

Abacus Construction Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2017

Registration number: 04993231

Abacus Construction Limited

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Abacus Construction Limited

Company Information

Directors KR Wendt
MSA Wendt

Company secretary MSA Wendt

Registered office 18 Newport Street
Tiverton
Devon
EX16 6NL

Accountants Paul Steele Limited
Chartered Accountants
18 Newport Street
Tiverton
Devon
EX16 6NL

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
Abacus Construction Limited
for the Year Ended 31 March 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Abacus Construction Limited for the year ended 31 March 2017 as set out on pages 3 to 14 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 <http://www.icacw.com/cn/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Abacus Construction Limited, as a body, in accordance with the terms of our engagement letter dated 19 October 2016. Our work has been undertaken solely to prepare for your approval the accounts of Abacus Construction Limited and state those matters that we have agreed to state to the Board of Directors of Abacus 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 Abacus Construction Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Abacus Construction Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Abacus Construction Limited. You consider that Abacus 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 accounts of Abacus 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 accounts.

.....
Paul Steele Limited
Chartered Accountants
18 Newport Street
Tiverton
Devon
EX16 6NL

22 September 2017

Abacus Construction Limited

Statement of Comprehensive Income for the Year Ended 31 March 2017

	Note	2017 £	2016 £
Profit/(loss) for the year		<u>129,768</u>	<u>(38,257)</u>
Total comprehensive income for the year		<u><u>129,768</u></u>	<u><u>(38,257)</u></u>

The notes on pages 7 to 14 form an integral part of these financial statements.

Abacus Construction Limited
(Registration number: 04993231)
Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>5</u>	1,109,227	1,064,440
Investments		<u>1</u>	<u>1</u>
		<u>1,109,228</u>	<u>1,064,441</u>
Current assets			
Stocks	<u>7</u>	35,999	24,474
Debtors	<u>8</u>	203,524	192,316
Cash at bank and in hand		<u>170,687</u>	<u>23,860</u>
		410,210	240,650
Creditors: Amounts falling due within one year	<u>9</u>	<u>(404,291)</u>	<u>(336,774)</u>
Net current assets/(liabilities)		<u>5,919</u>	<u>(96,124)</u>
Total assets less current liabilities		1,115,147	968,317
Creditors: Amounts falling due after more than one year	<u>9</u>	(690,935)	(671,169)
Provisions for liabilities		<u>(63,060)</u>	<u>(31,764)</u>
Net assets		<u>361,152</u>	<u>265,384</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		<u>361,150</u>	<u>265,382</u>
Total equity		<u>361,152</u>	<u>265,384</u>

For the financial year ending 31 March 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Abacus Construction Limited
(Registration number: 04993231)
Balance Sheet as at 31 March 2017

Approved and authorised by the Board on 22 September 2017 and signed on its behalf by:

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KR Wendt

Director

The notes on pages 7 to 14 form an integral part of these financial statements.
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Abacus Construction Limited

Statement of Changes in Equity for the Year Ended 31 March 2017

	Share capital £	Profit and loss account £	Total £
At 1 April 2016	2	265,382	265,384
Profit for the year	-	129,768	129,768
Total comprehensive income	-	129,768	129,768
Dividends	-	(34,000)	(34,000)
At 31 March 2017	2	361,150	361,152
	Share capital £	Profit and loss account £	Total £
At 1 April 2015	2	403,259	403,261
Loss for the year	-	(38,257)	(38,257)
Total comprehensive income	-	(38,257)	(38,257)
Dividends	-	(99,620)	(99,620)
At 31 March 2016	2	265,382	265,384

The notes on pages 7 to 14 form an integral part of these financial statements.

Abacus Construction Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

1 General information

The company is a private company limited by share capital incorporated in England.

