
SAINT FORTCHERN LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 NOVEMBER 2021

SAINT FORTCHERN LIMITED

COMPANY INFORMATION

Directors	P J O'Keefe R E O'Keefe
Company secretary	M L Lessey
Registered number	06855708
Registered office	Cricketts Farm Business Park Borough Green Road Ightham Nr. Sevenoaks Kent TN15 9JB
Independent auditors	Barnes Roffe LLP Chartered Accountants & Statutory Auditor Charles Lake House Claire Causeway Crossways Business Park Dartford Kent DA2 6QA

SAINT FORTCHERN LIMITED

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**GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 30 NOVEMBER 2021**

Introduction

The directors present their strategic report for the period ended 30 November 2021.

Business review

The current period trade has been enormously challenging and post year end the group has ceased trading with the properties and plant of the Saint Fortchern Group being purchased by O'Keefe Construction (Byrne Group) Limited as per note 2.3 ensuring continuity for our many clients and employees.

Principal risks and uncertainties

Health and Safety

Health & Safety is at the forefront of everything we do at 'O'Keefe'. The Directors continue to ensure Health & Safety is the first item of every meeting agenda and warrant that all Managers do the same, both when talking internally or to our clients.

Following the implementation of our Health and Safety Hazards Reporting App assisting to create a Hazard Aware Culture and is further development with the implementation of QR codes and a live Business Information dash board, we are pleased to report that at 31st May 2020, we have reported over 15,000 Hazards which may have led to an incident or accident. These Hazards have allowed us to monitor Hazard Trends, which in turn allow us to focus on areas of training and improvement.

As stated, our aim is to become "Best in Class" at what we do and being the safest is part of that plan. Our safetymoments@okeefe.co.uk distribution list, allows us to share our Health & Safety experiences, and ensures we pass our internal knowledge base across all the Teams we are working with.

Market Conditions

The construction industry challenges faced in the previous years have only worsened leading to a post year end cessation of trade.

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. Training has been a real challenge at the end of the financial year due to COVID restrictions but we remain committed to our "O'Keefe Baccalaureate" which offers a continued pathway of upskilling those members of our Team who wish to progress with their personal development at our Company.

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 30 NOVEMBER 2021**

Key performance indicators

The main Key Performance Indicators used to the period end 2021 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 in line with O'Keefe Vision:
 - a. Reportable injuries per 100,000 hours worked
 - b. Hazards reported
 - c. Concrete and rebar usage vs turnover (to control waste and over-stocking)
 - d. Staff turnover by role
 - e. Non-chargeable time analysis

The Directors and Senior Management Team review these Key Performance Indicators on a weekly, monthly or quarterly basis, as considered appropriate, and act where necessary to address any performance issues identified. There have been significant deviations from budget during the period.

Market value of land and buildings

The Directors are of the opinion that there is no material difference between the market value of the group's interest in land and the amount at which it is shown in the financial statements. This opinion is supported by a full valuation conducted by Glenny LLP Chartered Surveyors & Property Consultants.

Strategy to achieve objectives

The Board of 'O'Keefe' meets on the first Wednesday of every month to review the direction and compliance of the company. 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. Monthly Board meetings have been reinforced with twice weekly meetings every Tuesday and Thursday embracing technology.

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 30 NOVEMBER 2021

Directors' statement of compliance with duty to promote the success of the Group

The directors are well aware of their duty under s.172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the group for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

- the likely consequences of any decision in the long term
- the interests of the group's employees
- the need to foster the group's business relationships with suppliers, customers and others
- the impact of the group's operations on the community and the environment
- the desirability of the group maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the group, (the "s.172(1) Matters").

Induction materials provided on appointment include an explanation of directors' duties, and the board is regularly reminded of the s.172(1) matters. The key matters that are consistently prevalent in the decision-making process include:

- ensuring corporate governance policies are adhered to
- long term objectives of the group
- setting the right culture at board level and throughout the group, and
- maximising the key performance metrics of the group

The above is to ensure the success of the group is at the forefront of all decision-making process.

