

COMPANY REGISTRATION NUMBER: 05676721

CENTURA GROUP LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30th JUNE 2016



BREBNEERS
Chartered accountant & statutory auditor
130 Shaftesbury Avenue
London
W1D 5AR

CENTURA GROUP LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30th JUNE 2016

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CENTURA GROUP LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

A P Rimoldi
C J Martin
J F Drewett
A C Came
S S Patel

Registered office

130 Shaftesbury Avenue
2nd Floor
London
W1D 5EU

Auditor

Brebners
Chartered accountant & statutory auditor
130 Shaftesbury Avenue
London
W1D 5AR

Bankers

National Westminster Bank Plc
4 Crown Lane
Morden
Surrey
SM4 5BN

CENTURA GROUP LIMITED

STRATEGIC REPORT

YEAR ENDED 30th JUNE 2016

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

Centura Group is the holding company of a number of businesses which trade in the construction sector. The bulk of those activities are in the United Kingdom. The principal activity of Centura is to provide management services to all group companies.

All group companies have shown strong sales and profitability in the period. All the companies are net contributors to Centura both through charges for services rendered and through a positive contribution to an improving group cash position.

Whilst all operating in the construction sector each business has to fully understand the differing risks and market forces in its area of activity. Additionally, each business regularly takes advantage of collaboration and opportunities that may be presented by another group company. Inter-company trading and repeat business from regular clients both contribute to growing sales.

Whilst each business is encouraged to trade independently the group standards of professionalism, training and safe operations are maintained throughout. The Board is confident that future group operations will continue to prosper.

Financial Key Performance Indicators

	2016	2015
Turnover (£)	29,581,781	28,948,883
Increase in turnover	2.2%	0.8%
Gross profit percentage	20.3%	18.6%
Operating profit percentage	3.1%	2.5%

Non-Financial Key Performance Indicators

The company seeks to ensure that responsible business practice is fully integrated into the management of all of its operations and into the culture of all parts of its business. It believes that the consistent adoption of responsible business practice is essential for operational excellence, which in turn, ensures the delivery of its core objectives of sustained real growth in profitability.

In a company this size the directors consider there are collectively numerous non-financial performance indicators but none individually are key.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The directors oversee clear and effective risk management policies and procedures that cover all major financial transactions of the group. The directors are of the opinion that there is an adequate process in place to identify and evaluate significant risks.

Reviews are carried out regularly to evaluate existing controls and develop future strategy for the management of risk.

Financial control is maintained through monthly monitoring of performance against budget and forecast with particular attention to cash management.

The group had no hedging arrangements at 30th June 2016. Any exchange risk is managed through the use of accounts held in foreign currencies with its bankers.

CENTURA GROUP LIMITED

STRATEGIC REPORT *(continued)*

YEAR ENDED 30th JUNE 2016

FINANCIAL INSTRUMENTS

The group's principal financial instruments comprise bank balances, trade creditors and trade debtors. The main purpose of these instruments is to raise funds and finance the group's operations.

The group's approach to price, credit, liquidity and cash flow risks applicable to the financial instruments concerned is shown below.

The group has agreed credit facilities with its bankers to manage its credit risk. Any liquidity and cash flow risks are met through the company maintaining positive cash balances and monitoring their requirements regularly.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

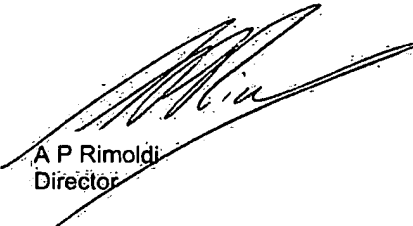
Sales are determined via a contract tendering process and are recognised on a stage of completion basis, with provisions made for foreseeable losses.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

FUTURE DEVELOPMENTS

The principal activity and trading performance of the company is expected to remain consistent for the foreseeable future.

This report was approved by the board of directors on 22/12/2016 and signed on behalf of the board by:



A P Rimoldi
Director

CENTURA GROUP LIMITED

DIRECTORS' REPORT

YEAR ENDED 30th JUNE 2016

The directors present their report and the financial statements of the group for the year ended 30th June 2016.

