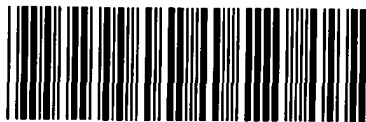


REGISTERED NUMBER: 04957939 (England and Wales)

**Report of the Directors and
Financial Statements for the Year Ended 31 March 2019
for
Southern Gravel Limited**

TUESDAY



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for the Year Ended 31 March 2019**

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**Company Information
for the Year Ended 31 March 2019**

DIRECTORS:

Mr D M Cox
Miss V A Cox

SECRETARY:

Miss V A Cox

REGISTERED OFFICE:

19 Queen Elizabeth Street
London
SE1 2LP

REGISTERED NUMBER:

04957939 (England and Wales)

AUDITORS:

Gibsons Financial Limited
Chartered Accountants
Registered Auditors
Foresters Hall
25/27 Westow Street
Upper Norwood
London
SE19 3RY

**Report of the Directors
for the Year Ended 31 March 2019**

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a quarry operator.

REVIEW OF BUSINESS

The results for the period and financial position of the company at the Balance Sheet date are as shown in the annexed financial statements.

DIRECTORS

The Directors during the year under review were:

Mr D Brem-Wilson (resigned 18 December 2018)

Mr D M Cox

Miss V A Cox

The directors holding office as at 31 March 2019 did not have a direct interest in the company's issued share capital as at 1 April 2018 or 31 March 2019.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

The auditors, Gibsons Financial Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Southern Gravel Limited (Registered number: 04957939)

**Report of the Directors
for the Year Ended 31 March 2019**

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'V A Cox', written over a horizontal line.

Miss V A Cox - Director

5 December 2019

Report of the Independent Auditors to the Members of Southern Gravel Limited

Opinion

We have audited the financial statements of Southern Gravel Limited (the 'company') for the year ended 31 March 2019 which comprise the Income Statement, Balance Sheet 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 company's affairs as at 31 March 2019 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.

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 company 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 company'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 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.

Report of the Independent Auditors to the Members of Southern Gravel Limited

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

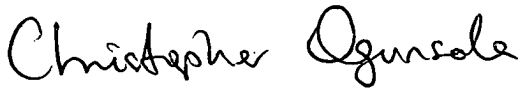
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditor's that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

**Report of the Independent Auditors to the Members of
Southern Gravel Limited**

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.



Christopher Ogunsole FCA (Senior Statutory Auditor)
for and on behalf of Gibsons Financial Limited
Chartered Accountants
Registered Auditors
Foresters Hall
25/27 Westow Street
Upper Norwood
London
SE19 3RY

5 December 2019

**Income Statement
for the Year Ended 31 March 2019**

	Notes	31/3/19 £	31/3/18 £
TURNOVER		828,876	1,034,580
Cost of sales		(183,428)	(98,387)
GROSS PROFIT		645,448	936,193
Administrative expenses		(414,154)	(470,017)
		231,294	466,176
Other operating income		19,112	15,332
OPERATING PROFIT	4	250,406	481,508
Interest payable and similar expenses		(2,067)	(4,216)
PROFIT BEFORE TAXATION		248,339	477,292
Tax on profit	5	(43,894)	(28,086)
PROFIT FOR THE FINANCIAL YEAR		204,445	449,206

The notes form part of these financial statements

Balance Sheet
31 March 2019

	Notes	31/3/19 £	31/3/18 £
FIXED ASSETS			
Tangible assets	6	129,261	12,275
CURRENT ASSETS			
Debtors	7	193,418	334,158
Cash at bank		43,809	511,450
		<u>237,227</u>	<u>845,608</u>
CREDITORS			
Amounts falling due within one year	8	(2,130,820)	(2,826,660)
NET CURRENT LIABILITIES		<u>(1,893,593)</u>	<u>(1,981,052)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,764,332)</u>	<u>(1,968,777)</u>
CAPITAL AND RESERVES			
Called up share capital	10	51,500	51,500
Share premium	11	150,000	150,000
Retained earnings	11	(1,965,832)	(2,170,277)
SHAREHOLDERS' FUNDS		<u>(1,764,332)</u>	<u>(1,968,777)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors on 5 December 2019 and were signed on its behalf by:



Miss V A Cox - Director

**Notes to the Financial Statements
for the Year Ended 31 March 2019**

1. STATUTORY INFORMATION

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

At the balance sheet the company's total liabilities exceeded its total assets by £1,764,332. Of the company's total liabilities at the balance sheet date £284,410 and £710,106 respectively related to amounts owed to Quarry Holdings Ltd, a wholly owned subsidiary undertaking of Hollybrook (UK) Ltd and; Oxted Greystone Company Ltd the company's parent.

