

Strategic Report, Report of the Directors and
Audited Financial Statements for the Year Ended 31 July 2016
for
Bespoke Construction Services Ltd

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COMPANIES HOUSE

Hamiltons Group Limited
Chartered Certified Accountants
Statutory Auditors
Meriden House
6 Great Cornbow
Halesowen
West Midlands
B63 3AB

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for the Year Ended 31 July 2016

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Bespoke Construction Services Ltd

Company Information
for the Year Ended 31 July 2016

DIRECTORS:

M A Bennett
S Ganley

SECRETARY:

N D Bennett

REGISTERED OFFICE:

Merlin House
Halesfield 19
Telford
Shropshire
TF7 4QT

REGISTERED NUMBER:

03806421 (England and Wales)

AUDITORS:

Hamiltons Group Limited
Chartered Certified Accountants
Statutory Auditors
Meriden House
6 Great Cornbow
Halesowen
West Midlands
B63 3AB

Strategic Report
for the Year Ended 31 July 2016

The directors present their strategic report for the year ended 31 July 2016.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal activity of the company during the year was that of building contractors, delivering tailored solutions for all construction needs.

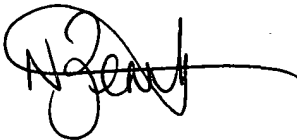
2016 has seen further development of the business both internally and externally in order to position itself strongly for the continued sector growth. Turnover for the year has increased significantly to £21,470,717 (2015: £11,665,514). This has been achieved by way of organic industry growth with our most established division of the business, Interiors, whilst the Constructive Division has targeted specific customers and sectors, most of which have included negotiations and / or two stage tendering which has helped limit risk. This has resulted in an improved margin and eradicated loss making projects.

We have also invested heavily in staff throughout the prior year. This has assisted in the delivery of the significant controlled increase of turnover this trading year.

PRINCIPAL RISKS AND UNCERTAINTIES

The company does not actively use financial instruments as part of its financial risk management and during the year the company and the group has been exposed to risks of supplier price increases, credit risk, liquidity risk and cash flow risk. The directors do not consider any other risks attaching to the use of financial instruments to be material to an assessment of its financial position.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'N D Bennett', with a long horizontal stroke extending to the right.

N D Bennett - Secretary

24 October 2016

Report of the Directors
for the Year Ended 31 July 2016

The directors present their report with the financial statements of the company for the year ended 31 July 2016.

DIVIDENDS

Interim dividends per share were paid as follows:

Ordinary shares	£1 shares	£2,500.00	- 30 April 2016
		£2,500.00	- 31 May 2016
		£2,500.00	- 30 June 2016
		£2,500.00	- 31 July 2016
		£10,000.00	
Ordinary preference shares	£1 shares	£17,000.00	- 31 July 2016

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2015 to the date of this report.

M A Bennett
S Ganley

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the 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 (United Kingdom Accounting Standards 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 accounting estimates that are reasonable and prudent;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

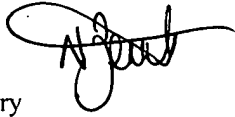
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Report of the Directors
for the Year Ended 31 July 2016

AUDITORS

The auditors, Hamiltons Group Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



N D Bennett - Secretary

24 October 2016

Report of the Independent Auditors to the Members of
Bespoke Construction Services Ltd

We have audited the financial statements of Bespoke Construction Services Ltd for the year ended 31 July 2016 on pages seven to twenty two. 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 Financial Reporting Standard 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 a Report of the Auditors 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 set out on page three, 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 financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 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 matter prescribed by the Companies Act 2006

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

Report of the Independent Auditors to the Members of
Bespoke Construction Services Ltd

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 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.