DIRECTORS

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

A P Rimoldi
C J Martin
J F Drewett
A C Came
S S Patel

DIVIDENDS

The coupon on the Redeemable preference shares is included in the interest charge for the year.

Particulars of recommended dividends are detailed in note 12 to the financial statements.

EMPLOYMENT OF DISABLED PERSONS

It is the Group's policy to offer equal opportunities to all persons, including disabled persons, applying for vacancies having regard to their aptitudes and abilities in relation to the jobs for which they apply.

EMPLOYEE INVOLVEMENT

The Group's policy is to consult and discuss with employees, through meetings, on matters likely to affect employees' interests.

Information on matters of concern to employees is communicated internally to achieve a common awareness of the financial and economic factors affecting the performance of the Group.

DISCLOSURE OF INFORMATION IN THE STRATEGIC REPORT

Details of financial instruments and future developments are provided in the strategic report on page 2.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the strategic report, directors' report 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 group and the company and the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

CENTURA GROUP LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 30th JUNE 2016

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.

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

This report was approved by the board of directors on 22nd Dec 2016 and signed on behalf of the board by:



S S Patel
Director

CENTURA GROUP LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTURA GROUP LIMITED

YEAR ENDED 30th JUNE 2016

We have audited the financial statements of Centura Group Limited for the year ended 30th June 2016, on pages 8 to 32. The financial reporting framework that has been applied in their preparation is applicable law and the 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 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

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. 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 group's and the parent 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 directors' report 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 group's and of the parent company's affairs as at 30th June 2016 and of the group's 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

CENTURA GROUP LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTURA GROUP
LIMITED *(continued)*
YEAR ENDED 30th JUNE 2016

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



John Craig (Senior Statutory Auditor)

For and on behalf of
Brebners
Chartered accountant & statutory auditor

23rd December 2016

130 Shaftesbury Avenue
London
W1D 5AR

CENTURA GROUP LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 30th JUNE 2016

		2016 £	2015 £
TURNOVER	Note 4	29,581,781	28,948,883
Cost of sales		<u>23,575,456</u>	<u>23,557,255</u>
GROSS PROFIT		6,006,325	5,391,628
Administrative expenses		<u>5,066,166</u>	<u>4,659,543</u>
OPERATING PROFIT	5	940,159	732,085
Share of loss of joint ventures	15	(19,217)	(5,783)
Other interest receivable and similar income	8	243	—
Interest payable and similar charges	9	<u>30,289</u>	<u>42,629</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		890,896	683,673
Tax on profit on ordinary activities	10	<u>226,801</u>	<u>175,468</u>
PROFIT FOR THE FINANCIAL YEAR		<u>664,095</u>	<u>508,205</u>
Foreign currency retranslation		<u>(55,584)</u>	<u>(13,029)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>608,511</u>	<u>495,176</u>
Profit for the financial year attributable to:			
The owners of the parent company		<u>646,820</u>	<u>493,471</u>
Minority interests		<u>17,275</u>	<u>14,734</u>
		<u>664,095</u>	<u>508,205</u>
Total comprehensive income for the year attributable to:			
The owners of the parent company		<u>591,236</u>	<u>480,442</u>
Minority interests		<u>17,275</u>	<u>14,734</u>
		<u>608,511</u>	<u>495,176</u>

All the activities of the group are from continuing operations.

The notes on pages 16 to 32 form part of these financial statements.

CENTURA GROUP LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30th JUNE 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Intangible assets	13	1,580,042	1,729,580
Tangible assets	14	193,417	224,575
Investments	15	—	19,217
		<u>1,773,459</u>	<u>1,973,372</u>
CURRENT ASSETS			
Stocks	16	84,523	84,415
Debtors	17	5,444,241	5,174,984
Cash at bank and in hand		<u>3,083,729</u>	<u>2,480,561</u>
		8,612,493	7,739,960
CREDITORS: amounts falling due within one year	18	<u>8,726,197</u>	<u>8,113,558</u>
NET CURRENT LIABILITIES		<u>113,704</u>	<u>373,598</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,659,755	1,599,774
CREDITORS: amounts falling due after more than one year	19	355,000	355,000
PROVISIONS			
Taxation including deferred tax	20	<u>1,470</u>	<u>—</u>
NET ASSETS		<u><u>1,303,285</u></u>	<u><u>1,244,774</u></u>

The consolidated statement of financial position
continues on the following page.