The address of its registered office is:

18 Newport Street
Tiverton
Devon
EX16 6NL

The principal place of business is:

Gammon Barn
Ham
Wellington
Somerset
TA21 9JB

These financial statements were authorised for issue by the Board on 22 September 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant & machinery	20% reducing balance method
Motor vehicles	10% reducing balance method
Scaffolding	7% reducing balance method
Office equipment	15% reducing balance method

Abacus Construction Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	10% straight line method

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Abacus Construction Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Abacus Construction Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 13 (2016 - 14).

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 April 2016	250,000	250,000
At 31 March 2017	250,000	250,000
Amortisation		
At 1 April 2016	250,000	250,000
At 31 March 2017	250,000	250,000
Carrying amount		
At 31 March 2017	-	-

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2016 - £Nil).

Abacus Construction Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Properties under construction £
Cost or valuation				
At 1 April 2016	706,224	19,320	149,635	56,259
Additions	-	-	13,750	-
Disposals	-	-	-	-
At 31 March 2017	706,224	19,320	163,385	56,259
Depreciation				
At 1 April 2016	-	12,344	68,569	-
Charge for the year	-	1,046	8,297	-
Eliminated on disposal	-	-	-	-
At 31 March 2017	-	13,390	76,866	-
Carrying amount				
At 31 March 2017	706,224	5,930	86,519	56,259
At 31 March 2016	706,224	6,976	81,066	56,259
			Other property, plant and equipment £	Total £
Cost or valuation				
At 1 April 2016			443,639	1,375,077
Additions			60,696	74,446
Disposals			(13,790)	(13,790)
At 31 March 2017			490,545	1,435,733
Depreciation				
At 1 April 2016			229,724	310,637
Charge for the year			19,871	29,214
Eliminated on disposal			(13,345)	(13,345)
At 31 March 2017			236,250	326,506
Carrying amount				
At 31 March 2017			254,295	1,109,227
At 31 March 2016			213,915	1,064,440

Abacus Construction Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Included within the net book value of land and buildings above is £706,224 (2016 - £706,224) in respect of freehold land and buildings.

6 Investments

	2017 £	2016 £
Investments in subsidiaries	<u>1</u>	<u>1</u>
Subsidiaries		£
Cost or valuation		
At 1 April 2016		<u>1</u>
Provision		
Carrying amount		
At 31 March 2017		<u><u>1</u></u>
At 31 March 2016		<u><u>1</u></u>

Abacus Construction Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

7 Stocks

	2017 £	2016 £
Work in progress	30,306	16,005
Other inventories	5,693	8,469
	<u>35,999</u>	<u>24,474</u>

8 Debtors

	Note	2017 £	2016 £
Trade debtors		86,650	65,607
Amounts owed by group undertakings and undertakings in which the company has a participating interest		101,890	101,890
Other debtors		14,984	24,819
Total current trade and other debtors		<u>203,524</u>	<u>192,316</u>

9 Creditors

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	<u>10</u>	52,621	63,479
Trade creditors		130,673	90,102
Amounts owed to group undertakings and undertakings in which the company has a participating interest		188,861	141,578
Taxation and social security		13,640	31,283
Other creditors		18,496	10,332
		<u>404,291</u>	<u>336,774</u>
Due after one year			
Loans and borrowings	<u>10</u>	690,935	671,169

10 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Bank borrowings	512,205	533,144
Finance lease liabilities	40,705	-
Other borrowings	138,025	138,025
	<u>690,935</u>	<u>671,169</u>

Abacus Construction Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

	2017 £	2016 £
Current loans and borrowings		
Bank borrowings	21,405	20,938
Bank overdrafts	-	42,541
Finance lease liabilities	31,216	-
	<u>52,621</u>	<u>63,479</u>

11 Dividends

Final dividends paid

	2017 £	2016 £
Final dividend of £34,000 (2016 - £49,810) per each Ordinary shares share	34,000	99,620

12 Parent and ultimate parent undertaking

The ultimate controlling party is KR Wendt & MSA Wendt.

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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.