

Registered number
01954821

B C M Construction Limited

Report and Accounts

30 April 2011

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B C M Construction Limited
Report and accounts
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B C M Construction Limited Company Information

Directors

Mr H McGarry
Mr T Sullivan
Mr S O'Halloran
Mr M Wallis
Mr K Bush

Secretary

Mr T Sullivan

Auditors

Corran Associates Limited
T/A McGrath and Company,
First Floor, 1 Park Court,
Pyrford Road
West Byfleet
Surrey
KT14 6SD

Bankers

National Westminster Bank plc,
661 Christchurch Road,
Boscombe,
Bournemouth BH7 6AB

Registered office

6 Blenheim Centre,
Locks Lane,
Mitcham,
Surrey CR4 2JX

Registered number

01954821

BCM Construction Limited**Registered number:****01954821****Directors' Report**

The directors present their report and accounts for the year ended 30 April 2011

Principal activities and review of the business

The principal activities of the company, which remained unchanged during the year, are those of building and civil engineering BCM has performed well this year, making considerable progress in the delivery of the Company's strategic objectives

Over the years the company has grown by taking responsibility for every aspect of our business Our services have and continue to touch the lives of millions of people using the railways and the local communities This makes the health & safety of each of our employees and the general public of paramount importance Our health and safety systems and policies are rigorous, thorough and proven

BCM has continued to develop and grow the key aspects of the business that have historically helped it to outperform for customers, employees and other stakeholders This has been accompanied by the appointment of three new Directors to the Board Shane O'Halloran – Construction Director, Mark Wallis – Commercial Director and Kevin Bush – Operations Director This strengthening of the organisation and structure will ensure the Company is able to adapt swiftly to market developments and the increasingly sophisticated needs of our existing and new customers

The performance in 2010/11 reflects the success of the Company's long term strategic focus on providing essential, front line services in the Regulated Utility and Public Sectors markets Well and long established partnerships with key customers and continued investment in the business have enabled BCM to respond positively to increasing pressure to improve performance and develop opportunities for further progress, whilst maintaining stability, profitability and efficient service to customers

BCM is totally committed to attracting, developing and retaining the best talent in the industry Investment in training for Managers and the labour force has remained a high priority so that we can keep our reputation for working in some of the more safety critical areas of the industry, together with reducing to a minimum the environmental impact which our operations may have

The Directors are aware of the inherent risks within the Construction industry The Company's commitment to Quality, Health & Safety and the Environment is paramount and that is why reporting monthly performance in these key areas is a priority at all management meetings

Directors

The directors who served during the year were as follows

H W McGarry
T P Sullivan
S J O'Halloran
M Wallis
K J Bush

B C M Construction Limited**Registered number:**

01954821

Directors' Report**Directors' responsibilities**

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 accounts, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts,
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business

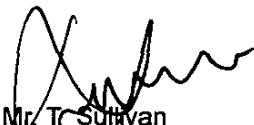
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. 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.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

This report was approved by the board on 14 October 2011 and signed on its behalf



Mr. T. Sullivan
Director

B C M Construction Limited
Independent auditors' report
to the shareholders of B C M Construction Limited

We have audited the accounts of B C M Construction Limited for the year ended 30 April 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 an auditors' report 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on the accounts

In our opinion the accounts

- give a true and fair view of the state of the company's affairs as at 30 April 2011 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

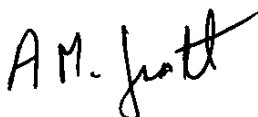
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

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 accounts 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



Mr A McGrath
(Senior Statutory Auditor)
for and on behalf of
Corran Associates Limited
Accountants and Statutory Auditors
14 October 2011

First Floor, 1 Park Court,
Pyrford Road
West Byfleet
Surrey
KT14 6SD

B C M Construction Limited
Profit and Loss Account
for the year ended 30 April 2011

	Notes	2011 £	2010 £
Turnover	2	16,239,079	17,940,342
Cost of sales		(13,928,158)	(16,208,844)
Gross profit		<u>2,310,921</u>	<u>1,731,498</u>
Administrative expenses		(1,473,751)	(1,353,891)
Operating profit	3	<u>837,170</u>	<u>377,607</u>
Income from investments		1,200	1,200
Interest receivable		4,785	2,664
Profit on ordinary activities before taxation		<u>843,155</u>	<u>381,471</u>
Tax on profit on ordinary activities	6	(246,346)	(118,665)
Profit for the financial year		<u>596,809</u>	<u>262,806</u>

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years

B C M Construction Limited
Statement of total recognised gains and losses
for the year ended 30 April 2011

	Notes	2011 £	2010 £
Profit for the financial year		596,809	262,806
Total recognised gains and losses related to the year		<u>596,809</u>	<u>262,806</u>