This report was approved by the board and signed on its behalf.

P J O'Keefe
Director

Date: 28 February 2023

DIRECTORS' REPORT
FOR THE PERIOD ENDED 30 NOVEMBER 2021

The directors present their report and the financial statements for the period ended 30 November 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments 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 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the period, after taxation, amounted to £9,523,415 (2020 - £1,397,112).

Ordinary dividends were paid amounting to £Nil (2020: £nil).

Directors

The directors who served during the period were:

P J O'Keefe
R E O'Keefe

SAINT FORTCHERN LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 30 NOVEMBER 2021**

Future developments and post balance sheet events

The group has ceased trading post year end with the properties and plant of the Saint Fortchern Group being purchased by O'Keefe Construction (Byrne Group) Limited as per note 2.3 ensuring continuity for our many clients and employees.

Greenhouse gas emissions, energy consumption and energy efficiency action

The Group's greenhouse gas emissions and energy consumption for the period have not been calculated.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the Group's auditors are aware of that information.

Auditors

The auditors, Barnes Roffe LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

P J O'Keefe

Director

Date: 28 February 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAINT FORTCHERN LIMITED

We were engaged to audit the financial statements of Saint Fortchern Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 30 November 2021, which comprise the group Statement of comprehensive income, the group and company Balance sheets, the group Statement of cash flows, the group and company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

We do not express an opinion on the accompanying financial statements of the company. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

We were unable to obtain sufficient and appropriate audit evidence relating to the subsidiary companies of Saint Fortchern Limited as they have since ceased trading. As a result of this, we were unable to determine the accuracy of the consolidated position affecting the group Statement of comprehensive income, the group Balance sheet, the group Statement of cash flows, the group Statement of changes in equity and the related notes.

Opinion on other matters prescribed by the Companies Act 2006

Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have been unable to form an opinion whether, based on the work undertaken in the course of the audit, that:

- Information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Notwithstanding our disclaimer of an opinion on the financial statements, in light of the knowledge and understanding of the group and its environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified material misstatements in the strategic report or the directors' report except for the lack of information on carbon reporting requirement.

Arising from the limitation of our audit work referred to above:

- We have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- We were unable to determine whether adequate accounting records have been kept for the subsidiary companies of Saint Fortchern Limited. This did not extend to the individual accounting records of Saint Fortchern Limited.

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

- Returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out within the Director's report on pages 4 - 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAINT FORTCHERN LIMITED

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

Auditors responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the group's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report.

However, because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent to the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Use of our report

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 Auditors' 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.

28 February 2023

Mario Ciantanni (Senior statutory auditor)

for and on behalf of

Barnes Roffe LLP

Chartered Accountants

Statutory Auditor

Charles Lake House

Claire Causeway

Crossways Business Park

Dartford

Kent

DA2 6QA

Date: 28 February 2023

SAINT FORTCHERN LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 NOVEMBER 2021

		18 months ended 30 November 2021 £	12 months ended 31 May 2020 £
	Note		
Turnover		79,133,607	61,138,389
Cost of sales		(82,443,362)	(55,939,806)
Gross (loss)/profit		(3,309,755)	5,198,583
Administrative expenses		(6,653,735)	(7,252,417)
Other operating income	5	714,652	373,167
Operating loss		(9,248,838)	(1,680,667)
Interest receivable and similar income		324	11,194
Interest payable and expenses		(274,901)	(146,500)
Loss before taxation		(9,523,415)	(1,815,973)
Tax on loss	12	-	418,861
Loss for the financial period		(9,523,415)	(1,397,112)
(Loss) for the period attributable to:			
Owners of the parent company		(9,523,415)	(1,397,112)
		<u>(9,523,415)</u>	<u>(1,397,112)</u>

There were no recognised gains and losses for 2021 or 2020 other than those included in the consolidated statement of comprehensive income.

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 15 to 35 form part of these financial statements.

