

**B.J. CHAMPION CONTRACTORS LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30 APRIL 2018**

PAGES FOR FILING WITH REGISTRAR



3 Acorn Business Centre  
Northarbour Road  
Cosham  
Portsmouth  
United Kingdom  
PO6 3TH

**B.J. CHAMPION CONTRACTORS LIMITED**

**CONTENTS**

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	<b>Page</b>
Company information	1
Balance sheet	2 - 3
Notes to the financial statements	4 - 13

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**B.J. CHAMPION CONTRACTORS LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	Mr. B Champion Mrs. G Champion
<b>Secretary</b>	Mr. B Champion
<b>Company number</b>	02491994
<b>Registered office</b>	Champion House Roentgen Court Roentgen Road Daneshill, Basingstoke United Kingdom RG24 8NT
<b>Auditor</b>	Taylorcocks 3 Acorn Business Centre Northarbour Road Cosham Portsmouth Hampshire United Kingdom PO6 3TH

**B.J. CHAMPION CONTRACTORS LIMITED****BALANCE SHEET****AS AT 30 APRIL 2018**

		<b>2018</b>		<b>2017</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	<b>5</b>	3,155,335		1,714,565	
Investment properties	<b>6</b>	450,000		450,000	
Investments	<b>7</b>	137,116		137,116	
		3,742,451		2,301,681	
<b>Current assets</b>					
Stocks		2,803,563		2,784,542	
Debtors	<b>8</b>	482,591		117,089	
Cash at bank and in hand		575		264,030	
		3,286,729		3,165,661	
<b>Creditors: amounts falling due within one year</b>	<b>9</b>	(4,541,525)		(3,446,396)	
<b>Net current liabilities</b>		(1,254,796)		(280,735)	
<b>Total assets less current liabilities</b>		2,487,655		2,020,946	
<b>Creditors: amounts falling due after more than one year</b>	<b>10</b>	(1,505,762)		(1,068,689)	
<b>Provisions for liabilities</b>	<b>11</b>	(4,394)		(20,011)	
<b>Net assets</b>		977,499		932,246	
<b>Capital and reserves</b>					
Called up share capital	<b>12</b>	100		100	
Profit and loss reserves		977,399		932,146	
<b>Total equity</b>		977,499		932,246	

**B.J. CHAMPION CONTRACTORS LIMITED**

**BALANCE SHEET (CONTINUED)**

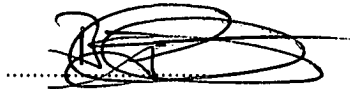
**AS AT 30 APRIL 2018**

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The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 29/1/19 and are signed on its behalf by:



Mr. B Champion  
Director

**Company Registration No. 02491994**

The notes on pages 4 to 13 form part of these financial statements

## **B.J. CHAMPION CONTRACTORS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2018**

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#### **1 Accounting policies**

##### **Company information**

B.J. Champion Contractors Limited (02491994) is a private company limited by shares incorporated in England and Wales. The registered office is Champion House, Roentgen Court, Roentgen Road, Daneshill, Basingstoke, United Kingdom, RG24 8NT.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

The directors have taken advantage of the exemption in FRS 102 section 1.12 from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

##### **1.2 Turnover**

Turnover in respect of developments represents the total sales value of legally completed properties. Turnover on contracting work represents amounts receivable during the year, exclusive of VAT, for good and services provided to customers.

##### **1.3 Intangible fixed assets - goodwill**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill                      - Over 5 years

##### **1.4 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	Over the life of the lease
Plant and machinery	20% reducing balance or 10%-25% straight line
Asset under the course of construction	No depreciation until the asset is complete

**B.J. CHAMPION CONTRACTORS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2018**

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**1 Accounting policies**

**(Continued)**

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**1.5 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account. Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

**1.6 Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

**1.7 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

**1.8 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell, after making due allowances for obsolete and slow moving items.

**1.9 Cash and cash equivalents**

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**B.J. CHAMPION CONTRACTORS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2018**

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**1 Accounting policies**

**(Continued)**

**1.10 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Classification of financial liabilities***

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 company after deducting all of its liabilities.

***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**1.11 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**1.12 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.



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**1 Accounting policies**

**(Continued)**

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised.

**1.13 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.14 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.15 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

**B.J. CHAMPION CONTRACTORS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2018**

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**2 Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

**Calculation of performance on long term contracts:**

The directors assess the stage of completion on contracts by comparing the current costs with the total expected costs for the project. Consideration is given to external factors that may affect the overall outcome of the project.

