

COMPANY REGISTRATION NUMBER: 07798448

**Fletcher Construction Midlands Limited**  
**Filleted Unaudited Financial Statements**  
**30 April 2018**

# **Fletcher Construction Midlands Limited**

## **Financial Statements**

**Year ended 30 April 2018**

<b>Contents</b>	<b>Page</b>
Statement of financial position	<b>1</b>
Notes to the financial statements	<b>3</b>

# Fletcher Construction Midlands Limited

## Statement of Financial Position

30 April 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	5	9,980	7,706
<b>Current assets</b>			
Stocks		243,914	—
Debtors	6	442,616	275,432
Cash at bank and in hand		—	73,205
		<u>686,530</u>	<u>348,637</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>303,834</u>	<u>263,298</u>
<b>Net current assets</b>		<b>382,696</b>	<b>85,339</b>
<b>Total assets less current liabilities</b>		<b>392,676</b>	<b>93,045</b>
<b>Creditors: amounts falling due after more than one year</b>	8	<b>323,457</b>	<b>—</b>
<b>Provisions</b>			
Taxation including deferred tax		1,376	830
<b>Net assets</b>		<b>67,843</b>	<b>92,215</b>
<b>Capital and reserves</b>			
Called up share capital		300	300
Share premium account		19,741	19,741
Profit and loss account		47,802	72,174
<b>Shareholders funds</b>		<b>67,843</b>	<b>92,215</b>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 30 April 2018 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 .

# **Fletcher Construction Midlands Limited**

## **Statement of Financial Position** *(continued)*

**30 April 2018**

These financial statements were approved by the board of directors and authorised for issue on 14 December 2018  
, and are signed on behalf of the board by:

Mr D M Thorpe

Director

Company registration number: 07798448

# **Fletcher Construction Midlands Limited**

## **Notes to the Financial Statements**

### **Year ended 30 April 2018**

#### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit H1, Ash Tree Court, Mellors Way, Nottingham Business Park, Nottingham, NG8 6PY.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

##### **Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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 measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

##### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

**Depreciation**

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

Plant and machinery	-	25% reducing balance
Fixtures and fittings	-	25% reducing balance
Motor vehicles	-	25% reducing balance

**Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

**Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

**Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

**Construction contracts**

Where the outcome of construction contracts can be reliably estimated, contract revenue and contract costs are recognised by reference to the stage of completion of the contract activity as at the period end. Where the outcome of construction contracts cannot be estimated reliably, revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable, and contract costs are recognised as an expense in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is expensed immediately, with a corresponding provision for an onerous contract being recognised. Where the collectability of an amount already recognised as contract revenue is no longer probable, the uncollectible amount is expensed rather than recognised as an adjustment to the amount of contract revenue. The entity uses the percentage of completion method to determine the amounts to be recognised in the period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred for work performed to date do not include costs relating to future activity, such as for materials or prepayments.

**Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

**Financial instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### **4. Employee numbers**

The average number of persons employed by the company during the year amounted to 7 (2017: 9 ).

## 5. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 May 2017	2,929	3,437	24,895	<b>31,261</b>
Additions	—	—	5,600	<b>5,600</b>
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<b>At 30 April 2018</b>	<b>2,929</b>	<b>3,437</b>	<b>30,495</b>	<b>36,861</b>
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<b>Depreciation</b>				
At 1 May 2017	2,057	2,510	18,988	<b>23,555</b>
Charge for the year	218	231	2,877	<b>3,326</b>
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<b>At 30 April 2018</b>	<b>2,275</b>	<b>2,741</b>	<b>21,865</b>	<b>26,881</b>
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<b>Carrying amount</b>				
<b>At 30 April 2018</b>	<b>654</b>	<b>696</b>	<b>8,630</b>	<b>9,980</b>
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At 30 April 2017	872	927	5,907	7,706
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## 6. Debtors

	2018 £	2017 £
Other debtors	<b>442,616</b>	275,432
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## 7. Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	<b>49,873</b>	—
Trade creditors	<b>48,081</b>	81,635
Corporation tax	<b>841</b>	33,806
Social security and other taxes	<b>1,280</b>	2,581
Other creditors	<b>203,759</b>	145,276
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	<b>303,834</b>	263,298
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Lloyds Bank plc hold a debenture dated 17 January 2014. Aldermore bank plc hold a charge dated 10 April 2018 over stock held by the company. Aldermore bank plc hold a mortgage over stock held by the company and a fixed and floating charge, both dated 10 April 2018. The Directors have provided personal guarantees to Aldermore Bank plc of £178,200. The Directors have provided personal guarantees of £80,000 dated to 20 September 2017 to Funding Circle.

## 8. Creditors: amounts falling due after more than one year

	2018 £	2017 £
Bank loans and overdrafts	<b>323,457</b>	—
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## 9. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018 £	2017 £
Not later than 1 year	<b>5,950</b>	—
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## 10. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

### 2018

	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Mr D I Fletcher	( 14,852)	29,251	( 16,203)	( 1,804)
Mr D M Thorpe	5,015	28,622	( 93,000)	( 59,363)
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	( 9,837)	57,873	( 109,203)	( 61,167)
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### 2017

	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Mr D I Fletcher	( 11,124)	29,416	( 33,144)	( 14,852)
Mr D M Thorpe	9,239	27,776	( 32,000)	5,015
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	( 1,885)	57,192	( 65,144)	( 9,837)
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## 11. Related party transactions

Ordinary dividends paid to directors during the year totalled £30,000 (2017 : £64,000). Included in other creditors at the year end is £133,922 (2017 : £126,793) owed to the company by Thorpe & Fletcher Developments Limited, a company that is controlled by the directors D Fletcher and D Thorpe.

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