B C M Construction Limited
Balance Sheet
as at 30 April 2011

	Notes	2011 £	2010 £
Fixed assets			
Tangible assets	7	209,960	123,394
Current assets			
Stocks	8	84,790	52,298
Debtors	9	3,043,966	2,827,102
Cash at bank and in hand		890,256	479,307
		<u>4,019,012</u>	<u>3,358,707</u>
Creditors: amounts falling due within one year	10	(2,338,973)	(1,903,650)
Net current assets		<u>1,680,039</u>	<u>1,455,057</u>
Total assets less current liabilities		<u>1,889,999</u>	<u>1,578,451</u>
Provisions for liabilities			
Deferred taxation	11	(17,202)	(2,463)
Net assets		<u>1,872,797</u>	<u>1,575,988</u>
Capital and reserves			
Called up share capital	12	10,000	10,000
Profit and loss account	13	1,862,797	1,565,988
Shareholders' funds	15	<u>1,872,797</u>	<u>1,575,988</u>


 Mr T Sullivan
 Director

Approved by the board on 14 October 2011

B C M Construction Limited
Cash Flow Statement
for the year ended 30 April 2011

	Notes	2011 £	2010 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		837,170	377,607
Depreciation and amortisation		86,828	59,959
(Increase)/decrease in stocks		(32,492)	70,453
(Increase)/decrease in debtors		(216,864)	1,489,625
Increase/(decrease) in creditors		409,714	(1,554,441)
Net cash inflow from operating activities		1,084,356	443,203
CASH FLOW STATEMENT			
Net cash inflow from operating activities		1,084,356	443,203
Returns on investments and servicing of finance	16	5,985	3,864
Taxation		(146,265)	(154,087)
Capital expenditure	16	(173,394)	(153,217)
		<u>770,682</u>	<u>139,763</u>
Equity dividends paid		(300,000)	(100,000)
		<u>470,682</u>	<u>39,763</u>
Increase in cash		470,682	39,763
Reconciliation of net cash flow to movement in net debt			
Increase in cash in the period		470,682	39,763
Change in net debt	17	<u>470,682</u>	<u>39,763</u>
Net funds at 1 May		<u>398,603</u>	<u>358,840</u>
Net funds at 30 April		869,285	398,603

B C M Construction Limited
Notes to the Accounts
for the year ended 30 April 2011

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards

Turnover

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows

Plant and machinery	25% on cost
Office equipment	25% on cost
Motor vehicles	25% on cost

Stocks

Stock is valued at the lower of cost and net realisable value

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse, and discounted to reflect the time value of money using rates based on the post-tax yields to maturity that could be obtained at the balance sheet date on government bonds with similar maturity dates

Pensions

The company contributes to individual personal pension arrangements

2 Analysis of turnover

	2011 £	2010 £
By activity		
Building and civil engineering services	<u>16,239,079</u>	<u>17,940,342</u>
By geographical market		
UK	<u>16,239,079</u>	<u>17,940,342</u>

B C M Construction Limited
Notes to the Accounts
for the year ended 30 April 2011

3 Operating profit	2011	2010
	£	£
This is stated after charging		
Depreciation of owned fixed assets	86,828	59,959
Operating lease rentals - plant and machinery	85,147	59,646
Auditors' remuneration for audit services	15,500	14,500
Finance charges	19,650	32,844
	<u> </u>	<u> </u>
4 Directors' emoluments	2011	2010
	£	£
Emoluments	888,446	586,227
Pension costs	18,000	18,000
	<u>906,446</u>	<u>604,227</u>
Highest paid director Emoluments	<u>337,987</u>	<u>347,986</u>
5 Staff costs	2011	2010
	£	£
Wages and salaries	3,725,386	3,454,216
Social security costs	492,159	368,146
Other pension costs	94,648	43,650
	<u>4,312,193</u>	<u>3,866,012</u>
Average number of employees during the year	Number	Number
Administration	36	26
Direct Labour	31	49
	<u>67</u>	<u>75</u>
6 Taxation	2011	2010
	£	£
Analysis of charge in period		
Current tax		
UK corporation tax on profits of the period	231,607	103,153
Deferred tax		
Origination and reversal of timing differences	14,739	15,512
	<u>246,346</u>	<u>118,665</u>
Tax on profit on ordinary activities		

B C M Construction Limited
Notes to the Accounts
for the year ended 30 April 2011

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows

	2011	2010
	£	£
Profit on ordinary activities before tax	<u>843,155</u>	<u>381,471</u>
Standard rate of corporation tax in the UK	28%	28%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	236,083	106,812
Effects of		
Expenses not deductible for tax purposes	48,202	51,739
Capital allowances for period in excess of depreciation	(52,678)	(55,398)
Current tax charge for period	<u>231,607</u>	<u>103,153</u>

7 Tangible fixed assets

	Motor Vehicles £	Office Equipment £	Plant and Machinery £	Total £
Cost				
At 1 May 2010	64,913	71,595	189,405	325,913
Additions	18,030	11,200	148,571	177,801
Disposals	(17,628)	-	(30,716)	(48,344)
At 30 April 2011	<u>65,315</u>	<u>82,795</u>	<u>307,260</u>	<u>455,370</u>
Depreciation				
At 1 May 2010	33,189	58,508	110,822	202,519
Charge for the year	16,329	7,162	63,337	86,828
On disposals	(13,221)	-	(30,716)	(43,937)
At 30 April 2011	<u>36,297</u>	<u>65,670</u>	<u>143,443</u>	<u>245,410</u>
Net book value				
At 30 April 2011	<u>29,018</u>	<u>17,125</u>	<u>163,817</u>	<u>209,960</u>
At 30 April 2010	<u>31,724</u>	<u>13,087</u>	<u>78,583</u>	<u>123,394</u>