Susan Bowdler (Senior Statutory Auditor)
For and on behalf of Hamiltons Group Limited
Chartered Certified Accountants
Statutory Auditors
Meriden House
6 Great Cornbow
Halesowen
West Midlands
B63 3AB

24 October 2016

Statement of Comprehensive Income
for the Year Ended 31 July 2016

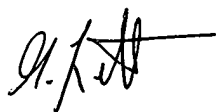
	Notes	2016 £	2015 £
REVENUE	3	21,470,717	11,665,514
Cost of sales		(18,125,574)	(9,087,675)
GROSS PROFIT		3,345,143	2,577,839
Administrative expenses		(2,235,266)	(1,809,286)
		1,109,877	768,553
Other operating income	4	20,434	1,467
OPERATING PROFIT	6	1,130,311	770,020
Interest receivable and similar income		5,075	1,074
		1,135,386	771,094
Interest payable and similar charges	7	(21,451)	(19,198)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,113,935	751,896
Tax on profit on ordinary activities	8	(223,512)	(166,868)
PROFIT FOR THE FINANCIAL YEAR		890,423	585,028
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		890,423	585,028

The notes on pages 12 to 19 form part of these financial statements

Statement of Financial Position
31 July 2016

	Notes	2016	2015
		£	£
FIXED ASSETS			
Property, plant and equipment	10	785,256	784,723
CURRENT ASSETS			
Inventories	11	-	12,703
Debtors	12	5,915,071	4,304,059
Cash at bank and in hand		<u>2,140,832</u>	<u>1,806,893</u>
		8,055,903	6,123,655
CREDITORS			
Amounts falling due within one year	13	<u>5,634,618</u>	<u>4,516,638</u>
NET CURRENT ASSETS		<u>2,421,285</u>	<u>1,607,017</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,206,541	2,391,740
CREDITORS			
Amounts falling due after more than one year	14	(443,880)	(467,714)
PROVISIONS FOR LIABILITIES	18	<u>(2,210)</u>	<u>-</u>
NET ASSETS		<u>2,760,451</u>	<u>1,924,026</u>
CAPITAL AND RESERVES			
Called up share capital	19	4	2
Retained earnings	20	<u>2,760,447</u>	<u>1,924,024</u>
SHAREHOLDERS' FUNDS		<u>2,760,451</u>	<u>1,924,026</u>

The financial statements were approved by the Board of Directors on 24 October 2016 and were signed on its behalf by:



M A Bennett - Director

Statement of Changes in Equity
for the Year Ended 31 July 2016

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 August 2014	2	1,338,996	1,338,998
Changes in equity			
Total comprehensive income	-	585,028	585,028
Balance at 31 July 2015	2	1,924,024	1,924,026
Changes in equity			
Issue of share capital	2	-	2
Dividends	-	(54,000)	(54,000)
Total comprehensive income	-	890,423	890,423
Balance at 31 July 2016	4	2,760,447	2,760,451

Statement of Cash Flows
for the Year Ended 31 July 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	1,048,866	1,583,038
Tax paid		(166,868)	(33,744)
Net cash from operating activities		<u>881,998</u>	<u>1,549,294</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(15,381)
Sale of tangible fixed assets		-	315
Interest received		5,075	1,074
Net cash from investing activities		<u>5,075</u>	<u>(13,992)</u>
Cash flows from financing activities			
Loan repayments in year		(38,699)	(38,704)
Capital repayments in year		(13,781)	(3,116)
Amount introduced by directors		-	10,768
Amount withdrawn by directors		(446,656)	-
Share issue		2	-
Equity dividends paid		(54,000)	-
Net cash from financing activities		<u>(553,134)</u>	<u>(31,052)</u>
Increase in cash and cash equivalents		<u>333,939</u>	<u>1,504,250</u>
Cash and cash equivalents at beginning of year	2	1,806,893	302,643
Cash and cash equivalents at end of year	2	<u><u>2,140,832</u></u>	<u><u>1,806,893</u></u>

The notes on pages 12 to 19 form part of these financial statements

Notes to the Statement of Cash Flows
for the Year Ended 31 July 2016

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2016	2015
	£	£
Profit before taxation	1,113,935	751,896
Depreciation charges	21,323	22,372
Profit on disposal of fixed assets	-	(11)
Finance costs	21,451	19,198
Finance income	(5,075)	(1,074)
	1,151,634	792,381
Decrease in inventories	12,703	67,204
Increase in trade and other debtors	(1,603,393)	(619,379)
Increase in trade and other creditors	1,487,922	1,342,832
Cash generated from operations	1,048,866	1,583,038

