

PROGRESSIVE PRECAST ERECTION LIMITED
AMENDED UNAUDITED FINANCIAL STATEMENTS
30 SEPTEMBER 2016



WALTER HUNTER & CO LIMITED

Chartered Accountants
24 Bridge Street
Newport
South Wales
NP20 4SF

PROGRESSIVE PRECAST ERECTION LIMITED

UNAUDITED FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2016

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PROGRESSIVE PRECAST ERECTION LIMITED

DIRECTORS' REPORT

YEAR ENDED 30 SEPTEMBER 2016

The directors present their report and the unaudited financial statements of the company for the year ended 30 September 2016.

AMENDED ACCOUNTS

These financial statements replace the original accounts filed with Companies House on 12 April 2017. These financial statements have been prepared on the same basis as the original accounts and are now the statutory accounts of the company for the year ended 30 September 2016.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the erection of precast concrete structures.

During the year to 30 September 2008, the company established a Share Incentive Plan (SIP) in order to incentivise employees. A contribution of £783,910 was made on 10 March 2008 and the scheme subsequently purchased 13,000 £0.01 'A' ordinary shares from existing shareholders. Details of the scheme can be found in note 12 to the financial statements.

During the year to 30 September 2012, the SIP awarded 13,000 shares based on the criteria set out in the scheme rules. Details of the scheme can be found in note 12 to the financial statements.

DIRECTORS

The directors who served the company during the year were as follows:

Mr J Cody
Mr G Paddock
Mr D Howard
Mr C Robinson
Mr M Mills

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Registered office:
24 Bridge Street
Newport
NP20 4SF

Signed by order of the directors



Zena Derrick
Company Secretary

Approved by the directors on 12 July 2017

PROGRESSIVE PRECAST ERECTION LIMITED
ACCOUNTANTS' REPORT TO THE DIRECTORS OF PROGRESSIVE
PRECAST ERECTION LIMITED
YEAR ENDED 30 SEPTEMBER 2016

As described on the balance sheet, the directors of the company are responsible for the preparation of the unaudited financial statements for the year ended 30 September 2016.

You consider that the company is exempt from an audit under the Companies Act 2006.

In accordance with your instructions we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



WALTER HUNTER & CO LIMITED
Chartered Accountants

24 Bridge Street
Newport
South Wales
NP20 4SF

12 July 2017

PROGRESSIVE PRECAST ERECTION LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 SEPTEMBER 2016

	Note	2016 £	2015 £
TURNOVER		3,932,706	3,048,292
Cost of sales		<u>2,574,031</u>	<u>2,028,556</u>
GROSS PROFIT		1,358,675	1,019,736
Administrative expenses		652,347	398,766
Other operating income	3	<u>(215,350)</u>	<u>(155,282)</u>
OPERATING PROFIT	4	921,678	776,252
Attributable to:			
Operating profit before exceptional items		921,678	620,970
Exceptional items	4	<u>—</u>	<u>155,282</u>
		921,678	776,252
Interest receivable		695	228
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>922,373</u>	<u>776,480</u>
Tax on profit on ordinary activities	6	159,660	(88)
PROFIT FOR THE FINANCIAL YEAR		<u>762,713</u>	<u>776,568</u>

The notes on pages 5 to 12 form part of these unaudited financial statements.

PROGRESSIVE PRECAST ERECTION LIMITED

BALANCE SHEET

30 SEPTEMBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible assets	7	8,888	—
CURRENT ASSETS			
Debtors	8	1,002,973	72,771
Cash at bank		521,204	609,911
		1,524,177	682,682
CREDITORS: Amounts falling due within one year	9	881,936	623,305
NET CURRENT ASSETS		642,241	59,377
TOTAL ASSETS LESS CURRENT LIABILITIES		651,129	59,377
CREDITORS: Amounts falling due after more than one year	10	—	171,290
		651,129	(111,913)
CAPITAL AND RESERVES			
Called up equity share capital	12	846	1,000
Other reserves	13	154	(525,605)
Profit and loss account	13	650,129	412,692
SHAREHOLDERS' FUNDS/(DEFICIT)		651,129	(111,913)

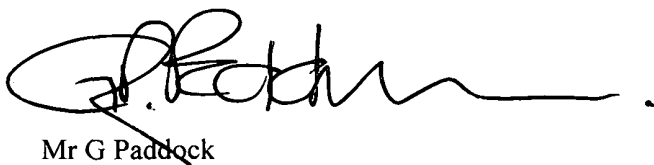
For the year ended 30 September 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

These accounts were approved by the directors and authorised for issue on 4 April 2017, and are signed on their behalf by:



Mr G Paddock

Company Registration Number: 05298621

The notes on pages 5 to 12 form part of these unaudited financial statements.

PROGRESSIVE PRECAST ERECTION LIMITED
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2016

1. GOING CONCERN

The financial statements have been prepared on a going concern basis. The directors believe that the financial support required by the company will continue for the foreseeable future.