The notes on pages 16 to 32 form part of these financial statements.

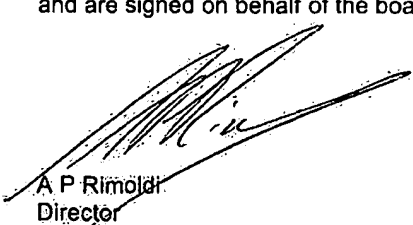
CENTURA GROUP LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*

30th JUNE 2016

	Note	2016 £	2015 £
CAPITAL AND RESERVES			
Called up share capital	24	316,800	316,800
Capital redemption reserve	25	289,200	289,200
Profit and loss account	25	675,276	624,040
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY		1,281,276	1,230,040
MINORITY INTERESTS		22,009	14,734
		<u>1,303,285</u>	<u>1,244,774</u>

These financial statements were approved by the board of directors and authorised for issue on 22/12/16 and are signed on behalf of the board by:



A P Rimoldi
Director

Company registration number: 05676721

The notes on pages 16 to 32 form part of these financial statements.

CENTURA GROUP LIMITED
COMPANY STATEMENT OF FINANCIAL POSITION

30th JUNE 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Investments	15	3,206,107	3,619,782
CURRENT ASSETS			
Debtors	17	672,798	16,840
Cash at bank and in hand		5,373	5,107
		<u>678,171</u>	<u>21,947</u>
CREDITORS: amounts falling due within one year	18	<u>2,649,332</u>	<u>2,386,260</u>
NET CURRENT LIABILITIES		<u>1,971,161</u>	<u>2,364,313</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,234,946	1,255,469
CREDITORS: amounts falling due after more than one year	19	<u>355,000</u>	<u>355,000</u>
NET ASSETS		<u>879,946</u>	<u>900,469</u>

The company statement of financial position
continues on the following page.
The notes on pages 16 to 32 form part of these financial statements.

CENTURA GROUP LIMITED
COMPANY STATEMENT OF FINANCIAL POSITION *(continued)*

30th JUNE 2016

	Note	2016 £	2015 £
CAPITAL AND RESERVES			
Called up share capital	24	316,800	316,800
Capital redemption reserve	25	289,200	289,200
Profit and loss account	25	273,946	294,469
MEMBERS FUNDS		<u>879,946</u>	<u>900,469</u>

These financial statements were approved by the board of directors and authorised for issue on 22/12/2016 and are signed on behalf of the board by:


A P Rimoldi
Director

Company registration number: 05676721

The notes on pages 16 to 32 form part of these financial statements.

CENTURA GROUP LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 30th JUNE 2016

	Called up share capital £	Capital redemption reserve £	Profit and loss account £	Equity attributable to the owners of the parent company £	Minority interests £	Total £
AT 1st JULY 2014	316,800	234,200	498,598	1,049,598	–	1,049,598
Profit for the year			493,471	493,471	14,734	508,205
Other comprehensive income for the year:						
Foreign currency retranslation	–	–	(13,029)	(13,029)	–	(13,029)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	–	–	480,442	480,442	14,734	495,176
Dividends paid and payable 12	–	–	(300,000)	(300,000)	–	(300,000)
Cancellation of subscribed capital	–	55,000	(55,000)	–	–	–
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	–	55,000	(355,000)	(300,000)	–	(300,000)
AT 30th JUNE 2015	316,800	289,200	624,040	1,230,040	14,734	1,244,774
Profit for the year			646,820	646,820	17,275	664,095
Other comprehensive income for the year:						
Foreign currency retranslation	–	–	(55,584)	(55,584)	–	(55,584)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	–	–	591,236	591,236	17,275	608,511
Dividends paid and payable 12	–	–	(540,000)	(540,000)	(10,000)	(550,000)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	–	–	(540,000)	(540,000)	(10,000)	(550,000)
AT 30th JUNE 2016	316,800	289,200	675,276	1,281,276	22,009	1,303,285

The notes on pages 16 to 32 form part of these financial statements.

