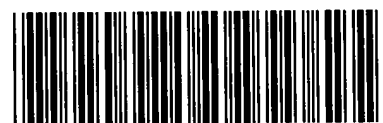


Registered number
01954821

B C M Construction Limited
Report and Financial Statements
30 April 2016

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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

Secretary

Mr. M. McGarry

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

B C M Construction Limited**Registered number:** 01954821**Directors' Report**

The directors present their report and financial statements for the year ended 30 April 2016.

Principal activities

The company's principal activity during the year continued to be building and civil engineering.

Directors

The following persons served as directors during the year:

Mr. H. McGarry
Mr. T. Sullivan
Mr. S. O'Halloran

Directors' responsibilities

The directors are responsible for preparing the report and 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 (Financial Reporting Standard 102 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 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 financial statements;
- prepare the financial statements 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 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.

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 8 December 2016 and signed on its behalf.



Mr. T. Sullivan
Director

STRATEGIC REPORT

Our performance in the year ended 30th April 2016 reflected the benefits of our consistent and successful strategy.

Group turnover was down but profit before tax rose from £226,067 to £868,063, a healthy increase of 283%.

The Company's long term strategy for 2016/2017 and beyond is built around developing a sustainable business. We will remain highly selective as to what work we bid for providing essential, front line services in the Regulated Utility and Public Sectors markets and in particular focussing on contracting in the Network Rail infrastructure sector both directly for Network Rail and for carefully selected first tier contractors.

To deliver our strategy requires the best people, both within the industry and supporting professions. Our aim is to attract and develop excellent people to create a vibrant, diverse and flexible workforce.

At BCM we take a proactive approach to safety and we work continually to build and improve the safety culture within the business. For this Financial Year, in line with best practice and other companies in our market we have changed the primary safety statistic against which we measure our performance, to the Lost Time Injury Frequency Rate (LTIFR) statistic. This is a good sign of our company's maturity and development in terms of safety performance.

As yet there is little sign of impact on BCM's markets from the UK's decision to exit the European Union although there was a small delay in confirming contracts immediately after the vote. It is too soon for clarity as to what, if any, direct impact the decision will have but given the Government's commitment to infrastructure spending we are optimistic about the future in our preferred market sector.

We continue to face the industry-wide challenge of skills shortages and supply chain capacity; to combat this we continue to invest in our people, new systems, training, and employment.

We have well and long established partnerships with key customers. BCM is a 'Top 40' supplier to Network Rail and means that we are well positioned within the market sector. This has been achieved by continuing to place a great deal of effort and emphasis on providing a quality service. We aim to understand and improve operational processes, identify problems quickly and systematically, by establishing valid and reliable service performance measures and continually measuring customer satisfaction and other performance outcomes.

We have set up a working group within the company to investigate new work streams in infrastructure projects similar to the work we undertake in the rail sector. We see this as an opportunity to use the skills gained in the rail sector to bring to new areas with limited risk.

This report was approved by the board on 08 December 2016 and signed on it's behalf.



Mr. T. Sullivan
Director

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

We have audited the financial statements of B C M Construction Limited for the year ended 30 April 2016 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements 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/auditscopeukprivate

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 2016 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.

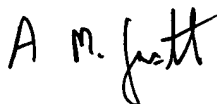
Opinion on other matters prescribed by the Companies Act 2006

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

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
8 December 2016

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

B C M Construction Limited
Income Statement
for the year ended 30 April 2016

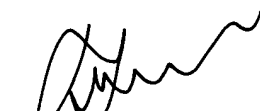
	Notes	2016 £	2015 £
Turnover	2	22,649,598	25,493,945
Cost of sales		(19,401,652)	(22,842,951)
Gross profit		<u>3,247,946</u>	<u>2,650,994</u>
Administrative expenses		(2,379,883)	(2,424,927)
Operating profit	3	<u>868,063</u>	<u>226,067</u>
Gain on sale of fixed assets		9,303	-
Income from investments		-	1,300
Interest receivable		3,195	2,524
Profit on ordinary activities before taxation		<u>880,561</u>	<u>229,891</u>
Tax on profit on ordinary activities	7	(122,151)	(77,882)
Profit for the financial year		<u>758,410</u>	<u>152,009</u>