SAINT FORTCHERN LIMITED
REGISTERED NUMBER: 06855708

CONSOLIDATED BALANCE SHEET
AS AT 30 NOVEMBER 2021

	Note	30 November 2021 £	31 May 2020 £
Fixed assets			
Tangible assets	14	7,312,092	7,456,678
Current assets			
Stocks	16	99,532	196,559
Debtors: amounts falling due after more than one year	17	-	5,023,012
Debtors: amounts falling due within one year	17	15,831,381	14,780,319
Cash at bank and in hand	18	289,041	1,992,398
		<u>16,219,954</u>	<u>21,992,288</u>
Creditors: amounts falling due within one year	19	<u>(22,089,682)</u>	<u>(18,052,332)</u>
Net current (liabilities)/assets		(5,869,728)	3,939,956
Total assets less current liabilities		1,442,364	11,396,634
Creditors: amounts falling due after more than one year	20	(490,736)	(921,591)
Provisions for liabilities			
Deferred taxation	22	(52,960)	(52,960)
Net assets		<u>898,668</u>	<u>10,422,083</u>
Capital and reserves			
Called up share capital	23	9,232	9,232
Share premium account		4,671,255	4,671,255
Revaluation reserve		100,000	100,000
Profit and loss account		(3,881,819)	5,641,596
		<u>898,668</u>	<u>10,422,083</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

P J O'Keefe
Director

R E O'Keefe
Director

Date: 28 February 2023

The notes on pages 15 to 35 form part of these financial statements.

SAINT FORTCHERN LIMITED
REGISTERED NUMBER: 06855708

COMPANY BALANCE SHEET
AS AT 30 NOVEMBER 2021

	Note	30 November 2021 £	31 May 2020 £
Fixed assets			
Tangible assets	14	1,703,250	1,648,743
Investments	15	-	7,070,125
		<u>1,703,250</u>	<u>8,718,868</u>
Current assets			
Debtors: amounts falling due within one year	17	-	78,058
		<u>-</u>	<u>78,058</u>
Creditors: amounts falling due within one year	19	(2,057,696)	(2,057,696)
		<u>(2,057,696)</u>	<u>(1,979,638)</u>
Net current liabilities		<u>(2,057,696)</u>	<u>(1,979,638)</u>
Total assets less current liabilities		<u>(354,446)</u>	<u>6,739,230</u>
Net (liabilities)/assets		<u><u>(354,446)</u></u>	<u><u>6,739,230</u></u>
Capital and reserves			
Called up share capital	23	9,232	9,232
Share premium account		4,671,255	4,671,255
Profit and loss account		(5,034,933)	2,058,743
		<u>(354,446)</u>	<u>6,739,230</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

P J O'Keefe
Director

R E O'Keefe
Director

Date: 28 February 2023

The notes on pages 15 to 35 form part of these financial statements.

SAINT FORTCHERN LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 NOVEMBER 2021

	Called up share capital	Share premium account	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 June 2020	9,232	4,671,255	100,000	5,641,596	10,422,083
Loss for the period	-	-	-	(9,523,415)	(9,523,415)
At 30 November 2021	9,232	4,671,255	100,000	(3,881,819)	898,668

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MAY 2020

	Called up share capital	Share premium account	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 June 2019	9,232	4,671,255	100,000	7,038,708	11,819,195
Loss for the year	-	-	-	(1,397,112)	(1,397,112)
At 31 May 2020	9,232	4,671,255	100,000	5,641,596	10,422,083

The notes on pages 15 to 35 form part of these financial statements.

SAINT FORTCHERN LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 NOVEMBER 2021

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 June 2020	9,232	4,671,255	2,058,743	6,739,230
Loss for the period	-	-	(7,093,676)	(7,093,676)
At 30 November 2021	9,232	4,671,255	(5,034,933)	(354,446)

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MAY 2020

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 June 2019	9,232	4,671,255	2,074,444	6,754,931
Loss for the year	-	-	(15,701)	(15,701)
At 31 May 2020	9,232	4,671,255	2,058,743	6,739,230

The notes on pages 15 to 35 form part of these financial statements.

