

Registered number
01954821

B C M Construction Limited
Report and Financial Statements
30 April 2017

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

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 2017.

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 24 January 2018 and signed on its behalf.

Mr. T. Sullivan
Director

B C M Construction Limited

Independent auditor's report

to the members of B C M Construction Limited

Opinion

We have audited the financial statements of B C M Construction Limited for the year ended 30 April 2017 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 notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (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 auditor's 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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 financial statements 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; or

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Mr. A. McGrath
(Senior Statutory Auditor)
for and on behalf of
Corran Associates Limited,
Accountants and Statutory Auditors
24 January 2018

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 2017

	Notes	2017 £	2016 £
Turnover	2	29,308,753	22,649,598
Cost of sales		(25,415,074)	(19,401,652)
Gross profit		<u>3,893,679</u>	<u>3,247,946</u>
Administrative expenses		(3,071,313)	(2,379,883)
Operating profit	3	<u>822,366</u>	<u>868,063</u>
Profit on sale of fixed assets		-	9,303
Interest receivable		27,626	3,195
Profit on ordinary activities before taxation		<u>849,992</u>	<u>880,561</u>
Tax on profit on ordinary activities	6	249,490	(122,151)
Profit for the financial year		<u>1,099,482</u>	<u>758,410</u>

B C M Construction Limited
Statement of comprehensive income
for the year ended 30 April 2017

	Notes	2017 £	2016 £
Profit for the financial year		1,099,482	758,410
Other comprehensive income			
Total comprehensive income for the year		<u>1,099,482</u>	<u>758,410</u>

B C M Construction Limited
Statement of Financial Position
as at 30 April 2017

	Notes	2017 £	2016 £
Fixed assets			
Intangible assets	7	60,085	-
Tangible assets	8	67,607	148,313
		<u>127,692</u>	<u>148,313</u>
Current assets			
Stocks	9	622,529	77,811
Debtors	10	4,613,956	3,569,646
Cash at bank and in hand		2,539,592	3,015,019
		<u>7,776,077</u>	<u>6,662,476</u>
Creditors: amounts falling due within one year	11	(4,377,991)	(3,534,111)
Net current assets		<u>3,398,086</u>	<u>3,128,365</u>
Total assets less current liabilities		<u>3,525,778</u>	<u>3,276,678</u>
Creditors: amounts falling due after more than one year	12	(38,064)	(38,434)
Net assets		<u>3,487,714</u>	<u>3,238,244</u>
Capital and reserves			
Called up share capital	14	10,000	10,000
Profit and loss account	15	3,477,714	3,228,244
Total equity		<u>3,487,714</u>	<u>3,238,244</u>

Mr. T. Sullivan

Director

Approved by the board on 24 January 2018

B C M Construction Limited
Statement of Changes in Equity
for the year ended 30 April 2017

	Share capital	Share premium	Other reserves	Profit and loss account	Total
	£	£	£	£	£
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>-</u>	<u>3,228,244</u>	<u>3,238,244</u>
At 1 May 2016	10,000	-	-	3,228,244	3,238,244
Profit for the financial year				1,099,482	1,099,482
Dividends				(850,012)	(850,012)
At 30 April 2017	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>3,477,714</u>	<u>3,487,714</u>

B C M Construction Limited
Statement of Cash Flows
for the year ended 30 April 2017

