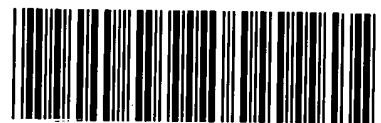


Company Registration No. 06855708 (England and Wales)

SAINT FORTCHERN LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MAY 2016

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SAINT FORTCHERN LIMITED

COMPANY INFORMATION

Director	P J O'Keefe
Secretary	M V Lessey
Company number	06855708
Registered office	St Andrew's House 1 Dreadnought Street Greenwich London SE10 0PU
Auditor	RSM UK Audit LLP Chartered Accountants STC House 7 Elmfield Road Bromley Kent BR1 1LT

SAINT FORTCHERN LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MAY 2016

The director presents the strategic report for the year ended 31 May 2016.

Review of the business

During the financial year ending 31st May 2014 the directors undertook an extensive review of the group's business operations. A revised business strategy was put in place due to the Construction Industry coming out of a sustained period of economic downturn. This review continues to be successful and financial results for the year ended 31st May 2016 are in line with expectations. Turnover has increased 24%, shareholders funds by 33%. Once again, thanks should be given to all employees who have worked with great vigour and commitment in securing these results which bring with them a foundation for sustainable growth and strength in depth.

In the latest financial year, we have yet again increased turnover to record levels. The Group has continued with its investment in our management team and in high quality state of the art mechanical equipment to improve our operational capability. We have also continued with our IT improvements & BIM platform. We have a dedicated team of 12 people, wholly concentrated on the development of BIM within all our operational business fronts. On our Projects where BIM has been at the heart of the culture we have seen programme certainty and increased profits. We will therefore be increasing our commitment and investment in BIM.

Our core business is now split into two regional divisions with an Operations Director responsible for London and an Operations Director for the Southern Home Counties as well as our dedicated demolition Company, O'Keefe Demolition Limited.

Health and Safety

H&S is at the forefront of everything we do at 'O'Keefe'. The Directors ensure H&S is the 1st item of every meeting agenda and warrant all Project Managers to do the same when both talking internally or to our Clients. Our aim is to become Best in Class at what we do, and being the safest is part of that plan. We have also introduced safetymoments@okeefe.co.uk which is a dedicated email address and distribution list, which allows us to share our H&S experiences; which in turn we can use to pass on down the line to the teams we are working closest to. Our near miss reporting is at a record high as are our days committed to training. We have also employed a Non-Executive Director whose sole remit is that of H&S strategy and improvement.

Market Conditions

Our estimations remain that the market will continue to be buoyant until late 2018; and so we are continuing to develop, invest and prepare for the challenges that this market will bring. In 2008, entering the recession, our Group was a £32m business with a balance sheet of £4.3m. We exited the recession in 2013 as a £41m business with a £6.2m balance sheet. This demonstrates strong financial management of the Group with sound investment principles. Our approach of bringing in the right assets of land, plant, IT and, most importantly, people allow us to have the confidence that we are moving in the right direction. We can now offer services to our Clients that include;

- Bulk excavation
- Groundworks
- Enabling works
- External Works
- Basement
- Demolition
- Soil Stabilisation
- HBM
- Recycled Aggregates
- RC Frames
- Temporary works
- BIM

SAINT FORTCHERN LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2016

Principal risks and uncertainties

Training

Running in parallel to our drive in Health and Safety we work to ensure our workforce have a level of competency and certification that not only meets the minimum legislative requirements but goes beyond this, to up skill our in-house abilities and allow our people to progress in their own development. In the last 12 months we have carried out a record number of training days which will be increased in the next 12 months moving forward.

Capital Purchases

We continue to plough profits back into the Group and continue to renew and review our plant fleet. Since 1st June 2015 we have taken delivery of over £2.5m of new plant and equipment, which includes 25 excavators, 3 new HGV's and 60 vans. All our van drivers have completed cycle awareness training.

Demolition

In early 2014 we established our Demolition Division. We continue to build this team and have been very successful in winning a profitable pipeline of work. Demolition projects that we target allow the rest of the business to follow on behind the Demo Team by securing the groundworks, basement and RC frame.