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 July 2016

	31.7.16	1.8.15
	£	£
Cash and cash equivalents	2,140,832	1,806,893

Year ended 31 July 2015

	31.7.15	1.8.14
	£	£
Cash and cash equivalents	1,806,893	302,643

Notes to the Financial Statements
for the Year Ended 31 July 2016

1. STATUTORY INFORMATION

Bespoke Construction Services Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has adopted FRS 102 for the first time in the year ended 31 July 2016.

The financial statements are presented in pound sterling which is the functional currency of the company and rounded to the nearest £.

Significant judgements and estimates

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are addressed below:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of the property, plant and equipment and page 12 for the useful economic lives for each class of assets.

Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing of debtors and historical experience. See note 12 for the net carrying amount of the debtors and associated impairment provision.

Turnover

Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 0%
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost

Depreciation has been provided at a rate of 0% on freehold land and buildings as they are maintained in a continual state of sound repair, their lives are long and residual values are such that depreciation is not material.

Notes to the Financial Statements - continued
for the Year Ended 31 July 2016

2. ACCOUNTING POLICIES - continued

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax with the following exceptions:

Deferred tax assets are recognised only to the extent that the director considers that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Current taxation

Current UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. REVENUE

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

4. OTHER OPERATING INCOME

	2016	2015
	£	£
Rents received	10,100	1,467
Miscellaneous income	334	-
Management charges	10,000	-
	<u>20,434</u>	<u>1,467</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2016

5. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	1,454,401	1,012,596
Social security costs	148,659	114,164
Other pension costs	3,000	3,000
	<u>1,606,060</u>	<u>1,129,760</u>

The average monthly number of employees during the year was as follows:

	2016	2015
Administrative staff	<u>33</u>	<u>32</u>

6. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2016	2015
	£	£
Hire of plant and machinery	491,461	304,192
Depreciation - owned assets	10,850	19,868
Depreciation - assets on hire purchase contracts	10,473	2,504
Profit on disposal of fixed assets	-	(11)
	<u>110,267</u>	<u>130,000</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2016	2015
	£	£
Bank interest	19,438	18,660
Hire purchase	2,013	538
	<u>21,451</u>	<u>19,198</u>

8. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2016	2015
	£	£
Current tax:		
UK corporation tax	221,302	165,062
Previous year adjustment	-	1,806
Total current tax	<u>221,302</u>	<u>166,868</u>
Deferred tax	<u>2,210</u>	-
Tax on profit on ordinary activities	<u>223,512</u>	<u>166,868</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2016

8. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>1,113,935</u>	<u>751,896</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 21%)	222,787	157,898
Effects of:		
Expenses not deductible for tax purposes	3,670	6,939
Capital allowances in excess of depreciation	(668)	-
Depreciation in excess of capital allowances	-	3,257
Deferred taxation movement	2,210	-
Adjustment in respect of previous periods	-	(1,226)
Transitional adjustments - earlier years holiday	<u>(4,487)</u>	<u>-</u>
Total tax charge	<u><u>223,512</u></u>	<u><u>166,868</u></u>

9. DIVIDENDS

	2016 £	2015 £
Ordinary shares of £1 each		
Interim	<u>54,000</u>	<u>-</u>

10. PROPERTY, PLANT AND EQUIPMENT

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 August 2015	735,944	7,169	98,821	6,895	848,829
Additions	-	-	21,856	-	21,856
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,398)</u>	<u>(1,398)</u>
At 31 July 2016	<u>735,944</u>	<u>7,169</u>	<u>120,677</u>	<u>5,497</u>	<u>869,287</u>
DEPRECIATION					
At 1 August 2015	-	1,865	56,744	5,497	64,106
Charge for year	-	1,433	18,816	1,074	21,323
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,398)</u>	<u>(1,398)</u>
At 31 July 2016	<u>-</u>	<u>3,298</u>	<u>75,560</u>	<u>5,173</u>	<u>84,031</u>
NET BOOK VALUE					
At 31 July 2016	<u>735,944</u>	<u>3,871</u>	<u>45,117</u>	<u>324</u>	<u>785,256</u>
At 31 July 2015	<u>735,944</u>	<u>5,304</u>	<u>42,077</u>	<u>1,398</u>	<u>784,723</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2016