SAINT FORTCHERN LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

	18 months ended 30 November 2021 £	12 months ended 31 May 2020 £
Cash flows from operating activities		
Loss for the financial period	(9,523,415)	(1,397,112)
Adjustments for:		
Depreciation of tangible assets	1,545,225	1,385,183
(Profit)/Loss on disposal of tangible assets	(271,060)	264,912
Interest paid	274,901	146,500
Interest received	(324)	(11,194)
Taxation charge	-	(418,861)
Decrease/(increase) in stocks	97,027	(5,254)
Decrease in debtors	4,038,693	593,248
Increase in creditors	3,367,045	402,840
Corporation tax (paid)	(1,144,134)	(1,765)
Net cash generated from operating activities	(1,616,042)	958,497
Cash flows from investing activities		
Purchase of tangible fixed assets	(1,400,608)	(161,795)
Sale of tangible fixed assets	271,060	555,400
Interest received	324	11,194
HP interest paid	(138,925)	(61,135)
Net cash from investing activities	(1,268,149)	343,664

SAINT FORTCHERN LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE PERIOD ENDED 30 NOVEMBER 2021

	30 November 2021 £	31 May 2020 £
Cash flows from financing activities		
New secured loans	3,000,000	-
(Repayment of)/New finance leases	(683,190)	(1,278,908)
Interest paid	(135,976)	(85,365)
Net cash used in financing activities	2,180,834	(1,364,273)
Net (decrease) in cash and cash equivalents	(703,357)	(62,112)
Cash and cash equivalents at beginning of period	(1,507,602)	(1,445,490)
Cash and cash equivalents at the end of period	(2,210,959)	(1,507,602)
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	289,041	1,992,398
Bank overdrafts	(2,500,000)	(3,500,000)
	(2,210,959)	(1,507,602)

The notes on pages 15 to 35 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021**

1. General information

Saint Fortchern Limited is a private company limited by shares, and is incorporated in England and Wales. The registered office is Cricketts Farm, Borough Green Road, Ightham, Sevenoaks TN15 9JB.

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.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 June 2016.

2.3 Going concern

On 9 June 2022 a deal to rescue the group by Byrne Group fell through due to tough trading conditions and historic potential liabilities. Instead post year end with the properties and plant of the Saint Fortchern Group being purchased by O'Keefe Construction (Byrne Group) Limited as per note 2.3 ensuring continuity for our many clients and employees. The directors have subsequent to the year end provided further significant funding to ensure the company can continue to trade on a stand alone basis and as a going concern.

As such the group has ceased to trade post year end. The directors are not aware of any material difference between the carrying value of the assets and the going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021**

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Operating leases: the Group as lessor

Rental income from operating leases is credited to profit or loss on a straight line basis over the lease term.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

2.6 Operating leases: the Group as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Leased assets: the Group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

2. Accounting policies (continued)

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated statement of comprehensive income in the same period as the related expenditure.

2.9 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.10 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.12 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

2. Accounting policies (continued)

2.13 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.14 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

2. Accounting policies (continued)

2.15 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- not depreciated
Long-term leasehold property	- over the term of the lease
Plant and machinery	- between 10% and 33% straight line
Fixtures and fittings	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.16 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.17 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.18 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

2. Accounting policies (continued)

2.19 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.20 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.21 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.

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.

2.22 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

2. Accounting policies (continued)

2.23 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.24 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are 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.

4. Turnover

An analysis of turnover by class of business is as follows:

	18 months ended 30 November 2021 £	12 months ended 31 May 2020 £
Services rendered	<u>79,133,607</u>	<u>61,138,389</u>

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

5. Other operating income

	18 months ended 30 November 2021 £	12 months ended 31 May 2020 £
Rent receivable	298,175	123,206
Government grants receivable	416,477	249,961
	<u>714,652</u>	<u>373,167</u>

6. Operating loss

The operating loss is stated after charging:

	18 months ended 30 November 2021 £	12 months ended 31 May 2020 £
Other operating lease rentals	<u>568,951</u>	<u>29,000</u>