RC Frames

Our targeted programme to enter the high rise RC frame market has provided dividends. By securing the services of several key people into 'O'Keefe' we have delivered a multitude of RC Frame Projects in the period including 7 slipform cores.

South East Office

Dedicated to Kent and the South East Home Counties this Office has gone from strength to strength. Focusing on key Clients with a regional presence, we are currently trading at £15m per annum in Kent and we predict this will rise to closer to £18m in the near future.

BIM

We have been working behind the scenes on BIM since early 2014 and we believe we finally have a route for success in how we intend to use it. We have completed 4 projects using our BIM Platform to carry out planning, valuations and budget control, and all our estimating teams now tender jobs on our BIM platform. We currently have 5 full time people in our Greenwich office and 8 people in our Office in Ohrid, Macedonia. We aim to be supplying many of our existing Clients and Suppliers with our BIM services in 2017.

Cricketts Farm

Our South East Office is now fully operational from Cricketts Farm and we plan to move our plant yard here in 2017 and our Head Office in 2018. Construction has commenced on what will be a pivotal moment in the history of our Group when we depart from Greenwich and complete our move to Cricketts Farm.

We are very aware that with our industry comes challenges that include new processes, cultural differences of teams and financial controls overall, to name but a few. We as a group of people have a proud record of over 45 years of successful trading; and within that we have amassed an amazing skill set of loyal, long serving people who are experts in their field with systems that work. All this combines to produce fantastic projects with great levels of Health and Safety for our workforce and sustainable profits that allow the Group to flourish. Together we need to ensure we have the best interests for each other and for 'O'Keefe' as we look to continuously improve in our ways and embrace the challenges before us. With vigor it will place us in the market as **THE** Go-To Group for our Clients and indeed other people who are considering coming to work for us.

To achieve this we must always keep to our common values under the headings of;

1. Health and Safety
2. Quality
3. Programme
4. Commercial

SAINT FORTCHERN LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2016

Development and performance

Risks and financial instruments

The Group has various financial instruments including overdrafts, hire purchase, cash and others such as trade creditors that arise directly from its operations which finance the Group's operations in the form of working capital.

The existence of these financial instruments exposes the Group to a number of financial risks, which are described in more detail below. In order to manage the Group's exposure to those risks, in particular the Group's exposure to interest rates, the Group enters into transactions including, but not limited to, fixed interest rate agreements.

The main risks arising from the Group's financial instruments are liquidity risk, interest rate risk and credit risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short-term flexibility is achieved by the use of an overdraft facility.

It is the directors' policy that all borrowings should match the life of the project that they are funding. As such, current borrowings are limited to the overdraft facility and to hire purchase agreements on large equipment over a period that matches the anticipated useful life of the equipment.

Interest rate risk

The Group finances its operations through a mixture of retained profit and bank borrowings. The Group's exposure to interest rate fluctuations on its borrowing is minimal due to the short-term nature of the borrowings. All hire purchase agreements are at a known fixed rate.

Credit risk

The Group's principal financial assets are trade debtors, which represent its principal credit risk.

In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the credit control department and our credit insurance company on a regular basis in conjunction with debt ageing and collection history.

Key performance indicators

The main Key Performance Indicators used in 2016 were:

1. Financial Indicators:
 - a. Gross profit by project
 - b. Total group net profit
 - c. Gross profit by type of project
 - d. Overheads as a percentage of turnover
2. Non-Financial Indicators:
 - a. Reportable injuries per 100,000 hours worked
 - b. Results against Target 100 Safety Awards (each site is judged against an advanced range of safety criteria)
 - c. Concrete and rebar usage v turnover (to control wastage and over-stocking)
 - d. Staff turnover by role
 - e. Non-chargeable time analysis

The Directors and key management team review these key performance indicators on a weekly, monthly or quarterly basis as considered appropriate and take action where necessary to address any performance issues identified. During the year ended 31 May 2016 there were no significant variances against budget on key performance indicators.

SAINT FORTCHERN LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2016

Other information and explanations

Strategy to achieve objectives

The Board meets on the first Monday of every month to review the direction and compliance of the Group. The agenda for this meeting is controlled to ensure we remain focused on the strategy in hand. Our Strategy is communicated via our Senior Management AGM and our quarterly Associate Directors Meetings.