CENTURA GROUP LIMITED
COMPANY STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 30th JUNE 2016

	Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total £
AT 1st JULY 2014	316,800	234,200	468,368	1,019,368
Profit for the year	—	—	181,101	181,101
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	—	—	181,101	181,101
Dividends paid and payable 12	—	—	(300,000)	(300,000)
Cancellation of subscribed capital	—	55,000	(55,000)	—
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	—	55,000	(355,000)	(300,000)
AT 30th JUNE 2015	316,800	289,200	294,469	900,469
Profit for the year	—	—	519,477	519,477
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	—	—	519,477	519,477
Dividends paid and payable 12	—	—	(540,000)	(540,000)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	—	—	(540,000)	(540,000)
AT 30th JUNE 2016	<u>316,800</u>	<u>289,200</u>	<u>273,946</u>	<u>879,946</u>

The notes on pages 16 to 32 form part of these financial statements.

CENTURA GROUP LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 30th JUNE 2016

	2016 £	2015 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial year	664,095	508,205
<i>Adjustments for:</i>		
Depreciation of tangible assets	136,521	115,635
Amortisation of intangible assets	196,922	192,176
Share of loss of joint ventures	19,217	5,783
Other interest receivable and similar income	(243)	–
Interest payable and similar charges	30,289	42,629
Gains on disposal of tangible assets	(6,747)	(3,917)
Tax on profit on ordinary activities	226,801	175,468
Accrued expenses/(income)	879,084	(965,679)
<i>Changes in:</i>		
Stocks	(108)	(17,784)
Trade and other debtors	(276,101)	1,799,784
Trade and other creditors	(314,350)	(476,590)
Cash generated from operations	1,555,380	1,375,710
Interest paid	(30,289)	(42,629)
Interest received	243	–
Tax paid	(258,550)	(205,472)
Net cash from operating activities	<u>1,266,784</u>	<u>1,127,609</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(105,363)	(176,703)
Proceeds from sale of tangible assets	6,747	3,917
Purchase of intangible assets	(15,000)	–
Net cash used in investing activities	<u>(113,616)</u>	<u>(172,786)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(550,000)	(300,000)
Net cash used in financing activities	<u>(550,000)</u>	<u>(300,000)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	603,168	654,823
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,480,561	1,825,738
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>3,083,729</u>	<u>2,480,561</u>

The notes on pages 16 to 32 form part of these financial statements.

CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30th JUNE 2016

1. GENERAL INFORMATION

Centura Group Limited is a company limited by shares registered in England and Wales and has its registered office located at 130 Shaftesbury Avenue, 2nd Floor, London, W1D 5EU.

The principal activity of the company is to provide management services to all Group companies.

The principal activity of the group is specialised construction services.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and Companies Act 2006. The directors have elected to apply the July 2015 amendments to FRS 102 as permitted by paragraph 1.15.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis in accordance with the accounting policies set out below.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Trade and other receivables

Trade and other debtors are initially recognised at the transaction price and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities.

Trade and other creditors

Trade and other creditors are initially recognised at the transaction price and are thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Interest bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in the statement of comprehensive income over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30th JUNE 2016

3. ACCOUNTING POLICIES *(continued)*

Related parties

For the purposes of these financial statements, a party is considered to be related to the company if:

- (i) the party has the ability, directly or indirectly, through one of more intermediaries, to control the company or exercise significant influence over the company in making financial and operating policy decisions, or has joint control over the company;
- (ii) the company and the party are subject to common control;
- (iii) the party is an associate of the company or a joint venture in which the company is a venturer;
- (iv) the party is a member of key management personnel of the company or the company's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals;
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the company or of any entity that is a related party of the company; or
- (vii) the party, or any member of a group of which it is part, provides key management personnel services to the company or its parent. Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1st July 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 29.

Disclosure exemptions

The company satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the group financial statements presented here. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented for the company.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel for the company.

Consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over twenty years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30th JUNE 2016

3. ACCOUNTING POLICIES *(continued)*

Minority interests

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

The proportions of profit or loss and changes in equity allocated to the owners of the parent and to the minority interests are determined on the basis of existing ownership interests and do not reflect the possible exercise or conversion of options or convertible instruments.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

Other than those involving estimations there are no judgements that management have made in the process of applying the entity's accounting policies that have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Goodwill and intangible assets

The group establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business and the expected useful life of the cash-generating units to which the goodwill is attributed. The group tests annually whether goodwill has suffered any impairment where the carrying value exceeds the recoverable amount.

Cost provisions

Provisions are made for foreseeable losses on long term contracts.

Useful economic lives of tangible assets

Tangible fixed assets are depreciated to their estimated residual values over their estimated useful lives. The group exercises judgement to determine these useful lives and estimate their residual values.

CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30th JUNE 2016

3. ACCOUNTING POLICIES *(continued)*

Revenue recognition

The turnover and operating profit for the year was derived from the company's principal activity.

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.

Provision is made for foreseeable losses.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised 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 that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life.

Amortisation

Amortisation 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:

Goodwill	-	over 10 years
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CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30th JUNE 2016

3. ACCOUNTING POLICIES *(continued)*

Amortisation *(continued)*

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

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

Leasehold Property	-	over 10 years
Plant & Machinery	-	over 6 years
Fixtures & Fittings	-	over 6 years
Motor Vehicles	-	over 3 years
Computer Equipment	-	over 3 years

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Investments in joint ventures

Investments in joint ventures accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in joint ventures accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30th JUNE 2016

3. ACCOUNTING POLICIES *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30th JUNE 2016

3. ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. TURNOVER

Turnover arises from:

	2016 £	2015 £
Rendering of services	3,349,732	2,817,001
Construction contracts	26,232,049	26,131,882
	<u>29,581,781</u>	<u>28,948,883</u>

The turnover is attributable to the one principal activity of the group. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2016 £	2015 £
United Kingdom	29,581,781	28,855,449
Rest of Europe	—	(93,434)
	<u>29,581,781</u>	<u>28,948,883</u>

CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30th JUNE 2016

5. OPERATING PROFIT

Operating profit or loss is stated after charging:

	2016	2015
	£	£
Amortisation of intangible assets	196,922	192,176
Depreciation of tangible assets	136,521	115,635
Gains on disposal of tangible assets	(6,747)	(3,917)
Impairment of trade debtors	22,260	1,452
Foreign exchange differences	(131,131)	(55,657)
Fees payable for the audit of the financial statements	<u>34,000</u>	<u>24,000</u>

6. STAFF COSTS

The average number of persons employed by the group during the year, including the directors, amounted to:

	2016	2015
	No.	No.
Administrative staff	101	108
Management staff	5	5
Number of operations staff	<u>143</u>	<u>109</u>
	<u>249</u>	<u>222</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2016	2015
	£	£
Wages and salaries	10,063,332	8,892,440
Social security costs	876,374	817,714
Other pension costs	<u>580,991</u>	<u>601,927</u>
	<u>11,520,697</u>	<u>10,312,081</u>

7. DIRECTORS' REMUNERATION

The directors aggregate remuneration in respect of qualifying services was:

	2016	2015
	£	£
Remuneration	868,702	803,965
Company contributions to defined contribution pension plans	<u>184,735</u>	<u>299,010</u>
	<u>1,053,437</u>	<u>1,102,975</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2016	2015
	No.	No.
Defined contribution plans	<u>5</u>	<u>5</u>

CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30th JUNE 2016

7. DIRECTORS' REMUNERATION *(continued)*

Remuneration of the highest paid director in respect of qualifying services:

	2016 £	2015 £
Aggregate remuneration	200,895	158,200
Company contributions to defined contribution pension plans	35,798	69,070
	<u>236,693</u>	<u>227,270</u>

8. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2016 £	2015 £
Interest on cash and cash equivalents	243	—