7. Auditors' remuneration

During the period, the Group obtained the following services from the company's auditors and their associates:

	18 months ended 30 November 2021 £	12 months ended 31 May 2020 £
Fees payable to the company's auditors and their associates for the audit of the consolidated and parent company's financial statements	24,400	24,650
Fees payable to the company's auditors and their associates in respect of:		
All other services	<u>3,300</u>	<u>3,300</u>

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 30 November 2021 £	<i>Group</i> <i>31 May</i> <i>2020</i> <i>£</i>	Company 30 November 2021 £	<i>Company</i> <i>31 May</i> <i>2020</i> <i>£</i>
Wages and salaries	11,515,928	8,601,429	-	-
Cost of defined contribution scheme	465,156	415,317	-	-
	<u>11,981,084</u>	<u>9,016,746</u>	<u>-</u>	<u>-</u>

The average monthly number of employees, including the directors, during the period was as follows:

	Group 18 months ended 30 November 2021 No.	<i>Group</i> <i>12 months</i> <i>ended</i> <i>31 May</i> <i>2020</i> <i>No.</i>	Company 18 months ended 30 November 2021 No.	<i>Company</i> <i>12 months</i> <i>ended</i> <i>31 May</i> <i>2020</i> <i>No.</i>
Employee	<u>152</u>	<u>178</u>	<u>2</u>	<u>2</u>

9. Directors' remuneration

During the period retirement benefits were accruing to 1 director (2020 - 1) in respect of defined contribution pension schemes.

10. Interest receivable

	18 months ended 30 November 2021 £	<i>12 months</i> <i>ended</i> <i>31 May</i> <i>2020</i> <i>£</i>
Other interest receivable	<u>324</u>	<u>11,194</u>

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

11. Interest payable and similar expenses

	18 months ended 30 November 2021 £	12 months ended 31 May 2020 £
Bank interest payable	131,641	85,175
Other loan interest payable	4,335	190
Finance leases and hire purchase contracts	138,925	61,135
	<u>274,901</u>	<u>146,500</u>

12. Taxation

	18 months ended 30 November 2021 £	12 months ended 31 May 2020 £
Corporation tax		
Current tax on profits for the year	-	(173,770)
Adjustments in respect of previous periods	-	(150,005)
Total current tax	<u>-</u>	<u>(323,775)</u>
Deferred tax		
Origination and reversal of timing differences	-	(95,086)
Taxation on profit/(loss) on ordinary activities	<u>-</u>	<u>(418,861)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

12. Taxation (continued)

Factors affecting tax charge for the period/year

The tax assessed for the period/year is higher than/lower than the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	18 months ended 30 November 2021 £	12 months ended 31 May 2020 £
Loss on ordinary activities before tax	<u>(9,523,415)</u>	<u>(1,815,973)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(1,809,449)	(345,035)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	72,934
Capital allowances for period/year in excess of depreciation	-	134,763
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	-	(258,757)
Unrelieved tax losses carried forward	1,809,449	72,320
Deferred taxation	-	(95,086)
Total tax charge for the period/year	<u>-</u>	<u>(418,861)</u>

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

13. Intangible assets

Group and Company

	Goodwill £
Cost	
At 1 June 2020	2,077,965
At 30 November 2021	2,077,965
Amortisation	
At 1 June 2020	2,077,965
At 30 November 2021	2,077,965
Net book value	
At 30 November 2021	-
At 31 May 2020	-

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

14. Tangible fixed assets

Group

	Land freehold £	Long-term leasehold property £	Short-term leasehold property £	Plant and machinery £	Assets under construction £
Cost or valuation					
At 1 June 2020	1,500,000	1,680,000	266,547	9,753,168	257,734
Additions	-	78,058	-	1,279,493	-
Disposals	-	-	-	(751,999)	-
At 30 November 2021	1,500,000	1,758,058	266,547	10,280,662	257,734
Depreciation					
At 1 June 2020	-	31,257	131,388	5,996,613	-
Charge for the period on owned assets	-	23,551	-	168,074	-
Charge for the period on financed assets	-	-	-	1,279,100	-
Disposals	-	-	-	(751,999)	-
At 30 November 2021	-	54,808	131,388	6,691,788	-
Net book value					
At 30 November 2021	<u>1,500,000</u>	<u>1,703,250</u>	<u>135,159</u>	<u>3,588,874</u>	<u>257,734</u>
At 31 May 2020	<u>1,500,000</u>	<u>1,648,743</u>	<u>135,159</u>	<u>3,756,555</u>	<u>257,734</u>