Future plans

In August 2014 we established a wholly owned subsidiary providing Demolition Services. O'Keefe Demolition Limited, in its first year of trading, has secured £6m of forward turnover.

In 2017 we will begin to see the fruits of our in-house on-line induction system that we have been developing over the past 18 months.

We aim to control growth in the next period and concentrate on improvements to our bottom line by keeping our core values close to everything we do. Those core values are:

1. Excellent Health and Safety
2. Best in class Quality
3. Programme certainty
4. Sustainable profitability

On behalf of the board

P J O'Keefe
Director
20 February 2017

SAINT FORTCHERN LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MAY 2016

The director presents his annual report and financial statements for the year ended 31 May 2016.

Principal activities

The principal activity of the group continued to be that of civil engineering, encompassing groundwork, basements, structural refurbishments, external works, soil remediation, stabilisation and demolition of buildings.

The principal activity of the company continued to be that of holding company.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

P J O'Keefe

Results and dividends

The results for the year are set out on page 9.

Ordinary dividends were paid amounting to £95,455 (2015 - £100,000). The director does not recommend payment of a further dividend.

Research and development

The group continues to invest in research and development to improve its market position and sustain future growth. Expenditure is written off as incurred to the profit and loss account.

Auditor

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Strategic report

Information is not shown within the Directors' Report as it is instead included within the Strategic Report on pages 1 to 4 under S414c(11).

Statement of disclosure to auditor

So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the company's auditor is aware of that information.

SAINT FORTCHERN LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2016

Going concern

The group's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives, details of its financial instruments, and its exposure to credit, liquidity and interest rate risk are described in the Strategic Report on pages 1 to 4.

After making enquiries, the director has a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

On behalf of the board

.....
P J O'Keefe

Director

20 February 2017

SAINT FORTCHERN LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MAY 2016

The director is responsible for preparing the Strategic Report, Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAINT FORTCHERN LIMITED

Opinion on financial statements

We have audited the group and parent company financial statements (the "financial statements") on pages 9 to 33. 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 FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 May 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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.

Respective responsibilities of director and auditor

As more fully explained in the Director's Responsibilities Statement set out on page 7, the director is 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 (APB's) Ethical Standards for Auditors.

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.

RSM UK Audit LLP

Richard Coates (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor

Chartered Accountants

STC House

7 Elmfield Road

Bromley

Kent, BR1 1LT

22 February 2017

SAINT FORTCHERN LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MAY 2016

	Notes	2016 £	2015 £
Turnover	3	73,184,524	58,935,925
Cost of sales		(67,625,436)	(53,115,763)
Gross profit		5,559,088	5,820,162
Administrative expenses		(4,968,212)	(4,440,168)
Other operating income		35,000	38,239
Operating profit	4	625,876	1,418,233
Interest receivable and similar income	8	4,171	961
Interest payable and similar charges	9	(75,019)	(30,122)
Profit before taxation		555,028	1,389,072
Taxation	10	1,686,479	46,638
Profit for the financial year	26	2,241,507	1,435,710

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

SAINT FORTCHERN LIMITED**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 31 MAY 2016**

	Notes	2016 £	£	2015 £	£
Fixed assets					
Goodwill	12	623,387		831,184	
Tangible assets	13	5,352,101		4,496,795	
		<u>5,975,488</u>		<u>5,327,979</u>	
Current assets					
Stocks	16	24,174		24,174	
Debtors	17	17,940,556		11,305,549	
Cash at bank and in hand		1,438,020		5,036,448	
		<u>19,402,750</u>		<u>16,366,171</u>	
Creditors: amounts falling due within one year	18	(14,656,717)		(13,092,203)	
Net current assets		<u>4,746,033</u>		<u>3,273,968</u>	
Total assets less current liabilities		<u>10,721,521</u>		<u>8,601,947</u>	
Creditors: amounts falling due after more than one year	19	(1,975,591)		(1,964,874)	
Provisions for liabilities	23	(132,491)		(169,686)	
Net assets		<u>8,613,439</u>		<u>6,467,387</u>	
Capital and reserves					
Called up share capital	25	9,232		9,232	
Share premium account	26	4,671,255		4,671,255	
Revaluation reserve	26	100,000		100,000	
Profit and loss reserves	26	3,832,952		1,686,900	
Total equity		<u>8,613,439</u>		<u>6,467,387</u>	

