

Cherwell Group Construction Limited

Annual Report and Unaudited Financial Statements

For the year ended 30 April 2017

Company Registration No. 05625120 (England and Wales)

Cherwell Group Construction Limited

Company Information

Directors	T G Holroyd R D Williams T C Costin P J Duddridge M Evans
Secretary	T.G. Holroyd
Company number	05625120
Registered office	1 Cherwell Mews London England SW11 1AF
Accountants	Kingston Smith LLP Betchworth House 57-65 Station Road Redhill Surrey RH1 1DL

Cherwell Group Construction Limited

Directors' Report

For the year ended 30 April 2017

The directors present their annual report and financial statements for the year ended 30 April 2017.

Principal activities

The principal activity of the company is to be an intermediary and construction cost centre for Cherwell Group Limited subsidiaries and other companies under common control, and to provide contracting services to external third parties.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

T G Holroyd
R D Williams
T C Costin
P J Duddridge
M Evans

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board

T G Holroyd
Secretary
18 January 2018

Cherwell Group Construction Limited

Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of Cherwell Group Construction Limited for the year ended 30 April 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Cherwell Group Construction Limited for the year ended 30 April 2017 which comprise the Profit And Loss Account, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

This report is made solely to the Board of Directors of Cherwell Group Construction Limited, as a body, in accordance with the terms of our engagement letter dated 28 April 2017. Our work has been undertaken solely to prepare for your approval the financial statements of Cherwell Group Construction Limited and state those matters that we have agreed to state to the Board of Directors of Cherwell Group Construction Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Cherwell Group Construction Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Cherwell Group Construction Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Cherwell Group Construction Limited. You consider that Cherwell Group Construction Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Cherwell Group Construction Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Kingston Smith LLP

25 January 2018

Chartered Accountants

Betchworth House
57-65 Station Road
Redhill
Surrey
RH1 1DL

Cherwell Group Construction Limited

Profit and Loss Account

For the year ended 30 April 2017

	Notes	2017 £	2016 £
Turnover		1,888,167	4,573,418
Cost of sales		(1,282,702)	(3,731,600)
Gross profit		<u>605,465</u>	<u>841,818</u>
Administrative expenses		(654,972)	(792,565)
Other operating income		5,382	-
(Loss)/profit before taxation		<u>(44,125)</u>	<u>49,253</u>
Taxation		-	-
(Loss)/profit for the financial year		<u>(44,125)</u>	<u>49,253</u>
Total comprehensive income for the year		<u><u>(44,125)</u></u>	<u><u>49,253</u></u>

Cherwell Group Construction Limited

Balance Sheet

As at 30 April 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3		847		3,157
Current assets					
Debtors	4	1,118,812		1,162,218	
Cash at bank and in hand		20,155		20,000	
		<u>1,138,967</u>		<u>1,182,218</u>	
Creditors: amounts falling due within one year	5	<u>(1,524,834)</u>		<u>(1,526,270)</u>	
Net current liabilities			<u>(385,867)</u>		<u>(344,052)</u>
Total assets less current liabilities			<u><u>(385,020)</u></u>		<u><u>(340,895)</u></u>
Capital and reserves					
Called up share capital	6		100		100
Profit and loss reserves			<u>(385,120)</u>		<u>(340,995)</u>
Total equity			<u><u>(385,020)</u></u>		<u><u>(340,895)</u></u>

For the financial year ended 30 April 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These 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 and authorised for issue on 18 January 2018 and are signed on its behalf by:

T G Holroyd
Director

Company Registration No. 05625120

Cherwell Group Construction Limited

Notes to the Financial Statements

For the year ended 30 April 2017

1 Accounting policies

Company information

Cherwell Group Construction Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 Cherwell Mews, London, England, SW11 1AF.

1.1 Accounting convention

These financial statements have been prepared in accordance with Section 1A of 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 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 pound.

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

These financial statements for the year ended 30 April 2017 are the first financial statements of Cherwell Group Construction Limited prepared in accordance with Section 1A of FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 May 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the year end, the company had net liabilities of £385,020, including £1,053,703 owing to Cherwell (Lillie Road) Limited, a company under common control. Cherwell (Lillie Road) Limited has confirmed it will not seek repayment of this balance for a period of at least twelve months from the date of approval of these accounts and that it will provide additional financial support to the company during the same period should it be required.