8 Stocks

	2011	2010
	£	£
Work in progress	<u>84,790</u>	<u>52,298</u>

B C M Construction Limited
Notes to the Accounts
for the year ended 30 April 2011

9 Debtors	2011 £	2010 £
Trade debtors	2,834,625	2,599,050
Amounts owed by group undertakings and undertakings in which the company has a participating interest	-	983
Other debtors	209,341	227,069
	<u>3,043,966</u>	<u>2,827,102</u>

10 Creditors: amounts falling due within one year	2011 £	2010 £
Bank loans and overdrafts	20,971	80,704
Trade creditors	1,848,124	1,484,648
Amounts owed to group undertakings and undertakings in which the company has a participating interest	2,794	2,659
Corporation tax	73,987	(11,355)
Other taxes and social security costs	333,886	281,375
Other creditors	59,211	65,619
	<u>2,338,973</u>	<u>1,903,650</u>

The bank overdraft is secured by a debenture incorporating a fixed and floating charge over all current and future assets of the company

11 Deferred taxation	2011 £	2010 £
Accelerated capital allowances	17,202	2,463
Undiscounted provision for deferred tax	17,202	2,463

	2011 £	2010 £
At 1 May	2,463	(13,049)
Deferred tax charge in profit and loss account	14,739	15,512
At 30 April	<u>17,202</u>	<u>2,463</u>

12 Share capital	Nominal value	2011 Number	2011 £	2010 £
Allotted, called up and fully paid				
Ordinary shares	£1 each	100	100	100
"A" Ordinary shares	£1 each	9,900	9,900	9,900
			<u>10,000</u>	<u>10,000</u>

B C M Construction Limited
Notes to the Accounts
for the year ended 30 April 2011

13 Profit and loss account

	2011
	£
At 1 May 2010	1,565,988
Profit for the financial year	596,809
Dividends	(300,000)
At 30 April 2011	<u>1,862,797</u>

14 Dividends

	2011	2010
	£	£
Dividends for which the company became liable during the year		
Dividends paid	<u>300,000</u>	<u>100,000</u>

15 Reconciliation of movement in shareholders' funds

	2011	2010
	£	£
At 1 May	1,575,988	1,413,182
Profit for the financial year	596,809	262,806
Dividends	(300,000)	(100,000)
At 30 April	<u>1,872,797</u>	<u>1,575,988</u>

16 Gross cash flows

	2011	2010
	£	£
Returns on investments and servicing of finance		
Dividends received	1,200	1,200
Interest received	4,785	2,664
	<u>5,985</u>	<u>3,864</u>
Capital expenditure		
Payments to acquire tangible fixed assets	(177,801)	(153,217)
Receipts from sales of tangible fixed assets	4,407	-
	<u>(173,394)</u>	<u>(153,217)</u>

17 Analysis of changes in net debt

	At 1 May	Cash flows	Non-cash	At 30 Apr
	2010		changes	2011
	£	£	£	£
Cash at bank and in hand	479,307	410,949		890,256
Overdrafts	(80,704)	59,733		(20,971)
		<u>470,682</u>		
Total	<u>398,603</u>	<u>470,682</u>	<u>-</u>	<u>869,285</u>

B C M Construction Limited
Notes to the Accounts
for the year ended 30 April 2011

18 Other financial commitments

At the year end the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings 2011 £	Land and buildings 2010 £	Other 2011 £	Other 2010 £
Operating leases which expire within one year	-	-	13,573	-
within two to five years	24,078	24,078	-	56,562
	<u>24,078</u>	<u>24,078</u>	<u>13,573</u>	<u>56,562</u>

19 Related party transactions

The company had the following transactions with related parties during the period

A) Subcontractor supplies amounting to £544,841 (2010 £307,180) were made on a commercial basis by a company Giltec Limited, a company in which the directors have a controlling interest. The company has also charged Giltec Limited £15,000 (2010 £22,000) in respect of management services provided during the year. These transactions were conducted on a normal commercial basis and the amount owed to Giltec Limited by the company at the year end amounted to £14,153.

B) The company is currently renting a property, at the open market rate, from the directors' private pension schemes. The rent payable is £24,078 per annum and the rental value of the property has been valued by independent professional valuers.

C) Subcontractor supplies amounting to £222,923 (2010 £4,846,885) were made on a commercial basis by a company B C M Building Limited, a company in which some of the directors have a controlling interest. These transactions were conducted on a normal commercial basis and the amount owed to B C M Building Limited by the company at the year end was £73,574.

20 Ultimate controlling party

The company is a wholly owned subsidiary of B C M Holdings Limited, whose controlling shareholders are Mr H McGarry and Mr T Sullivan.