The financial statements were approved and signed by the director and authorised for issue on 20 February 2017

.....
P J O'Keefe
Director

SAINT FORTCHERN LIMITED**COMPANY STATEMENT OF FINANCIAL POSITION****AS AT 31 MAY 2016**

	Notes	2016 £	£	2015 £	£
Fixed assets					
Investments	14		7,070,125		7,070,125
Current assets			-		-
Creditors: amounts falling due within one year	18		299,638		299,638
Net current liabilities			(299,638)		(299,638)
Total assets less current liabilities			6,770,487		6,770,487
Creditors: amounts falling due after more than one year	19		(1,320,000)		(1,370,000)
Net assets			5,450,487		5,400,487
Capital and reserves					
Called up share capital	25		9,232		9,232
Share premium account	26		4,671,255		4,671,255
Profit and loss reserves	26		770,000		720,000
Total equity			5,450,487		5,400,487

The financial statements were approved and signed by the director and authorised for issue on 20 February 2017

.....
P J O'Keefe
Director

SAINT FORTCHERN LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2016

	Notes	Share capital £	Share premium account £	Revaluation reserve £	Profit and loss reserves £	Total £
Balance at 1 June 2014		9,232	4,671,255	100,000	351,190	5,131,677
Year ended 31 May 2015:						
Profit and total comprehensive income for the year		-	-	-	1,435,710	1,435,710
Dividends	11	-	-	-	(100,000)	(100,000)
Balance at 31 May 2015		9,232	4,671,255	100,000	1,686,900	6,467,387
Year ended 31 May 2016:						
Profit and total comprehensive income for the year		-	-	-	2,241,507	2,241,507
Dividends	11	-	-	-	(95,455)	(95,455)
Balance at 31 May 2016		9,232	4,671,255	100,000	3,832,952	8,613,439

SAINT FORTCHERN LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2016

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 June 2014		9,232	4,671,255	220,000	4,900,487
Year ended 31 May 2015:					
Profit and total comprehensive income for the year		-	-	600,000	600,000
Dividends	11	-	-	(100,000)	(100,000)
Balance at 31 May 2015		9,232	4,671,255	720,000	5,400,487
Year ended 31 May 2016:					
Profit and total comprehensive income for the year		-	-	145,455	145,455
Dividends	11	-	-	(95,455)	(95,455)
Balance at 31 May 2016		9,232	4,671,255	770,000	5,450,487

SAINT FORTCHERN LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MAY 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	27		(3,068,179)		5,131,237
Interest paid			(75,019)		(30,122)
Income taxes refunded/(paid)			1,854,305		(71,928)
Net cash (outflow)/inflow from operating activities			(1,288,893)		5,029,187
Investing activities					
Purchase of tangible fixed assets		(1,028,358)		(1,057,024)	
Proceeds on disposal of tangible fixed assets		379,896		67,102	
Proceeds from other investments and loans		22,734		(20,000)	
Interest received		4,171		961	
Net cash used in investing activities			(621,557)		(1,008,961)
Financing activities					
Repayment of debentures		(50,000)		(500,000)	
Payment of finance lease obligations		(1,023,857)		451,928	
Dividends paid to equity shareholders		(95,455)		(100,000)	
Net cash used in financing activities			(1,169,312)		(148,072)
Net (decrease)/increase in cash and cash equivalents			(3,079,762)		3,872,154
Cash and cash equivalents at beginning of year			4,517,782		645,628
Cash and cash equivalents at end of year			1,438,020		4,517,782
Relating to:					
Cash at bank and in hand			1,438,020		5,036,448
Bank overdrafts included in creditors payable within one year			-		(518,666)

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2016

1 Accounting policies

Company information

Saint Fortchern Limited is a company limited by shares incorporated in England and Wales. The registered office is St Andrew's House, 1 Dreadnought Street, Greenwich, London, SE10 0PU.