10. PROPERTY, PLANT AND EQUIPMENT - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 August 2015	20,036
Additions	21,856
At 31 July 2016	41,892
DEPRECIATION	
At 1 August 2015	2,504
Charge for year	10,473
At 31 July 2016	12,977
NET BOOK VALUE	
At 31 July 2016	28,915
At 31 July 2015	17,532

11. INVENTORIES

	2016 £	2015 £
Work-in-progress	-	12,703

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	4,350,565	3,718,153
Amounts owed by participating interests	660,809	501,836
Other debtors	874,893	29,541
Directors' accounts	7,620	-
Prepayments	21,184	54,529
	5,915,071	4,304,059

Amounts owed by participating interests do not bear interest, are unsecured and are repayable on demand.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Bank loans and overdrafts (see note 15)	26,250	19,375
Hire purchase contracts (see note 16)	14,182	6,397
Trade creditors	4,610,889	3,547,652
Corporation tax	221,302	166,868
Social security and other taxes	313,647	148,277
Other creditors	93,626	87,038
Directors' accounts	50,601	489,637
Accruals and deferred income	304,121	51,394
	5,634,618	4,516,638

Notes to the Financial Statements - continued
for the Year Ended 31 July 2016

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016	2015
	£	£
Bank loans (see note 15)	430,517	456,653
Hire purchase contracts (see note 16)	13,363	11,061
	<u>443,880</u>	<u>467,714</u>

15. LOANS

An analysis of the maturity of loans is given below:

	2016	2015
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>26,250</u>	<u>19,375</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>26,250</u>	<u>19,375</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>78,750</u>	<u>65,221</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>325,517</u>	<u>372,057</u>

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2016	2015
	£	£
Net obligations repayable:		
Within one year	14,182	6,397
Between one and five years	13,363	11,061
	<u>27,545</u>	<u>17,458</u>
	Non-cancellable operating	
	leases	
	2016	2015
	£	£
Within one year	28,653	5,008
Between one and five years	35,840	9,158
	<u>64,493</u>	<u>14,166</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2016

17. SECURED DEBTS

The following secured debts are included within creditors:

	2016	2015
	£	£
Bank loans	456,767	476,028
Hire purchase contracts	27,545	17,458
	<u>484,312</u>	<u>493,486</u>

On 2 June 2008, a fixed and floating charge was created over all property and assets of the company in favour of HSBC Bank plc.

On 24 October 2012, a legal mortgage charge was registered over the freehold property in favour of HSBC Bank plc.

Hire purchase contracts are secured on the assets to which they relate.

18. PROVISIONS FOR LIABILITIES

	2016	2015
	£	£
Deferred tax	<u>2,210</u>	<u>-</u>
		Deferred tax
		£
Provided during year		<u>2,210</u>
Balance at 31 July 2016		<u>2,210</u>

A deferred tax provision has arisen as a result of accelerated capital allowances.

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016	2015
			£	£
2	Ordinary	£1	2	2
2	Ordinary preference	£1	2	-
			<u>4</u>	<u>2</u>

2 Ordinary preference shares of £1 each were allotted and fully paid for cash at par during the year.

Notes to the Financial Statements - continued
for the Year Ended 31 July 2016

20. RESERVES

	Retained earnings £
At 1 August 2015	1,924,024
Profit for the year	890,423
Dividends	(54,000)
At 31 July 2016	<u>2,760,447</u>

21. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Other related parties

	2016 £	2015 £
Amount due from related party	<u>660,809</u>	<u>501,836</u>

22. ULTIMATE CONTROLLING PARTY

The company was under the control of Mr M A Bennett throughout the current and previous year. Mr M A Bennett is the managing director and owns 100% issued ordinary share capital.