	Notes	2017 £	2016 £
Operating activities			
Profit for the financial year		1,099,482	758,410
Adjustments for:			
Profit on sale of fixed assets		-	(9,303)
Interest receivable		(27,626)	(3,195)
Tax on profit on ordinary activities		(249,490)	122,151
Depreciation		26,007	166,491
Amortisation of goodwill		20,029	-
(Increase)/decrease in stocks		(544,718)	510,374
Increase in debtors		(1,044,310)	(337,768)
Increase in creditors		869,132	1,308,956
		<u>148,506</u>	<u>2,516,116</u>
Interest received		27,626	3,195
Corporation tax paid		286,542	(255,311)
Cash generated by operating activities		<u>462,674</u>	<u>2,264,000</u>
Investing activities			
Payments to acquire intangible fixed assets		(80,114)	-
Payments to acquire tangible fixed assets		(87,876)	(171,672)
Proceeds from sale of tangible fixed assets		142,575	20,719
Cash used in investing activities		<u>(25,415)</u>	<u>(150,953)</u>
Financing activities			
Equity dividends paid		(850,012)	(400,020)
Capital element of finance lease payments		(62,674)	(79,871)
Cash used in financing activities		<u>(912,686)</u>	<u>(479,891)</u>
Net cash (used)/generated			
Cash generated by operating activities		462,674	2,264,000
Cash used in investing activities		(25,415)	(150,953)
Cash used in financing activities		(912,686)	(479,891)
Net cash (used)/generated		<u>(475,427)</u>	<u>1,633,156</u>
Cash and cash equivalents at 1 May		3,015,019	1,381,863
Cash and cash equivalents at 30 April		<u>2,539,592</u>	<u>3,015,019</u>

Cash and cash equivalents comprise:

Cash at bank	<u>2,539,592</u>	<u>3,015,019</u>
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B C M Construction Limited
Notes to the Accounts
for the year ended 30 April 2017

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.

Intangible fixed assets

Intangible fixed assets are measured at cost less accumulative amortisation and any accumulative impairment losses.

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.

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.

Pensions

The company contributes to individual personal pension arrangements.

2 Analysis of turnover	2017	2016
	£	£
Revenue from construction contracts	<u>29,308,753</u>	<u>22,649,598</u>
By geographical market:		
UK	<u>29,308,753</u>	<u>22,649,598</u>

3 Operating profit	2017	2016
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	26,007	118,384
Depreciation of assets held under finance leases and hire purchase contracts	-	48,107
Amortisation of computer software	20,029	-
Operating lease rentals - plant and machinery	42,801	9,013
Auditors' remuneration for audit services	21,000	20,000
4 Directors' emoluments	2017	2016
	£	£
Emoluments	410,244	368,589
Company contributions to defined contribution pension plans	42,400	22,500
	452,644	391,089
Highest paid director:		
Emoluments	170,072	177,278
Company contributions to defined contribution pension plans	42,500	20,000
	212,572	197,278
5 Staff costs	2017	2016
	£	£
Wages and salaries	3,645,941	3,328,970
Social security costs	396,703	379,592
Other pension costs	137,193	114,897
	4,179,837	3,823,459
Average number of employees during the year	Number	Number
Administration	23	47
Direct Costs	49	24
	72	71
6 Taxation	2017	2016
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	(249,490)	122,151

Tax on profit on ordinary activities	(249,490)	122,151
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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:

	2017	2016
	£	£
Profit on ordinary activities before tax	849,992	880,561
Standard rate of corporation tax in the UK	20%	20%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	169,998	176,112
Effects of:		
Expenses not deductible for tax purposes	(116,923)	(31,453)
Capital allowances for period in excess of depreciation	(47,521)	10,464
Refunds due	(255,044)	(32,972)
Current tax charge for period	(249,490)	122,151

7 Intangible fixed assets

£

Computer Software:

Cost

Additions	80,114
At 30 April 2017	80,114

Amortisation

Provided during the year	20,029
At 30 April 2017	20,029

Carrying amount

At 30 April 2017	60,085
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Computer Software is being written off in equal annual instalments over its estimated economic life of 4 years.