The group consists of Saint Fortchern Limited and all of its subsidiaries.

The company's and the group's principal activities are disclosed in the Director's Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These group and company financial statements for the year ended 31 May 2016 are the first financial statements of Saint Fortchern Limited and the group prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The group and company financial statements for the year ended 31 May 2015 were prepared in accordance with previous UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Adjustments are recognised directly in equity at the transition date and are detailed in note 32.

The company has taken advantage of the following qualifying entity disclosure exemptions:

- The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d).
- The requirements of Section 11 paragraphs 11.39 to 11.48A and Section 12 paragraphs 12.26 to 12.29A providing the equivalent disclosures required by this FRS are included in the consolidated financial statements of the group in which the entity is consolidated.
- The requirement of Section 33 Related Party Disclosures paragraph 33.7.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's profit for the year was £145,455 (2015 - £600,000 profit).

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2016

1 Accounting policies (Continued)

Basis of consolidation

The consolidated financial statements incorporate those of Saint Fortchern Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All financial statements are made up to 31 May 2016. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Going concern

After making reasonable enquiries, the director considers that the company and the group have adequate resources to continue operations for the foreseeable future, and therefore these financial statements have been prepared on a going concern basis.

Turnover

Turnover represents the invoiced value (excluding trade discounts and VAT) for contract work or agreed surveyors' valuation, reflecting contract activity during the year and represents the proportion of total contract value which costs incurred to date bear to total expected contract costs.

Other income represents rental income, this is recognised over the period to which it relates.

The attributable profit on long term contracts is only recognised once their outcome can be assessed with reasonable certainty. The profit recognised reflects the proportion of work completed to date on the project. Amounts recoverable on contracts are stated at surveyors' valuation less provision for anticipated losses and deduction of applicable payments on account. Full provision is made for losses on contracts in the year which the loss is first foreseen.

Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 10 years.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land freehold	Not depreciated
Land and buildings Short Leasehold	over the term of the lease
Plant and equipment	between 10% and 33%
Fixtures, fittings and equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2016

1 Accounting policies (Continued)

Fixed asset investments

In the separate accounts of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Where the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as expenses in the period in which they are incurred and contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable.

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2016

1 Accounting policies (Continued)

The "percentage of completion method" is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented as stocks, prepayments or other assets depending on their nature, and provided it is probable they will be recovered.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2016

1 Accounting policies (Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, debenture loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the group are recorded at the fair value of the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2016

1 Accounting policies (Continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income and expenses from subsidiaries, associates, branches and interests in jointly controlled entities, that will be assessed to or allow for tax in a future period except where the group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2016

1 Accounting policies (Continued)

Research and development

Development expenditure is carried forward when its future recoverability can be foreseen with reasonable assurance. It is amortised in line with sales from the related product. All research and other development costs are written off as incurred.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The key areas of accounting estimation relates to revenue recognition and long-term contracts whose policies are disclosed above.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2016 £	2015 £
Turnover analysed by class of business		
Sale of services	73,184,524	58,935,925
	<u> </u>	<u> </u>
Other revenue		
Interest income	4,171	961
	<u> </u>	<u> </u>
Turnover analysed by geographical market		
	2016 £	2015 £
United Kingdom	73,184,524	58,935,925
	<u> </u>	<u> </u>

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2016

4 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	698,821	629,747
Depreciation of tangible fixed assets held under finance leases	603,599	143,917
Profit on disposal of tangible fixed assets	(198,372)	(13,320)
Amortisation of intangible assets	207,797	207,797
Cost of stocks recognised as an expense	56,428,581	43,998,790
Operating lease charges	216,832	201,424
	<u> </u>	<u> </u>

5 Auditor's remuneration

	2016 £	2015 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	3,600	3,500
Audit of the company's subsidiaries	28,900	26,250
	<u> </u>	<u> </u>
	32,500	29,750
	<u> </u>	<u> </u>
For other services		
Taxation compliance services	8,500	4,250
All other non-audit services	3,500	3,500
	<u> </u>	<u> </u>
	12,000	7,750
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including directors) employed during the year was:

