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Statutory Auditor

Chartered Accountants

Reading

Date: *27 November 2015*

Profit and loss account

For the year ended 31 August 2015

	Note	2015 £	2014 £
Turnover	1,2	41,253,906	39,635,893
Cost of sales		<u>(36,101,230)</u>	<u>(32,991,484)</u>
Gross profit		5,152,676	6,644,409
Administrative expenses		<u>(3,597,942)</u>	<u>(3,182,388)</u>
Other operating income	3	<u>136,950</u>	<u>93,700</u>
Operating profit	4	1,691,684	3,555,721
Net loss on sale/write off of tangible fixed assets	9	<u>(132,814)</u>	<u>(5,712)</u>
Profit on ordinary activities before interest		1,558,870	3,550,009
Interest receivable and similar income		407	35,196
Interest payable and similar charges	8	<u>(37,142)</u>	<u>(41,050)</u>
Profit on ordinary activities before taxation		1,522,135	3,544,155
Tax on profit on ordinary activities	10	<u>(306,500)</u>	<u>(779,806)</u>
Profit for the financial year		<u>1,215,635</u>	<u>2,764,349</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

The notes on pages 11 to 21 form part of these financial statements.

Balance sheet

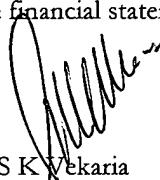
As at 31 August 2015

	Note	£	2015 £	2014 £
Fixed assets				
Tangible assets	11		4,830,488	4,937,655
Current assets				
Debtors: amounts falling due after more than one year	12	1,691,072	1,726,394	
Debtors: amounts falling due within one year	12	7,203,045	10,833,288	
Cash at bank		1,105,616	35	
		<u>9,999,733</u>	<u>12,559,717</u>	
Creditors: amounts falling due within one year	13	<u>(7,212,285)</u>	<u>(8,790,558)</u>	
Net current assets			<u>2,787,448</u>	<u>3,769,159</u>
Total assets less current liabilities			<u>7,617,936</u>	<u>8,706,814</u>
Creditors: amounts falling due after more than one year	14		(1,377,703)	(1,584,691)
Provisions for liabilities				
Deferred tax	15	(74,566)	(99,007)	
Other provisions	16	<u>(448,000)</u>	<u>(1,696,084)</u>	
			<u>(522,566)</u>	<u>(1,795,091)</u>
Net assets			<u><u>5,717,667</u></u>	<u><u>5,327,032</u></u>
Capital and reserves				
Called up share capital	19		55,100	55,100
Revaluation reserve	20		1,129,340	1,129,340
Other reserves	20		8,269	8,269
Profit and loss account	20		<u>4,524,958</u>	<u>4,134,323</u>
Shareholders' funds	21		<u><u>5,717,667</u></u>	<u><u>5,327,032</u></u>


Balance sheet (continued)

As at 31 August 2015

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27/11/15



Mr S K Vekaria
Director



Mr M S Vekaria
Director

The notes on pages 11 to 21 form part of these financial statements.

Notes to the financial statements

For the year ended 31 August 2015

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold property and in accordance with applicable accounting standards.

1.2 Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

In respect of long-term contracts, turnover represents the value of the work done in the year, including estimates of amounts not invoiced and is recognised by reference to the stage of completion of each contract, once their outcome can be assessed with reasonable certainty. The profit recognised reflects the proportion of work completed to the balance sheet date on each project.

Full provision is made for losses estimated by the directors on all contracts in the year in which the loss is first foreseen. Such estimates are based upon the directors' experience and relevant professional advice.

1.3 Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No. 1 (revised 1996) "Cash flow statements" from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and the parent produces a consolidated cash flow statement.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Machinery	-	10% reducing balance
Motor Vehicles	-	25% reducing balance
Fixtures & Fittings	-	15% reducing balance

1.5 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the Profit and loss account.

Notes to the financial statements

For the year ended 31 August 2015

1. Accounting policies (continued)

1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.7 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

1.8 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

Notes to the financial statements

For the year ended 31 August 2015

1. Accounting policies (continued)

1.10 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.11 Financial Instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

1.12 Going Concern

The directors have prepared the financial statements under the going concern concept, as they believe the company has sufficient funding to be able to meet its liabilities as and when they fall due for the foreseeable future, being a period of not less than twelve months from the date of approval of these financial statements. This takes into consideration the availability of working capital through banking facilities. In addition, consideration has been given to cash which is to be generated from a pipeline of future projects in order to improve the working capital position of the company.