The board of directors of Oxted Greystone Company Ltd and Quarry Holdings Ltd have indicated that it is currently intended that these loans remain available to the company for the foreseeable future.

Given the above, the directors of Southern Gravel Ltd have reasonable expectation that the company would have adequate resources to settle its debts as they fall due and therefore continue to adopt the going concern basis in preparing the company's financial statements.

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.

Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company does not consider there to be any critical judgements in applying accounting policies. The company does not consider there to be any material sources of estimation uncertainty.

Turnover

Turnover relates to income from quarry operations net of value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 10% on cost
Plant & machinery	- 25% on reducing balance
Fixtures & fittings	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the period relates to current tax which is recognised in the Income Statement. Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Pension costs and other post-retirement benefits

The company operates a workplace pension for the benefit of its eligible employees. Contributions due for the year are accounted for in the Income statement.

Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like other debtors and loans from banks and other third parties.

Debt instruments which are payable or receivable within one year are measured at the undiscounted amount of cash consideration expected to be paid or received.

Debt instruments which are payable or receivable after more than one year are initially measured at the fair value of the cash consideration and thereafter at amortised cost using the effective interest method.

3. EMPLOYEES AND DIRECTORS

	31/3/19	31/3/18
	£	£
Wages and salaries	271,566	343,627
Social security costs	1,597	3,792
Other pension costs	2,774	1,236
	<u>275,937</u>	<u>348,655</u>

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

	31/3/19	31/3/18
Administration	1	1
Quarry operatives	5	8
	<u>6</u>	<u>9</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	31/3/19	31/3/18
	£	£
Depreciation - owned assets	<u>24,262</u>	<u>4,092</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

5. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31/3/19 £	31/3/18 £
Current tax:		
UK corporation tax	43,894	28,086
	<u>43,894</u>	<u>28,086</u>
Tax on profit	<u>43,894</u>	<u>28,086</u>

6. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant & machinery £	Fixtures & fittings £	Computer equipment £	Totals £
COST					
At 1 April 2018	-	165,450	12,516	9,486	187,452
Additions	94,130	46,625	-	493	141,248
	<u>94,130</u>	<u>212,075</u>	<u>12,516</u>	<u>9,979</u>	<u>328,700</u>
At 31 March 2019	<u>94,130</u>	<u>212,075</u>	<u>12,516</u>	<u>9,979</u>	<u>328,700</u>
DEPRECIATION					
At 1 April 2018	-	155,620	11,768	7,789	175,177
Charge for year	9,413	14,114	187	548	24,262
	<u>9,413</u>	<u>169,734</u>	<u>11,955</u>	<u>8,337</u>	<u>199,439</u>
At 31 March 2019	<u>9,413</u>	<u>169,734</u>	<u>11,955</u>	<u>8,337</u>	<u>199,439</u>
NET BOOK VALUE					
At 31 March 2019	<u>84,717</u>	<u>42,341</u>	<u>561</u>	<u>1,642</u>	<u>129,261</u>
At 31 March 2018	<u>-</u>	<u>9,830</u>	<u>748</u>	<u>1,697</u>	<u>12,275</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/19 £	31/3/18 £
Trade debtors	182,866	279,142
Other debtors	2,948	42,157
Directors' current accounts	-	1,953
Prepayments	7,604	10,906
	<u>193,418</u>	<u>334,158</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/19	31/3/18
	£	£
Other loans (see note 9)	922,881	922,881
Trade creditors	106,097	139,472
Amounts owed to group undertakings	1,004,505	1,705,462
Taxation	43,894	28,086
VAT	45,846	12,402
Other taxes & PAYE	-	2,990
Accruals	7,597	15,367
	<u>2,130,820</u>	<u>2,826,660</u>

9. LOANS

An analysis of the maturity of loans is given below:

	31/3/19	31/3/18
	£	£
Amounts falling due within one year or on demand:		
Other loans	<u>922,881</u>	<u>922,881</u>

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31/3/19	31/3/18
			£	£
50,000	Ordinary A	£0.01	500	500
50,000	Ordinary 8	£1	50,000	50,000
1,000	Ordinary	£1	1,000	1,000
			<u>51,500</u>	<u>51,500</u>

11. RESERVES

	Retained earnings	Share premium	Totals
	£	£	£
At 1 April 2018	(2,170,277)	150,000	(2,020,277)
Profit for the year	204,445		204,445
At 31 March 2019	<u>(1,965,832)</u>	<u>150,000</u>	<u>(1,815,832)</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

12. ULTIMATE CONTROLLING PARTY

The controlling party is Oxted Greystone Company Ltd.

The ultimate controlling party is Hollybrook (UK) Ltd.