	2016 Number	2015 Number
Site labour	148	163
Administrative staff	58	53
	<u> </u>	<u> </u>
	206	216
	<u> </u>	<u> </u>

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2016

6 Employees (Continued)

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	10,512,910	8,887,987
Social security costs	1,013,758	953,207
Pension costs	360,186	330,314
	<u>11,886,854</u>	<u>10,171,508</u>

7 Director's remuneration

	2016 £	2015 £
Remuneration for qualifying services	<u>77,548</u>	<u>87,420</u>

8 Interest receivable and similar income

	2016 £	2015 £
Interest income		
Interest on bank deposits	1,187	961
Other interest income	2,984	-
Total income	<u>4,171</u>	<u>961</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>1,187</u>	<u>961</u>
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9 Interest payable and similar charges

	2016 £	2015 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	3,335	2,782
Other finance costs:		
Interest on finance leases and hire purchase contracts	71,684	27,202
Other interest	-	138
Total finance costs	<u>75,019</u>	<u>30,122</u>

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2016

10 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	109,048	317,457
Adjustments in respect of prior periods	(1,758,332)	(397,791)
Total current tax	<u>(1,649,284)</u>	<u>(80,334)</u>
Deferred tax		
Origination and reversal of timing differences	<u>(37,195)</u>	<u>33,696</u>
Total tax credit	<u>(1,686,479)</u>	<u>(46,638)</u>

The total tax credit for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2016 £	2015 £
Profit before taxation	<u>555,028</u>	<u>1,389,072</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.83%)	111,006	289,344
Tax effect of expenses that are not deductible in determining taxable profit	70,794	71,124
Adjustments in respect of prior years	(1,758,332)	(397,791)
Group relief	-	(3,118)
Permanent capital allowances in excess of depreciation	-	(18,783)
Timing differences	(14,721)	12,866
Marginal relief	-	(406)
Other tax adjustments	(95,226)	126
Taxation for the year	<u>(1,686,479)</u>	<u>(46,638)</u>

11 Dividends

	2016 £	2015 £
Interim paid	<u>95,455</u>	<u>100,000</u>

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2016

12 Intangible fixed assets

Group	Goodwill £
Cost	
At 1 June 2015 and 31 May 2016	2,077,965
Amortisation and impairment	
At 1 June 2015	1,246,781
Amortisation charged for the year	207,797
At 31 May 2016	1,454,578
Carrying amount	
At 31 May 2016	623,387
At 31 May 2015	831,184

The company had no intangible fixed assets at 31 May 2016 or 31 May 2015.

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2016

13 Tangible fixed assets

Group	Land freehold	Land and buildings Short Leasehold	Assets under construction	Plant and equipment	Fixtures, fittings and equipment	Total
	£	£	£	£	£	£
Cost						
At 1 June 2015	1,500,000	131,388	-	8,851,104	114,746	10,597,238
Additions	-	-	237,663	2,101,587	-	2,339,250
Disposals	-	-	-	(919,818)	-	(919,818)
At 31 May 2016	1,500,000	131,388	237,663	10,032,873	114,746	12,016,670
Depreciation and impairment						
At 1 June 2015	-	131,388	-	5,854,309	114,746	6,100,443
Depreciation charged in the year	-	-	-	1,302,420	-	1,302,420
Eliminated in respect of disposals	-	-	-	(738,294)	-	(738,294)
At 31 May 2016	-	131,388	-	6,418,435	114,746	6,664,569
Carrying amount						
At 31 May 2016	1,500,000	-	237,663	3,614,438	-	5,352,101
At 31 May 2015	1,500,000	-	-	2,996,795	-	4,496,795

The company had no tangible fixed assets assets at 31 May 2016 or 31 May 2015.