2. Turnover

Turnover is attributable to the one principal activity of the company.

All turnover arose within the United Kingdom.

3. Other operating income

	2015	2014
	£	£
Rent receivable	136,950	93,700

Notes to the financial statements

For the year ended 31 August 2015

4. Operating profit

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

	2015	2014
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	84,980	88,257
Operating lease rentals:		
- plant and machinery	5,914	6,799
Difference on foreign exchange	(2,081)	797
	<u>88,813</u>	<u>95,853</u>

5. Auditors' remuneration

	2015	2014
	£	£
Fees payable to the company's auditor for the audit of the company's annual accounts	16,625	16,625
	<u>16,625</u>	<u>16,625</u>

6. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2015	2014
	£	£
Wages and salaries	4,511,412	4,399,926
Social security costs	463,488	455,914
Other pension costs	331,815	319,792
	<u>5,306,715</u>	<u>5,175,632</u>

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

	2015	2014
	No.	No.
Number of production staff	86	88
Number of administrative staff	43	44
Number of management staff	2	2
	<u>131</u>	<u>134</u>

Notes to the financial statements

For the year ended 31 August 2015

7. Directors' remuneration

	2015	2014
	£	£
Remuneration	<u>281,060</u>	<u>267,258</u>
Company pension contributions to defined contribution pension schemes	<u>40,000</u>	<u>40,000</u>

During the year retirement benefits were accruing to 1 director (2014 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £156,060 (2014 - £153,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £40,000 (2014 - £40,000).

8. Interest payable

	2015	2014
	£	£
On bank loans and overdrafts	1,044	304
On other loans	36,098	40,746
	<u>37,142</u>	<u>41,050</u>

9. Loss on disposal of fixed assets

	2015	2014
	£	£
Loss on sales/write off of fixed assets	<u>132,814</u>	<u>5,712</u>

Notes to the financial statements

For the year ended 31 August 2015

10. Taxation

	2015 £	2014 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	330,941	787,567
Deferred tax (see note 15)		
Origination and reversal of timing differences	(24,441)	(7,761)
Tax on profit on ordinary activities	<u>306,500</u>	<u>779,806</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 20.67% (2014 - 22.16%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>1,522,135</u>	<u>3,544,155</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.67% (2014 - 22.16%)	314,625	785,385
Effects of:		
Expenses not deductible for tax purposes	396	2,655
Capital allowances for year in excess of depreciation	18,695	(82)
Sundry tax adjusting items	(2,775)	(391)
Current tax charge for the year (see note above)	<u>330,941</u>	<u>787,567</u>

Notes to the financial statements

For the year ended 31 August 2015

11. Tangible fixed assets

	Freehold property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation					
At 1 September 2014	4,390,143	729,217	280,289	312,191	5,711,840
Additions	-	48,483	37,355	30,489	116,327
Disposals	-	(416,883)	(84,224)	(146,197)	(647,304)
At 31 August 2015	4,390,143	360,817	233,420	196,483	5,180,863
Depreciation					
At 1 September 2014	-	379,609	192,002	202,574	774,185
Charge for the year	-	39,809	24,152	21,019	84,980
On disposals	-	(308,046)	(69,651)	(131,093)	(508,790)
At 31 August 2015	-	111,372	146,503	92,500	350,375
Net book value					
At 31 August 2015	4,390,143	249,445	86,917	103,983	4,830,488
At 31 August 2014	4,390,143	349,608	88,287	109,617	4,937,655

In July 2011 an external valuation was carried out on the property, 861 Coronation Road, and this confirmed that the carrying value was appropriate. The directors are of the view that there have not been any changes to the value since then.

Cost or valuation at 31 August 2015 is as follows:

	Land and buildings
At cost	3,260,803
Valuation	1,129,340
	4,390,143

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2015 £	2014 £
Cost	3,260,803	3,260,803
Accumulated depreciation	-	-
Net book value	3,260,803	3,260,803

Notes to the financial statements

For the year ended 31 August 2015

12. Debtors

	2015 £	2014 £
Due after more than one year		
Amounts owed by group undertakings	1,143,651	1,260,151
Other debtors	547,421	466,243
	<u>1,691,072</u>	<u>1,726,394</u>
	2015 £	2014 £
Due within one year		
Trade debtors	3,405,243	6,924,206
Other debtors	1,704,619	1,988,362
Prepayments and accrued income	167,908	166,783
Amounts recoverable on long term contracts	1,925,275	1,753,937
	<u>7,203,045</u>	<u>10,833,288</u>

The trade debtors together with other debtors of £2,112,792 (2014: £2,173,554) relate to amounts recoverable on contracts.