B C M Construction Limited
Statement of comprehensive income
for the year ended 30 April 2016

	Notes	2016 £	2015 £
Profit for the financial year		758,410	152,009
Other comprehensive income			
Total comprehensive income for the year		<u>758,410</u>	<u>152,009</u>

B C M Construction Limited
Statement of Financial Position
as at 30 April 2016

	Notes	2016 £	2015 £
Fixed assets			
Tangible assets	8	148,313	154,548
Current assets			
Stocks	9	77,811	588,185
Debtors	10	3,569,646	3,231,878
Cash at bank and in hand		3,015,019	1,381,863
		<u>6,662,476</u>	<u>5,201,926</u>
Creditors: amounts falling due within one year	11	(3,534,111)	(2,339,265)
Net current assets		<u>3,128,365</u>	<u>2,862,661</u>
Total assets less current liabilities		<u>3,276,678</u>	<u>3,017,209</u>
Creditors: amounts falling due after more than one year	12	(38,434)	(137,355)
Net assets		<u>3,238,244</u>	<u>2,879,854</u>
Capital and reserves			
Called up share capital	15	10,000	10,000
Profit and loss account	16	3,228,244	2,869,854
Total equity		<u>3,238,244</u>	<u>2,879,854</u>



Mr. T. Sullivan

Director

Approved by the board on 8 December 2016

B C M Construction Limited
Statement of Changes in Equity
for the year ended 30 April 2016

	Share capital	Other reserves	Profit and loss account	Total
	£	£	£	£
At 1 May 2014	10,000	-	2,717,845	2,727,845
Profit for the financial year			152,009	152,009
At 30 April 2015	<u>10,000</u>	<u>-</u>	<u>2,869,854</u>	<u>2,879,854</u>
At 1 May 2015	10,000	-	2,869,854	2,879,854
Profit for the financial year			758,410	758,410
Dividends			(400,020)	(400,020)
At 30 April 2016	<u>10,000</u>	<u>-</u>	<u>3,228,244</u>	<u>3,238,244</u>

B C M Construction Limited
Statement of Cash Flows
for the year ended 30 April 2016

	Notes	2016 £	2015 £
Operating activities			
Operating profit		868,063	226,067
Adjustments for:			
Depreciation		166,491	203,113
		<u>1,034,554</u>	<u>429,180</u>
Decrease/(increase) in stocks		510,374	(510,857)
(Increase)/decrease in debtors		(337,768)	3,562,548
Increase/(decrease) in creditors		1,308,956	(4,098,408)
		<u>2,516,116</u>	<u>(617,537)</u>
Ground rent		-	1,300
Interest received		3,195	2,524
Corporation tax paid		(255,311)	2,393
		<u>2,264,000</u>	<u>(611,320)</u>
Cash generated by/(used in) operating activities			
Investing activities			
Payments to acquire tangible fixed assets		(171,672)	(13,320)
Proceeds from sale of tangible fixed assets		20,719	8,667
		<u>(150,953)</u>	<u>(4,653)</u>
Cash-used-in-investing-activities			
Financing activities			
Equity dividends paid		(400,020)	-
Capital element of finance lease payments		(79,871)	(70,111)
		<u>(479,891)</u>	<u>(70,111)</u>
Cash used in financing activities			
Net cash generated/(used)			
Cash generated by/(used in) operating activities		2,264,000	(611,320)
Cash used in investing activities		(150,953)	(4,653)
Cash used in financing activities		(479,891)	(70,111)
		<u>1,633,156</u>	<u>(686,084)</u>
Net cash generated/(used)			
Cash and cash equivalents at 1 May		1,381,863	2,067,947
Cash and cash equivalents at 30 April		<u>3,015,019</u>	<u>1,381,863</u>
Cash and cash equivalents comprise:			
Cash at bank		<u>3,015,019</u>	<u>1,381,863</u>

B C M Construction Limited
Notes to the Accounts
for the year ended 30 April 2016

1 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer.