**3 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 18 (2017 - 17).

**4 Intangible fixed assets**

	<b>Goodwill</b>
	<b>£</b>
<b>Cost</b>	
At 1 May 2017 and 30 April 2018	149,000
	<hr/>
<b>Amortisation and impairment</b>	
At 1 May 2017 and 30 April 2018	149,000
	<hr/>
<b>Carrying amount</b>	
At 30 April 2018	-
	<hr/> <hr/>
At 30 April 2017	-
	<hr/> <hr/>

**B.J. CHAMPION CONTRACTORS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2018**

**5 Tangible fixed assets**

	Land and buildings	Asset under the course of construction	Plant and machinery	Total
	£	£	£	£
<b>Cost</b>				
At 1 May 2017	353,677	576,400	2,062,624	2,992,701
Additions	-	1,518,964	247,693	1,766,657
Disposals	-	-	(71,975)	(71,975)
At 30 April 2018	353,677	2,095,364	2,238,342	4,687,383
<b>Depreciation and impairment</b>				
At 1 May 2017	98,315	-	1,179,821	1,278,136
Depreciation charged in the year	12,741	-	295,606	308,347
Eliminated in respect of disposals	-	-	(54,435)	(54,435)
At 30 April 2018	111,056	-	1,420,992	1,532,048
<b>Carrying amount</b>				
At 30 April 2018	242,621	2,095,364	817,350	3,155,335
At 30 April 2017	255,362	576,400	882,803	1,714,565

**6 Investment property**

	2018 £
<b>Fair value</b>	
At 1 May 2017 and 30 April 2018	450,000

In 2018 the valuation of the freehold investment property was reassessed by the directors, who considered the value to still be appropriate.

**B.J. CHAMPION CONTRACTORS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2018****7 Fixed asset investments**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Investments	137,116	137,116

The company holds 100% of the issued share capital in Champion Build Limited, a company incorporated in England which operates as a general building company.

**Movements in fixed asset investments**

	<b>Shares in group undertakings</b>
	<b>£</b>
<b>Cost or valuation</b>	
At 1 May 2017 & 30 April 2018	137,116
<b>Carrying amount</b>	
At 30 April 2018	137,116
At 30 April 2017	137,116

**8 Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	49,245	44,328
Amounts owed by group undertakings	300,424	13,651
Other debtors	98,948	12,527
Prepayments and accrued income	33,974	46,583
	482,591	117,089

**B.J. CHAMPION CONTRACTORS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2018****9 Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	363,611	119,178
Obligations under hire purchase agreements	216,845	242,562
Other borrowings	361,792	554,744
Trade creditors	172,062	155,653
Amounts due to fellow group undertakings	3,216,511	2,146,886
Corporation tax	113,691	128,043
Other taxation and social security	13,377	19,940
Other creditors	53,597	42,870
Accruals and deferred income	30,039	36,520
	<u>4,541,525</u>	<u>3,446,396</u>

The bank loans and overdrafts are secured by a first legal charge over the property held for future development and by way of an intercompany guarantee.

The hire purchase agreements are secured on the asset concerned.

**10 Creditors: amounts falling due after more than one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	1,302,968	761,493
Obligations under hire purchase agreements	202,794	307,196
	<u>1,505,762</u>	<u>1,068,689</u>

The bank loans and overdrafts are secured by a first legal charge over the property held for future development and by way of an intercompany guarantee.

The hire purchase agreements are secured on the assets concerned.

Included within bank loans above is £685,462 (2017 - £424,032) due greater than five years.

**B.J. CHAMPION CONTRACTORS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2018****11 Deferred taxation**

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	<b>Liabilities 2018 £</b>	<b>Liabilities 2017 £</b>
<b>Balances:</b>		
Accelerated capital allowances	4,394	20,011
<b>Movements in the year:</b>		<b>2018 £</b>
Liability at 1 May 2017		20,011
Credit to profit and loss		(15,617)
Liability at 30 April 2018		4,394

**12 Called up share capital**

	<b>2018 £</b>	<b>2017 £</b>
<b>Ordinary share capital</b>		
<b>Authorised</b>		
100,000 Ordinary shares of £1 each	100,000	100,000
<b>Issued and fully paid</b>		
100 Ordinary shares of £1 each	100	100

**13 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Graham Figgins FCA.

The auditor was Taylorcocks.

**B.J. CHAMPION CONTRACTORS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2018**

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**14 Operating lease commitments**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2018	2017
	£	£
Between two and five years	-	52,500
	<u>          </u>	<u>          </u>

**15 Financial commitments, guarantees and contingent liabilities**

The company has provided guarantees in respect of group bank loans and overdrafts. No losses are anticipated as a result of these guarantees, which at 30th April 2018 totaled £1,890,775 (2017 - £1,448,914).

**16 Related party transactions**

The company has taken advantage of the exemption available in FRS102 section 33.1a whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

During the year rent was paid in respect of property to the directors of £24,000 (2017 - £24,000) and to other related parties of £52,500 (2017 - £52,500).

The directors maintain a loan account with the company. As at 30th April 2018 the company owed the directors £361,792 (2017 - £560,199).

**17 Parent company**

The company's ultimate parent company and controlling party is B.J. Champion Holdings Limited which is incorporated in England & Wales.

The consolidated accounts of the largest group of which the company is a member and for which accounts are prepared can be obtained from the Company Secretary, B.J. Champion Holdings Limited, Champion House, Roentgen Court, Roentgen Road, Daneshill, Basingstoke, Hampshire, RG24 8NT.