On this basis, the directors consider it appropriate for the accounts to be prepared on the going concern basis.

1.3 Turnover

Turnover represents the invoiced value of goods and services provided net of VAT.

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.

Tangible fixed assets are capitalised in the financial statements and are stated at cost less depreciation, subject to a de minimis limit of £1,000.

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

Fixtures, fittings & equipment	25% straight line
Computer equipment	25% straight line
Motor vehicles	25% straight line

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.

Cherwell Group Construction Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2017

1 Accounting policies

(Continued)

1.5 Cash and cash equivalents

Cash and cash equivalents 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.

1.6 Financial instruments

The company only has financial instruments classified as basic and measured at amortised cost. The company has no financial instruments that are classified as 'other' or financial instruments measured at fair value.

1.7 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.

1.8 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.

1.9 Retirement benefits

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

1.10 Leases

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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was: 5 (2016: 4)

Cherwell Group Construction Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2017

3 Tangible fixed assets		Plant and machinery etc	
		£	
Cost			
At 1 May 2016 and 30 April 2017			54,915
Depreciation and impairment			
At 1 May 2016			51,758
Depreciation charged in the year			2,310
At 30 April 2017			54,068
Carrying amount			
At 30 April 2017			847
At 30 April 2016			3,157
4 Debtors			
		2017	2016
Amounts falling due within one year:		£	£
Trade debtors		346,241	597,129
Corporation tax recoverable		-	27,155
Other debtors		772,571	537,934
		<u>1,118,812</u>	<u>1,162,218</u>
5 Creditors: amounts falling due within one year			
		2017	2016
		£	£
Bank loans and overdrafts		92,778	92,737
Trade creditors		76,803	186,962
Other taxation and social security		13,019	25,974
Other creditors		1,342,234	1,220,597
		<u>1,524,834</u>	<u>1,526,270</u>

The bank loans and overdrafts are secured by a legal charge over properties held by subsidiaries of Cherwell Group Limited, a company in which T G Holroyd has a 50% interest.

Cherwell Group Construction Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2017

6 Called up share capital

	2017	2016
	£	£
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

7 Operating lease commitments

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

	2017	2016
	£	£
Within one year	11,290	11,290
Between two and five years	3,448	14,738
	<u>14,738</u>	<u>26,028</u>

Cherwell Group Construction Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2017

8 Related party transactions

Transactions with related parties

	Trading in the year		At the year end	
	Sales	Management fees	Debtor	Creditor
	£	£	£	£
During the year there were transactions with the following companies under common control:				
Cherwell (73 Arthur Road) Limited	-	-	-	220,625
Cherwell (Lillie Road) Limited	498,881	-	-	1,053,703
Cherwell Margin Drive Limited	(166,872)	-	552,146	-
Cherwell Parkside Gardens Limited	-	-	3,425	-
Cherwell York Road Limited	10,767	-	10,767	-
Cherwell (Clapham) Limited	977,557	30,000	5,200	-
Cherwell (Lambourne Avenue) Limited	17,343	-	204,051	-
Cherwell (Michael Road) Limited	71,480	-	222,997	-
Cherwell (Lower Edgeborough Road) Limited	39,214	-	60,244	-
	<u>1,448,370</u>	<u>30,000</u>	<u>1,058,830</u>	<u>1,274,328</u>

During the year there were transactions with the following companies in which T G Holroyd has a 50% beneficial interest:

Cherwell Investments Limited	-	-	10,630	-
Cherwell Woodlands Way Limited	404,239	-	-	49,118
	<u>404,239</u>	<u>-</u>	<u>10,630</u>	<u>49,118</u>

All transactions are on an arms length basis.

The Directors have given personal guarantees on the bank loans and overdrafts of the company.

At year end the company owed £2,180 (2016: £54,081) to T G Holroyd, a director of the company.

At year end the company was owed £17,167 (2016: £475,923 - creditor) from R D Williams, a director of the company.

At year end the company was owed £3,765 (2016: £21,931 - creditor) from T C Costin, a director of the company.

At year end the company owed £21,187 (2016: £46,882) to P J Duddridge, a director of the company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.