9. INTEREST PAYABLE AND SIMILAR CHARGES

	2016 £	2015 £
Interest on banks loans and overdrafts	(1,940)	20,182
Dividends paid on shares classed as debt	32,229	22,447
	<u>30,289</u>	<u>42,629</u>

10. TAX ON PROFIT ON ORDINARY ACTIVITIES

Major components of tax expense

	2016 £	2015 £
Current tax:		
UK current tax expense	216,646	158,394
Adjustments in respect of prior periods	(52)	—
Total current tax	<u>216,594</u>	<u>158,394</u>
Deferred tax:		
Origination and reversal of timing differences	10,207	17,074
Tax on profit on ordinary activities	<u>226,801</u>	<u>175,468</u>

CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30th JUNE 2016

10. TAX ON PROFIT ON ORDINARY ACTIVITIES *(continued)***Reconciliation of tax expense**

The tax assessed on the profit on ordinary activities for the year is higher than (2015: higher than) the standard rate of corporation tax in the UK of 20% (2015: 20.75%).

	2016 £	2015 £
Profit on ordinary activities before taxation	<u>890,896</u>	<u>683,673</u>
Profit on ordinary activities by rate of tax	178,179	141,862
Adjustment to tax charge in respect of prior periods	(52)	–
Effect of expenses not deductible for tax purposes	29,750	20,210
Effect of capital allowances and depreciation	15,371	4,658
Overseas losses not taxable	3,553	8,738
Tax on profit on ordinary activities	<u>226,801</u>	<u>175,468</u>

11. PROFIT FOR THE YEAR OF THE PARENT COMPANY

The profit for the financial year of the parent company was £519,477 (2015: £181,101).

12. DIVIDENDS**Equity dividends**

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2016 £	2015 £
Equity dividends on ordinary shares	<u>550,000</u>	<u>300,000</u>

Total dividends received by directors was £450,000 (2015: £250,000), shared equally between the directors.

13. INTANGIBLE ASSETS

Group	Goodwill £
Cost	
At 1st July 2015	3,198,232
Additions	47,384
At 30th June 2016	<u>3,245,616</u>
Amortisation	
At 1st July 2015	1,468,652
Charge for the year	196,922
At 30th June 2016	<u>1,665,574</u>
Carrying amount	
At 30th June 2016	<u>1,580,042</u>
At 30th June 2015	<u>1,729,580</u>

The company has no intangible assets.

CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30th JUNE 2016

13. INTANGIBLE ASSETS *(continued)***14. TANGIBLE ASSETS**

Group	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost						
At 1 Jul 2015	153,112	330,694	13,525	540,680	266,325	1,304,336
Additions	—	5,368	—	75,162	24,833	105,363
Disposals	—	—	—	(53,590)	—	(53,590)
At 30 Jun 2016	153,112	336,062	13,525	562,252	291,158	1,356,109
Depreciation						
At 1 Jul 2015	119,836	309,021	13,525	414,288	223,091	1,079,761
Charge for the year	23,183	10,690	—	76,538	26,110	136,521
Disposals	—	—	—	(53,590)	—	(53,590)
At 30 Jun 2016	143,019	319,711	13,525	437,236	249,201	1,162,692
Carrying amount						
At 30 Jun 2016	10,093	16,351	—	125,016	41,957	193,417
At 30 Jun 2015	33,276	21,673	—	126,392	43,234	224,575

Company	Fixtures and fittings £
Cost	
At 1 Jul 2015 and 30 Jun 2016	13,525
Depreciation	
At 1 Jul 2015 and 30 Jun 2016	13,525
Carrying amount	
At 30th June 2016	—

15. INVESTMENTS

Group	Joint ventures £
Share of net assets/cost	
At 1st July 2015	19,217
Share of profit or loss	(19,217)
At 30th June 2016	—
Impairment	
At 1 Jul 2015 and 30 Jun 2016	—
Carrying amount	
At 30th June 2016	—
At 30th June 2015	19,217

CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30th JUNE 2016

15. INVESTMENTS *(continued)*

Company	Shares in group undertakings £	Shares in participating interests £	Total £
Cost			
At 1st July 2015	3,594,782	25,000	3,619,782
Disposals	(388,675)	(25,000)	(413,675)
At 30th June 2016	3,206,107	–	3,206,107
Impairment			
At 1 Jul 2015 and 30 Jun 2016	–	–	–
Carrying amount			
At 30th June 2016	3,206,107	–	3,206,107
At 30th June 2015	3,594,782	25,000	3,619,782

Subsidiaries, associates and other investments

Details of the investments in which the group and the parent company have an interest of 20% or more are as follows:

	Country of incorporation	Class of share	Percentage of shares held
Subsidiary undertakings			
Concrete Repairs Limited	England and Wales	Ordinary Shares	100
CRL Emirates Concrete Services LLC	England and Wales	Ordinary Shares	49
Centura Holdings Limited	England and Wales	Ordinary Shares	100
Buxton Associates (Consulting Engineers) Limited	England and Wales	Ordinary Shares	100
TL Fire Limited	England and Wales	Ordinary Shares	100
Equilux Limited	England and Wales	Ordinary Shares	100
CRL Facades Limited	England and Wales	Ordinary Shares	100
CRL Surveys Limited	England and Wales	Ordinary Shares	90
Lifespan Structures Limited	England and Wales	Ordinary Shares	100

Investments in associates and joint ventures

Summarised financial information of jointly controlled entities:

	2016 £	2015 £
Current assets	–	19,406
Current liabilities	–	189

During the year the group acquired the remaining 50% interest in the Joint Venture undertaking to make it a wholly owned subsidiary of the group.

CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30th JUNE 2016

16. STOCKS

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Raw materials and consumables	<u>84,523</u>	<u>84,415</u>	<u>—</u>	<u>—</u>

The amount of stock recognised as an expense during the period was £4,824,856 (2015: £5,733,768).

17. DEBTORS

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	3,136,370	1,777,822	—	—
Amounts owed by group undertakings	—	—	672,086	14,888
Amounts owed by undertakings in which the company has a participating interest	—	11,598	—	—
Deferred tax asset	—	6,844	352	352
Prepayments and accrued income	131,760	147,571	—	—
Amounts recoverable on contracts	2,127,227	3,201,049	—	—
Other debtors	<u>48,884</u>	<u>30,100</u>	<u>360</u>	<u>1,600</u>
	<u>5,444,241</u>	<u>5,174,984</u>	<u>672,798</u>	<u>16,840</u>

18. CREDITORS: amounts falling due within one year

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade creditors	1,877,048	1,667,860	8,795	20,552
Amounts owed to group undertakings	—	—	2,207,021	1,919,718
Amounts owed to undertakings in which the company has a participating interest	—	25,000	—	—
Accruals and deferred income	2,931,586	2,052,502	12,810	52,444
Corporation tax	116,439	158,395	5,982	—
Social security and other taxes	771,671	936,278	43,999	38,984
Dividends payable	345,000	300,000	345,000	300,000
Other creditors	<u>2,684,453</u>	<u>2,973,523</u>	<u>25,725</u>	<u>54,562</u>
	<u>8,726,197</u>	<u>8,113,558</u>	<u>2,649,332</u>	<u>2,386,260</u>

Overdrafts are secured by a fixed and floating charge over the properties and assets of the group.

19. CREDITORS: amounts falling due after more than one year

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Shares classed as financial liabilities	<u>355,000</u>	<u>355,000</u>	<u>355,000</u>	<u>355,000</u>

CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30th JUNE 2016

20. PROVISIONS

Group	Deferred tax (note 21) £
At 1st July 2015	–
Additions	<u>1,470</u>
At 30th June 2016	<u>1,470</u>

The company does not have any provisions.

21. DEFERRED TAX

The deferred tax included in the statement of financial position is as follows:

	Group		Company
	2016 £	2015 £	2016 £
Included in debtors (note 17)	–	6,844	352
Included in provisions (note 20)	<u>(1,470)</u>	–	–
	<u>(1,470)</u>	<u>6,844</u>	<u>352</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group		Company
	2016 £	2015 £	2016 £
Accelerated capital allowances	1,822	(6,844)	–
Other retirement benefits	<u>(352)</u>	–	–
	<u>1,470</u>	<u>(6,844)</u>	<u>–</u>

22. EMPLOYEE BENEFITS**Defined contribution plans**

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £580,991 (2015: £601,927).

23. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

Financial assets that are debt instruments measured at amortised cost

	Group	
	2016 £	2015 £
Financial assets that are debt instruments measured at amortised cost	<u>5,312,480</u>	<u>5,008,971</u>

Financial liabilities measured at amortised cost

	Group	
	2016 £	2015 £
Financial liabilities measured at amortised cost	<u>5,018,844</u>	<u>5,454,778</u>

CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30th JUNE 2016

24. CALLED UP SHARE CAPITAL

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Amounts presented in equity:				
Ordinary shares of £1 each	<u>316,800</u>	<u>316,800</u>	<u>316,800</u>	<u>316,800</u>
Amounts presented in liabilities:				
Redeemable Preference shares of £1 each	<u>355,000</u>	<u>355,000</u>	<u>355,000</u>	<u>355,000</u>

Share movements

	No.	£
Ordinary		
At 1st July 2015	316,800	316,800
Issue of shares	<u>2</u>	<u>2</u>
At 30th June 2016	<u>316,802</u>	<u>316,802</u>

The number of shares outstanding at the year end date for all other classes of shares is consistent with the prior year.

The Ordinary Shares and Redeemable Cumulative Preference Shares rank pari passu except as follows:

As regards dividends:

The Redeemable Cumulative Preference Shares are entitled to a cumulative dividend of 4% above the 3 month LIBOR for individual shareholdings up to 100,000 Preference Shares and 6% above the 3 month LIBOR for individual shareholdings in excess of 100,000 Preference Shares.

As regards redemption:

No redemption premium is payable at redemption on 30th June 2017.

As regards return of capital:

Proceeds shall be applied firstly in paying the Redeemable Cumulative Preference Shareholders the nominal value of shares held and any unpaid dividend, secondly the balance of the proceeds being distributed amongst the holders of the Ordinary shares according to the amounts paid up.

As regards voting:

Every shareholder holding one or more Ordinary Share shall have one vote for each Ordinary Share and one vote for each Redeemable Cumulative Preference Share held. Those shareholders holding one or more Redeemable Cumulative Preference Share only are not entitled to attend or vote at any general meeting.

The Redeemable Cumulative Preference Shares have been classified as financial liabilities.

CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30th JUNE 2016

25. RESERVES

The capital redemption reserve records the nominal value of shares repurchased by the company.

The profit and loss account records retained earnings and accumulated losses.

26. OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Not later than 1 year	103,537	293,145	–	–
Later than 1 year and not later than 5 years	136,278	331,792	–	–
	<u>239,815</u>	<u>624,937</u>	<u>–</u>	<u>–</u>

27. CONTINGENCIES

There are contingent liabilities in respect of actual and potential claims by third parties under contracting and other arrangements entered into during the normal course of business. Whilst the outcome of these matters is uncertain, the Directors believe that appropriate provision has been made within the accounts.

28. RELATED PARTY TRANSACTIONS**Group**

During the year total remuneration paid to key management personnel by the group was £1,227,116 (2015: £1,275,671). Additionally the group paid key management personnel £22,645 (2015: £22,447) relating to interest on preference shares.

During the year the group paid rent of £135,000 (2015: £135,000) to entities under common control. At the year end a balance of £138,999 (2015: £88,999) was due to entities under common control; this balance is included within other creditors.

Company

Amounts due to and from group undertakings are aggregated as permitted by FRS 102 and shown separately in debtors and creditors.

In accordance with FRS 102 paragraph 33.1A, exemption is taken not to disclose transactions in the year between wholly owned group undertakings.

During the year the company received management fees from entities under its control of £57,495 (2015: £nil).

During the year the company paid key management personnel £22,645 (2015: £22,447) relating to interest on preference shares.

CENTURA GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30th JUNE 2016

29. TRANSITION TO FRS 102

These are the first financial statements that comply with FRS 102. The group and the company transitioned to FRS 102 on 1st July 2014.

No transitional adjustments were required in equity or profit or loss for the year.