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2016

13 Tangible fixed assets (Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases:

	Group 2016 £	2015 £	Company 2016 £	2015 £
Plant and equipment	2,320,203	1,584,198	-	-
Depreciation charge for the year in respect of leased assets	603,599	143,917	-	-

14 Fixed asset investments

	Notes	Group 2016 £	2015 £	Company 2016 £	2015 £
Investments in subsidiaries	15	-	-	7,070,125	7,070,125

Movements in fixed asset investments Company

	Shares in group undertakings £
Cost or valuation At 1 June 2015 and 31 May 2016	7,070,125
Carrying amount At 31 May 2016	7,070,125
At 31 May 2015	7,070,125

15 Subsidiaries

Details of the company's subsidiaries at 31 May 2016 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held Direct
O'Keefe Construction (Greenwich) Limited	Construction	Ordinary	100.00
O'Keefe Demolition Limited	Demolition	Ordinary	100.00

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2016

16 Stocks

	Group 2016 £	2015 £	Company 2016 £	2015 £
Raw materials and consumables	24,174	24,174	-	-

17 Debtors

	Group 2016 £	2015 £	Company 2016 £	2015 £
Amounts falling due within one year:				
Trade debtors	12,357,630	9,815,936	-	-
Corporation tax recoverable	-	117,478	-	-
Other debtors	4,305,086	1,139,452	-	-
Prepayments and accrued income	1,277,840	232,683	-	-
	17,940,556	11,305,549	-	-

18 Creditors: amounts falling due within one year

	Notes	Group 2016 £	2015 £	Company 2016 £	2015 £
Bank loans and overdrafts	21	-	518,666	-	-
Obligations under finance leases	22	882,066	655,748	-	-
Trade creditors		10,827,696	8,282,177	-	-
Gross amounts due to contract customers		574,993	866,898	-	-
Amounts due to group undertakings		-	-	279,638	279,638
Corporation tax payable		109,048	21,505	-	-
Other taxation and social security		583,869	641,568	-	-
Other creditors		246,773	202,680	20,000	20,000
Accruals and deferred income		1,432,272	1,902,961	-	-
		14,656,717	13,092,203	299,638	299,638

19 Creditors: amounts falling due after more than one year

	Notes	Group 2016 £	2015 £	Company 2016 £	2015 £
Debenture loans	21	1,320,000	1,370,000	1,320,000	1,370,000
Obligations under finance leases	22	655,591	594,874	-	-
		1,975,591	1,964,874	1,320,000	1,370,000

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2016

20 Financial instruments

	Group 2016 £	2015 £	Company 2016 £	2015 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	15,180,054	9,874,812	-	-
Carrying amount of financial liabilities				
Measured at amortised cost	14,401,734	13,143,382	1,619,638	1,669,638

21 Borrowings

	Group 2016 £	2015 £	Company 2016 £	2015 £
Debenture loans	1,320,000	1,370,000	1,320,000	1,370,000
Bank overdrafts	-	518,666	-	-
	1,320,000	1,888,666	1,320,000	1,370,000
Payable within one year	-	518,666	-	-
Payable after one year	1,320,000	1,370,000	1,320,000	1,370,000

Bank overdrafts are secured by a fixed and floating charge over the assets of the group.

The debenture loans are interest free, unsecured and are due for repayment by 1 November 2019. In the intervening period repayments must be made to such minimum amount as is equal to 55% of the cash dividends distributed to the company by its subsidiary, O'Keefe Construction (Greenwich) Limited. The group agreed with the debenture holder that the arrangement would be waived for the year ended 31 May 2016.

22 Finance lease obligations

	Group 2016 £	2015 £	Company 2016 £	2015 £
Future minimum lease payments due under finance leases:				
Less than one year	882,066	655,748	-	-
Between one and five years	655,591	594,874	-	-
	1,537,657	1,250,622	-	-

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2016

22 Finance lease obligations (Continued)

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Amounts due under hire purchase agreements are secured on the assets to which they relate.

23 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2016 £	Liabilities 2015 £
Group		
Accelerated capital allowances	147,884	183,227
Tax losses	(15,393)	(13,541)
	<u>132,491</u>	<u>169,686</u>

The company has no deferred tax assets or liabilities.

	Group 2016 £	Company 2016 £
Movements in the year:		
Liability at 1 June 2015	169,686	-
Charge to profit or loss	(37,195)	-
Liability at 31 May 2016	<u>132,491</u>	<u>-</u>

24 Retirement benefit schemes

	2016 £	2015 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>360,186</u>	<u>330,314</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2016

25 Share capital

	Group and company	
	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
9,232 Ordinary shares of £1 each	9,232	9,232

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

26 Reserves

Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

Revaluation reserve

The cumulative revaluation gains and losses in respect of land and buildings, except revaluation gains and losses recognised in the profit or loss.