23. TRANSITION TO FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements under the UK GAAP were for the year ended 31 July 2015. The date of transition to FRS 102 was 1 August 2014. Set out on pages 20 to 22 are the changes in accounting policies which reconcile profit for the financial year ended 31 July 2015 and the total equity as at 1 August 2014 and 31 July 2015 between UK GAAP as previously reported and FRS 102.

Reconciliation of Equity
1 August 2014
(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Property, plant and equipment		771,982	-	771,982
CURRENT ASSETS				
Inventories		79,907	-	79,907
Debtors		3,684,679	-	3,684,679
Cash at bank and in hand		302,643	-	302,643
		<u>4,067,229</u>	<u>-</u>	<u>4,067,229</u>
CREDITORS				
Amounts falling due within one year	1	(3,030,391)	(21,844)	(3,052,235)
NET CURRENT ASSETS		<u>1,036,838</u>	<u>(21,844)</u>	<u>1,014,994</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,808,820	(21,844)	1,786,976
CREDITORS				
Amounts falling due after more than one year		(469,822)	-	(469,822)
NET ASSETS		<u>1,338,998</u>	<u>(21,844)</u>	<u>1,317,154</u>
CAPITAL AND RESERVES				
Called up share capital		2	-	2
Retained earnings		1,338,996	(21,844)	1,317,152
SHAREHOLDERS' FUNDS		<u>1,338,998</u>	<u>(21,844)</u>	<u>1,317,154</u>

The notes on pages 12 to 19 form part of these financial statements

Reconciliation of Equity - continued
31 July 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Property, plant and equipment		784,723	-	784,723
CURRENT ASSETS				
Inventories		12,703	-	12,703
Debtors		4,304,059	-	4,304,059
Cash at bank and in hand		1,806,893	-	1,806,893
		6,123,655	-	6,123,655
CREDITORS				
Amounts falling due within one year	1	(4,494,203)	(22,435)	(4,516,638)
NET CURRENT ASSETS		1,629,452	(22,435)	1,607,017
TOTAL ASSETS LESS CURRENT LIABILITIES		2,414,175	(22,435)	2,391,740
CREDITORS				
Amounts falling due after more than one year		(467,714)	-	(467,714)
NET ASSETS		1,946,461	(22,435)	1,924,026
CAPITAL AND RESERVES				
Called up share capital		2	-	2
Retained earnings		1,946,459	(22,435)	1,924,024
SHAREHOLDERS' FUNDS		1,946,461	(22,435)	1,924,026

Notes to the reconciliation of equity

1) The company had not previously accounted for unpaid holiday entitlement accrued by the employees at the balance sheet date, but which is paid in the subsequent accounting period. Paragraph 28.3 of FRS 102 requires such accruals to be recognised and hence an accrual of £21,844 was recognised at the date of transition (31 July 2014) and an accrual of £22,435 has been recognised in the comparative year (31 July 2015). The result is that equity has reduced by £22,435 as a result of the transition to FRS 102.

Reconciliation of Profit
for the Year Ended 31 July 2015

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
REVENUE	11,665,514	-	11,665,514
Cost of sales	(9,087,675)	-	(9,087,675)
GROSS PROFIT	2,577,839	-	2,577,839
Administrative expenses	(1,786,851)	(22,435)	(1,809,286)
Other operating income	1,467	-	1,467
OPERATING PROFIT	792,455	(22,435)	770,020
Interest receivable and similar income	1,074	-	1,074
Interest payable and similar charges	(19,198)	-	(19,198)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	774,331	(22,435)	751,896
Tax on profit on ordinary activities	(166,868)	-	(166,868)
PROFIT FOR THE FINANCIAL YEAR	607,463	(22,435)	585,028

The notes on pages 12 to 19 form part of these financial statements