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses.

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:

Motor Vehicles	over 4 years
Plant and machinery	over 4 years
Office Equipment	over 4 years

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method.

The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts.

Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

B C M Construction Limited
Notes to the Accounts
for the year ended 30 April 2016

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price).

Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments.

Unrelieved tax losses and other deferred tax assets are recognised only 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 and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases.

The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments.

Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life.

Operating lease payments are recognised as an expense on a straight line basis over the lease term.

B C M Construction Limited
Notes to the Accounts
for the year ended 30 April 2016

Pensions

The company contributes to individual personal pension arrangements.

2 Analysis of turnover	2016	2015
	£	£
Revenue from construction and civil engineering contracts	<u>22,649,598</u>	<u>25,493,945</u>
By geographical market:		
UK	<u>22,649,598</u>	<u>25,493,945</u>
3 Operating profit	2016	2015
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	118,384	142,833
Depreciation of assets held under finance leases and hire purchase contracts	48,107	60,280
Operating lease rentals - plant and machinery	9,013	8,705
Auditors' remuneration for audit services	<u>20,000</u>	<u>18,000</u>
4 Directors' emoluments	2016	2015
	£	£
Emoluments	368,589	410,517
Pension costs	<u>22,500</u>	<u>-</u>
	<u>391,089</u>	<u>410,517</u>
Highest paid director:		
Emoluments	177,278	115,217
Pension costs	<u>20,000</u>	<u>-</u>
	<u>197,278</u>	<u>115,217</u>
5 Staff costs	2016	2015
	£	£
Wages and salaries	3,328,970	3,419,360
Social security costs	379,592	367,694
Other pension costs	<u>114,897</u>	<u>69,205</u>
	<u>3,823,459</u>	<u>3,856,259</u>
Average number of employees during the year	Number	Number
Administration	47	50
Development	<u>24</u>	<u>25</u>
	<u>71</u>	<u>75</u>

B C M Construction Limited
Notes to the Accounts
for the year ended 30 April 2016

6 Interest payable	2016	2015
	£	£
Finance charges payable under finance leases and hire purchase contracts	8,465	17,144
7 Taxation	2016	2015
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	122,151	80,044
Deferred tax:		
Origination and reversal of timing differences	-	(2,162)
Tax on profit on ordinary activities	122,151	77,882

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:

	2016	2015
	£	£
Profit on ordinary activities before tax	880,561	229,891
Standard rate of corporation tax in the UK	20%	21%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	176,112	48,277
Effects of:		
Expenses not deductible for tax purposes	(31,453)	9,567
Refunds due	(32,972)	-
Capital allowances for period in excess of depreciation	10,464	22,200
Current tax charge for period	122,151	80,044

8 Tangible fixed assets	Motor Vehicles	Plant and machinery	Office Equipment	Total
	<i>At cost</i>	<i>At cost</i>	<i>At cost</i>	
	£	£	£	£
Cost or valuation				
At 1 May 2015	86,564	607,486	207,323	901,373
Additions	17,952	142,526	11,194	171,672
Disposals	(30,451)	(100,733)	-	(131,184)
At 30 April 2016	74,065	649,279	218,517	941,861

B C M Construction Limited
Notes to the Accounts
for the year ended 30 April 2016

Depreciation

At 1 May 2015	70,871	495,004	180,950	746,825
Charge for the year	13,968	117,460	35,063	166,491
On disposals	(24,239)	(95,529)	-	(119,768)
At 30 April 2016	<u>60,600</u>	<u>516,935</u>	<u>216,013</u>	<u>793,548</u>

Carrying amount

At 30 April 2016	<u>13,465</u>	<u>132,344</u>	<u>2,504</u>	<u>148,313</u>
At 30 April 2015	<u>15,693</u>	<u>112,482</u>	<u>26,373</u>	<u>154,548</u>

	2016	2015
	£	£
Carrying value of plant and machinery included above held under finance leases and hire purchase contracts	<u>96,463</u>	<u>82,494</u>