Profit and loss reserves

Cumulative profit and loss net of distribution to owners.

27 Cash generated from group operations

	2016	2015
	£	£
Profit for the year after tax	2,241,507	1,435,710
Adjustments for:		
Taxation credited	(1,686,479)	(46,638)
Finance costs	75,019	30,122
Investment income	(4,171)	(961)
Gain on disposal of tangible fixed assets	(198,372)	(13,320)
Amortisation and impairment of intangible assets	207,797	207,797
Depreciation and impairment of tangible fixed assets	1,302,420	773,664
Movements in working capital:		
(Increase) in stocks	-	(1,500)
(Increase) in debtors	(6,775,219)	(963,287)
Increase in creditors	1,769,319	3,709,650
Cash (absorbed by)/generated from operations	(3,068,179)	5,131,237

28 Financial commitments, guarantees and contingent liabilities

The group has provided guarantees to Braven Limited, a company which P J O'Keefe has a common interest, over fixed and variable loans totaling £647,266 (2015: £700,000), providing a charge over the assets of the company.

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2016

29 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2016 £	2015 £	Company 2016 £	2015 £
Within one year	156,294	44,407	-	-
Between one and five years	171,029	35,493	-	-
	<u>327,323</u>	<u>79,900</u>	<u>-</u>	<u>-</u>

The group also have commitments for lease of land and buildings not included in the above. The annual commitment is £90,000 (2015: £90,000) and has no expiry date.

30 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group 2016 £	2015 £	Company 2016 £	2015 £
Contracted for but not provided in the financial statements:				
Acquisition of property, plant and equipment	<u>1,575,000</u>	<u>191,123</u>	<u>-</u>	<u>-</u>

31 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel of the group, who are also directors of the parent or of its subsidiary, is as follows.

	2016 £	2015 £
Aggregate compensation	<u>460,780</u>	<u>393,730</u>

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2016

31 Related party transactions (Continued)

The group rents its leasehold premises at St Andrew's House at £75,000 (2015: £75,000) per annum from O'Keefe Construction (Greenwich) Limited (Scheme 3) Retirement Benefit Scheme, a pension fund of which P J O'Keefe is a member.

During the year the group provided services to, and paid expenses on behalf of O'Keefe Utilities Limited, a company controlled by P J O'Keefe. As at 31 May 2016 the balance due from O'Keefe Utilities Limited was £1,339,103 (2015: £20,384) which is included within other debtors.

During the year the group provided a loan of £Nil (2015: £Nil) to Braven Limited, a company controlled by P J O'Keefe. £Nil (2015: £60,000) was repaid during the year. As at 31 May 2016 the balance due from Braven Limited was £34,215 (2015: £34,215) which is included in other debtors. The group also has accrued income with Braven Limited which was outstanding at the year end and totalled £475,326 (2015: £Nil) which is included in debtors.

Dividends totalling £95,455 (2015: £100,000) were paid in the year in respect of shares held by the company's director.

32 Reconciliations on adoption of FRS 102

Reconciliation of equity - group

	Notes	1 June 2014 £	31 May 2015 £
Equity as reported under previous UK GAAP		5,031,677	6,467,387
Adjustments arising from transition to FRS 102:			
Revaluation of tangible assets	a)	100,000	-
Equity reported under FRS 102		<u>5,131,677</u>	<u>6,467,387</u>

Reconciliation of profit/ (loss) - group

	2015 £
Profit/ (loss) as reported under previous UK GAAP and under FRS 102	<u>1,435,710</u>

Notes to reconciliations on adoption of FRS 102 - group

a) Revaluation of tangible assets

Under previous UK GAAP the group had a policy of revaluing freehold land. On transition to FRS 102 the group as elected to use the previous revaluation of land as the deemed cost for that asset. There is no effect on the balance sheet on transition.

There were no transitional adjustments impacting Saint Fortchern Limited individual entity.