13. Creditors:

Amounts falling due within one year

	2015 £	2014 £
Bank loans and overdrafts	944,796	1,325,008
Trade creditors	2,407,053	2,423,224
Corporation tax	25,930	150,067
Social security and other taxes	280,527	280,557
Accruals and deferred income	3,553,979	4,611,702
	<u>7,212,285</u>	<u>8,790,558</u>

Notes to the financial statements

For the year ended 31 August 2015

14. Creditors:

Amounts falling due after more than one year

	2015 £	2014 £
Bank loans	1,134,086	1,339,125
Trade creditors	243,617	245,566
	<u>1,377,703</u>	<u>1,584,691</u>

Included within the above are amounts falling due as follows:

	2015 £	2014 £
Between two and five years		
Bank loans	<u>826,403</u>	<u>751,398</u>
Over five years		
Bank loans	<u>307,683</u>	<u>587,727</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2015 £	2014 £
Repayable by instalments	<u>307,683</u>	<u>587,727</u>

The above bank loan is repayable over 10 years, the final installment falling due in 2021. Interest is charged at 2.03% per annum over the Bank's Sterling Base Rate.

The bank loans and overdrafts amounting to £2,078,883 (2014: £2,664,133) are secured by a charge on the freehold property.

15. Deferred taxation

	2015 £	2014 £
At beginning of year	99,007	106,768
Released during year	(24,441)	(7,761)
At end of year	<u>74,566</u>	<u>99,007</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Excess of taxation allowances over depreciation on fixed assets	<u>74,566</u>	<u>99,007</u>

Notes to the financial statements

For the year ended 31 August 2015

16. Provisions

	Provision £
At 1 September 2014	1,696,084
Amounts reversed	(1,248,084)
At 31 August 2015	<u>448,000</u>

Provision

The provision relates to the anticipated losses in respect of current projects or projects awaiting final accounts. These provisions are the directors' best estimate of the amounts payable.

17. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £331,815 (2014: £319,792). Contributions totalling £7,958 (2014: £5,041) were payable to the fund at the balance sheet date.

18. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard No 8 'Related Party Disclosures' from the requirement to disclose transactions with group companies where 100% of the voting rights are controlled within the group.

Related party transaction with companies outside of the group:

Sales to Vascroft Homes Limited £2,488 (2014: £NIL), Hindu Today Limited £240 (2014: £288) and Quada (Esher) Limited £NIL (2014: £509,718). Hindu Today Limited is related by common directorship. Quada (Esher) Limited was related as one of the directors of Vascroft Holdings Limited was a shareholder.

By virtue of a settlement agreement entered between the Company and Quada (Esher) Limited, during the year the company has set off the outstanding claims from Quada amounting to £1.4 Mn.

At the year end, Quada (Esher) Limited owed Vascroft Contractors Limited £NIL (2014: £1,324,091).

19. Share capital

	2015 £	2014 £
Authorised		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
55,100 Ordinary shares of £1 each	<u>55,100</u>	<u>55,100</u>

Notes to the financial statements

For the year ended 31 August 2015

20. Reserves

	Revaluation reserve £	Other reserves £	Profit and loss account £
At 1 September 2014	1,129,340	8,269	4,134,323
Profit for the year	-	-	1,215,635
Dividends: Equity capital	-	-	(825,000)
At 31 August 2015	<u>1,129,340</u>	<u>8,269</u>	<u>4,524,958</u>

21. Reconciliation of movement in shareholders' funds

	2015 £	2014 £
Opening shareholders' funds	5,327,032	5,037,683
Profit for the financial year	1,215,635	2,764,349
Dividends (Note 22)	(825,000)	(2,475,000)
Closing shareholders' funds	<u>5,717,667</u>	<u>5,327,032</u>

22. Dividends

	2015 £	2014 £
Dividends paid on equity capital	<u>825,000</u>	<u>2,475,000</u>

23. Ultimate parent undertaking and controlling party

As at 31 August 2015, the ultimate parent and controlling party is the SAV Trust.

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by Vascroft Holdings Limited, the immediate parent.