2. ACCOUNTING POLICIES

Basis of accounting

The unaudited financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

Plant & Machinery	-	20%-25% pa straightline
Motor Vehicles	-	25% pa straightline
Equipment	-	33% pa straightline

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

PROGRESSIVE PRECAST ERECTION LIMITED
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2016

2. ACCOUNTING POLICIES *(continued)*

Contribution to Share Incentive Plan (SIP)

In accordance with UITF 38, contributions to the SIP are not recognised in the Profit & Loss Account until such time as the shares vest unconditionally with the employees. Until that time, the employee share ownership plan trust's investment in the shares of the company are shown as a reduction in reserves.

Share based payments

On 27 February 2012, the trustees of the SIP granted 13,000 £0.01 'A' ordinary shares held by the SIP to the employees of the company. These shares have a vesting period of five years. During this time, in accordance with FRS 20, the value determined at the grant date of the shares is expensed on a straight-line basis to the profit and loss account over the vesting period based on the company's estimate of the shares that will eventually vest.

The value is calculated using generally accepted valuation methodology allowing the lack of an observable market price as the company is an unlisted limited company.

If the value of the shares is less than the cost of the shares awarded, the difference is transferred between the SIP Reserve ("Other Reserves") and the Profit and Loss Reserve over the grant period.

Deferred taxation

Deferred taxation in connection with the contribution to the SIP is shown as a deduction from the cost of the shares acquired. This is a departure from Financial Reporting Standard 19 to show the deferred tax liability as a provision for liabilities and charges. In the opinion of the directors, this departure is necessary in order to give a true and fair view of the company's affairs. The directors consider that, following the adoption of the accounting treatment under UITF 38 for the contribution to the SIP, the separation of the cost of the shares acquired and the relevant deferred taxation into two separate areas of the balance sheet would not give a true and fair view.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

PROGRESSIVE PRECAST ERECTION LIMITED
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2016

3. OTHER OPERATING INCOME

	2016	2015
	£	£
Management charges receivable	215,350	–
Exceptional other operating income	–	155,282
	<u>215,350</u>	<u>155,282</u>

During the previous year, the Directors of Precast Concrete Structures Limited decided to write off all debts owed to them by this company.

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2016	2015
	£	£
Staff pension contributions	4,737	–
Depreciation of owned fixed assets	1,518	10,507
Exceptional other operating income	–	(155,282)
	<u> </u>	<u> </u>

5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2016	2015
	£	£
Aggregate remuneration	266,789	67,304
Value of company pension contributions to money purchase schemes	217	–
	<u>267,006</u>	<u>67,304</u>

PROGRESSIVE PRECAST ERECTION LIMITED
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2016

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2016	2015
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 20% (2015 - 20%)	159,798	46
Total current tax	159,798	46
Deferred tax:		
Origination and reversal of timing differences	(138)	(134)
Tax on profit on ordinary activities	159,660	(88)

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20% (2015 - 20%).

	2016	2015
	£	£
Profit on ordinary activities before taxation	922,373	776,480
Profit on ordinary activities by rate of tax	184,475	148,192
Expenses not deductible for tax purposes	251	8
Capital allowances for period in excess of depreciation	(1,992)	1,840
Utilisation of tax losses	(22,936)	(149,994)
Total current tax (note 6(a))	159,798	46

PROGRESSIVE PRECAST ERECTION LIMITED
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2016

7. TANGIBLE ASSETS

	Plant & Machinery £	Motor Vehicles £	Equipment £	Total £
COST				
At 1 October 2015	34,039	62,447	774	97,260
Additions	—	10,406	—	10,406
At 30 September 2016	<u>34,039</u>	<u>72,853</u>	<u>774</u>	<u>107,666</u>
DEPRECIATION				
At 1 October 2015	34,039	62,447	774	97,260
Charge for the year	—	1,518	—	1,518
At 30 September 2016	<u>34,039</u>	<u>63,965</u>	<u>774</u>	<u>98,778</u>
NET BOOK VALUE				
At 30 September 2016	<u>—</u>	<u>8,888</u>	<u>—</u>	<u>8,888</u>
At 30 September 2015	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

8. DEBTORS

	2016 £	2015 £
Trade debtors	10,915	72,271
Other debtors	992,058	500
	<u>1,002,973</u>	<u>72,771</u>

9. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	59,409	125,035
Corporation tax	159,798	46
Other taxation and social security	206,411	139,969
Other creditors	456,318	358,255
	<u>881,936</u>	<u>623,305</u>

10. CREDITORS: Amounts falling due after more than one year

	2016 £	2015 £
Other creditors	—	171,290

PROGRESSIVE PRECAST ERECTION LIMITED
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2016

11. RELATED PARTY TRANSACTIONS

The company was under the control of Mr G Paddock throughout the current period. Mr G Paddock, the managing director and also a director and shareholder of Precast Concrete Structures Ltd, owns 22,056 ordinary shares (2014: 18,500 ordinary shares) and 220,550 'B' ordinary shares (2014: 185,000 'B' ordinary shares) in the company.