8 Tangible fixed assets

	Motor Vehicles	Plant and machinery	Fixtures, fittings, tools and equipment	Total
	<i>At cost</i>	<i>At cost</i>	<i>At cost</i>	
	£	£	£	£
Cost or valuation				
At 1 May 2016	74,065	649,279	218,517	941,861
Additions	-	26,040	61,836	87,876
Disposals	(55,874)	(447,222)	-	(503,096)
At 30 April 2017	<u>18,191</u>	<u>228,097</u>	<u>280,353</u>	<u>526,641</u>
Depreciation				
At 1 May 2016	60,600	516,935	216,013	793,548
Charge for the year	-	9,922	16,085	26,007
On disposals	(42,409)	(318,112)	-	(360,521)
At 30 April 2017	<u>18,191</u>	<u>208,745</u>	<u>232,098</u>	<u>459,034</u>
Carrying amount				
At 30 April 2017	-	19,352	48,255	67,607
At 30 April 2016	<u>13,465</u>	<u>132,344</u>	<u>2,504</u>	<u>148,313</u>

	2017	2016
	£	£
Carrying value of plant and machinery included above held under finance leases and hire purchase contracts	-	96,463

9 Stocks

	2017	2016
	£	£
Work in progress	<u>622,529</u>	<u>77,811</u>

10 Debtors

	2017	2016
	£	£
Trade debtors	1,658,346	729,290
Amounts owed by related parties	487,690	-
Other debtors	402,378	506,187
Construction contract debtors	2,065,542	2,334,169
	<u>4,613,956</u>	<u>3,569,646</u>

11 Creditors: amounts falling due within one year	2017	2016
	£	£
Obligations under finance lease and hire purchase contracts	34,391	96,695
Trade creditors	2,989,598	2,766,617
Amounts owed to group undertakings and undertakings in which the company has a participating interest	3,191	3,191
Corporation tax	(12,298)	(49,350)
Other taxes and social security costs	967,334	572,390
Other creditors	395,775	144,568
	<u>4,377,991</u>	<u>3,534,111</u>

12 Creditors: amounts falling due after one year	2017	2016
	£	£
Obligations under finance lease and hire purchase contracts	<u>38,064</u>	<u>38,434</u>

13 Obligations under finance leases and hire purchase contracts	2017	2016
	£	£
Amounts payable:		
Within one year	34,391	96,695
Within two to five years	38,064	38,434
	<u>72,455</u>	<u>135,129</u>

14 Share capital	Nominal value	2017 Number	2017 £	2016 £
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>

15 Profit and loss account	2017	2016
	£	£
At 1 May	3,228,244	2,869,854
Profit for the financial year	1,099,482	758,410
Dividends	(850,012)	(400,020)
At 30 April	<u>3,477,714</u>	<u>3,228,244</u>

16 Dividends	2017	2016
	£	£
Dividends on ordinary shares (note 15)	<u>850,012</u>	<u>400,020</u>

17 Other financial commitments

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

	Land and buildings	Land and buildings	Other	Other
	2017	2016	2017	2016
	£	£	£	£
Falling due:				
within two to five years	<u>117,806</u>	<u>117,806</u>	<u>10,257</u>	<u>11,592</u>

18 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.

19 Related party transactions

	30/04/2017	30/04/2016
Crewit Resourcing Limited		
Directors of company have controlling interest		
Purchase of Subcontractor supplies and recruitment fees	4,699,770	-
Amount due to the related party	(538,738)	-
Loan balance receivable at year end	270,000	-
Equate Design Limited		
Directors of company have controlling interest		
Purchase of Site professional fees	1,472,675	1,179,627
Re-charge of rent	(41,500)	(26,000)
Management fees	(27,499)	-
Amount due from the related party	84,001	2,560
Construction Hire Solutions Limited		
Directors of company have controlling interest		
Plant Hire	657,400	-
Sale of fixed assets	(164,170)	-
Management fees	(59,265)	-

Loan balance receivable at year end	212,339	-
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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 Presentation currency

The financial statements are presented in Sterling.

22 Legal form of entity and country of incorporation

B C M Construction Limited is a private company limited by shares and incorporated in England.

23 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.

24 Reconciliations on adoption of FRS 102

Profit and loss for the year ended 30 April 2016	£
Profit under former UK GAAP	758,410
Profit under FRS 102	<u>758,410</u>
Balance sheet at 30 April 2016	£
Equity under former UK GAAP	3,238,244
Equity under FRS 102	<u>3,238,244</u>

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.