9 Stocks

	2016	2015
	£	£
Work in progress	<u>77,811</u>	<u>588,185</u>

10 Debtors

	2016	2015
	£	£
Trade debtors	729,290	372,775
Other debtors	506,187	484,315
Construction contract debtors	<u>2,334,169</u>	<u>2,374,788</u>
	<u>3,569,646</u>	<u>3,231,878</u>

11 Creditors: amounts falling due within one year

	2016	2015
	£	£
Obligations under finance lease and hire purchase contracts	96,695	77,645
Trade creditors	2,766,617	1,586,559
Amounts owed to group undertakings and undertakings in which the company has a participating interest	3,191	3,191
Corporation tax	(49,350)	83,810
Other taxes and social security costs	572,390	531,467
Other creditors	<u>144,568</u>	<u>56,593</u>
	<u>3,534,111</u>	<u>2,339,265</u>

12 Creditors: amounts falling due after one year

	2016	2015
	£	£
Obligations under finance lease and hire purchase contracts	<u>38,434</u>	<u>137,355</u>

B C M Construction Limited
Notes to the Accounts
for the year ended 30 April 2016

13 Obligations under finance leases and hire purchase contracts

	2016 £	2015 £
Amounts payable:		
Within one year	96,695	77,645
Within two to five years	38,434	137,355
	<u>135,129</u>	<u>215,000</u>

14 Deferred taxation

	2016 £	2015 £
	<u> </u>	<u> </u>
	2016 £	2015 £
At 1 May	-	2,162
Credited to the profit and loss account	-	(2,162)
	<u> </u>	<u> </u>
At 30 April	-	-

15 Share capital

	Nominal value	2016 Number	2016 £	2015 £
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>

16 Profit and loss account

	2016 £	2015 £
At 1 May	2,869,854	2,717,845
Profit for the financial year	758,410	152,009
Dividends	(400,020)	-
	<u>3,228,244</u>	<u>2,869,854</u>
At 30 April		

17 Dividends

	2016 £	2015 £
Dividends on ordinary shares (note 16)	<u>400,020</u>	<u>-</u>

B C M Construction Limited
Notes to the Accounts
for the year ended 30 April 2016

18 Other financial commitments

Total future minimum lease payments under non-cancellable operating leases:

	Land and buildings 2016 £	Land and buildings 2015 £	Other 2016 £	Other 2015 £
Falling due: within two to five years	<u>117,806</u>	<u>94,528</u>	<u>11,592</u>	<u>3,669</u>

19 Transactions with directors

The company is currently renting a property, at the open market rate, from the directors' private pension schemes. The rent payable is £22,000 per annum and the rental value of the property has been valued by independent professional valuers.

20 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.

21 Related Party Transactions

	30/04/2016	30/04/2015
Lucas Innovations Limited (formerly B C M Resourcing Limited)		
Directors of company have controlling interest		
Purchase of Subcontractor supplies and recruitment fees	5,660,028	2,430,914
Charging of Management fees	43,274	60,219
Amount due to the related party	(582,511)	(323,706)
Equate Design Limited		
Directors of company have controlling interest		
Purchase of Site professional fees	1,179,627	-
Re-charge of rent	(26,000)	-
Amount due from the related party	2,560	-

22 Presentation currency

The financial statements are presented in Sterling.

23 Legal form of entity and country of incorporation

B C M Construction Limited is a limited company incorporated in England.

B C M Construction Limited
Notes to the Accounts
for the year ended 30 April 2016

24 Principal place of business

The address of the company's principal place of business and registered office is:

6 Blenheim Centre
Locks Lane
Mitcham
Surrey CR4 2JX.

25 Reconciliations on adoption of FRS 102

Profit and loss for the year ended 30 April 2015	£
Profit under former UK GAAP	152,009
Profit under FRS 102	<u>152,009</u>
Balance sheet at 30 April 2015	£
Equity under former UK GAAP	2,879,854
Equity under FRS 102	<u>2,879,854</u>
Balance sheet at 1 May 2014	£
Equity under former UK GAAP	2,727,845
Equity under FRS 102	<u>2,727,845</u>