The company traded with Precast Concrete Structures Limited (Co No: 4570584)("PCS"), a company of which certain shareholders also held shares in this company. Trading is undertaken on an arm's length basis.

During the year the company achieved sales of £3,932,706 (2015: £2,533,036) to Precast Concrete Structures Limited. In addition, Precast Concrete Structures Limited charged this company, on a commercial basis, management charges of £48,885 (2015: £49,975) and this company charged Precast Concrete Structures Limited, on a commercial basis, a management charge of £215,350 (2015: £nil).

At the year-end Precast Concrete Structures Limited owed this company £972,058 (2015: This company owed Precast Concrete Structures Ltd £63,325).

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard for Smaller Entities (effective January 2015).

12. SHARE CAPITAL

Allotted, called up and fully paid:

	2016		2015	
	No.	£	No.	£
Ordinary shares of £0.01 each	37,000	370	37,000	370
Ordinary 'A' shares shares (2015 - 13,000) of £0.01 each	10,598	106	13,000	130
Ordinary 'B' shares shares of £0.001 each	370,000	370	370,000	370
Ordinary 'C' shares shares (2015 - 130,000) of £0.001 each	-	-	130,000	130
	<u>417,598</u>	<u>846</u>	<u>550,000</u>	<u>1,000</u>

PROGRESSIVE PRECAST ERECTION LIMITED
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2016

13. RESERVES

	Capital redemption reserve	Other reserves	Share based payment reserve	Profit and loss account
	£	£	£	£
Balance brought forward	–	(527,470)	1,865	412,692
Profit for the year	–	–	–	762,713
Return of funds from SIP on termination	–	–	–	154
Purchase of own shares	–	–	–	(154)
Transfer on purchase of own shares	154	–	–	–
Transfer on end of vesting period	–	–	(2,332)	2,332
Movement on reserves	–	7,851	–	(7,851)
Transfer on termination of SIP	–	519,757	–	(519,757)
Share based payment charge	–	(138)	467	–
Balance carried forward	<u>154</u>	<u>–</u>	<u>–</u>	<u>650,129</u>

OTHER RESERVES

Reserve for investment in own shares

At 1 October 2015	(739,297)
Transfer excess cost of shares awarded to profit and loss reserve	11,152
Transfer on termination of SIP	728,145
Balance as at 30 September 2016	<u>–</u>

Reserve for deferred tax on investment in own shares

At 1 October 2015	211,827
Deferred tax released on share award	(138)
Transfer of deferred tax on above excess cost	(3,301)
Transfer on termination of SIP	(208,388)
Balance as at 30 September 2016	<u>–</u>

PROGRESSIVE PRECAST ERECTION LIMITED
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2016

13. RESERVES *(continued)*

INVESTMENT IN OWN SHARES

	'A' Ordinary shares held in trust	'C' Ordinary shares held in trust	Cost £
At 1 October 2015	(13,000)	(130,000)	(739,297)
Transfer of excess cost of shares awarded to profit and loss reserve	—	—	11,152
Shares vested on termination on SIP	10,598	—	2,332
Shares repurchased by company	2,402	130,000	725,813
	<u>—</u>	<u>—</u>	<u>—</u>
At 30 September 2016	<u>—</u>	<u>—</u>	<u>—</u>

The nominal value of shares held in trust by the SIP is £nil (2015: £260).

In the year to 30 September 2008, the company established a Share Incentive Plan (SIP) to purchase shares in the company for the benefit of the employees.

The value of the shares at the grant date was £2,860. As Progressive Precast Erection Limited is a private company, there is no observable market price for the shares granted. Therefore, the value of the shares was measured using generally accepted valuation methodology which allowed for this.

As the value of the shares is less than the cost of the shares, the difference is being transferred from the SIP Reserve ("Other Reserves") to the Profit and Loss Reserve over the period of the grant.

During the year ended 30 September 2016, the SIP was terminated and all awarded shares vested. Any unawarded and forfeited shares were repurchased by the company.

14. SHARE BASED PAYMENTS

The Progressive Precast Erection Limited Share Incentive Plan (SIP) was established on 10 March 2008 to reward employees with shares in the company.

On 27 February 2012, 13,000 'A' ordinary £1 shares were granted. 10 employees participated in the award since then. The terms of the grant of the shares were as follows: 1. Shares were awarded to staff based on salary and length of service; 2. The vesting period is five years; 3. Shares will not be given to staff at the end of the vesting period if the employee is no longer in relevant employment.

In accordance with FRS 20, the value of the shares is expensed through the profit and loss account over the vesting period of five years. £467 (2015: £466) was charged to the profit and loss account in the current year.