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

14. Tangible fixed assets (continued)

	Fixtures, fittings and equipment £	Total £
Cost or valuation		
At 1 June 2020	291,109	13,748,558
Additions	43,057	1,400,608
Disposals	-	(751,999)
At 30 November 2021	334,166	14,397,167
Depreciation		
At 1 June 2020	132,622	6,291,880
Charge for the period on owned assets	74,469	266,094
Charge for the period on financed assets	-	1,279,100
Disposals	-	(751,999)
At 30 November 2021	207,091	7,085,075
Net book value		
At 30 November 2021	127,075	7,312,092
At 31 May 2020	158,487	7,456,678

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	30 November 2021 £	31 May 2020 £
Plant and machinery	3,387,305	4,229,994

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

14. Tangible fixed assets (continued)

Company

	Long-term leasehold property £
Cost or valuation	
At 1 June 2020	1,680,000
Additions	78,058
At 30 November 2021	1,758,058
Depreciation	
At 1 June 2020	31,257
Charge for the period on owned assets	23,551
At 30 November 2021	54,808
Net book value	
At 30 November 2021	<u>1,703,250</u>
<i>At 31 May 2020</i>	<u>1,648,743</u>

15. Fixed asset investments

Group

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 June 2020	7,070,125
At 30 November 2021	7,070,125
Impairment	
Charge for the period	7,070,125
At 30 November 2021	7,070,125

The following companies were 100% subsidiaries of Saint Fortchern Limited incorporated in England and Wales that have been fully impaired at the year end:

- 1) O'Keefe Construction (Greenwich) Limited
- 2) O'Keefe Construction (Kent) Limited - Indirect
- 3) O'Keefe Construction (London) Limited - Indirect
- 4) O'Keefe Demolition Limited - Indirect
- 5) O'Keefe Plant Limited - Indirect

16. Stocks

	Group 30 November 2021 £	Group 31 May 2020 £
Raw materials and consumables	99,532	196,559

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

17. Debtors

	Group 30 November 2021 £	<i>Group</i> <i>31 May</i> <i>2020</i> £	Company 30 November 2021 £	<i>Company</i> <i>31 May</i> <i>2020</i> £
Due after more than one year				
Other debtors	-	5,023,012	-	-
	<u>-</u>	<u>5,023,012</u>	<u>-</u>	<u>-</u>
	Group 30 November 2021 £	<i>Group</i> <i>31 May</i> <i>2020</i> £	Company 30 November 2021 £	<i>Company</i> <i>31 May</i> <i>2020</i> £
Due within one year				
Trade debtors	4,223,426	10,443,416	-	-
Other debtors	4,100,402	2,956,268	-	78,058
Prepayments and accrued income	7,507,553	1,380,635	-	-
	<u>15,831,381</u>	<u>14,780,319</u>	<u>-</u>	<u>78,058</u>

18. Cash and cash equivalents

	Group 30 November 2021 £	<i>Group</i> <i>31 May</i> <i>2020</i> £
Cash at bank and in hand	289,041	1,992,398
Less: bank overdrafts	(2,500,000)	(3,500,000)
	<u>(2,210,959)</u>	<u>(1,507,602)</u>

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

19. Creditors: Amounts falling due within one year

	Group 30 November 2021 £	Group 31 May 2020 £	Company 30 November 2021 £	Company 31 May 2020 £
Bank overdrafts	2,500,000	3,500,000	-	-
Bank loans	3,000,000	-	-	-
Payments received on account	586,874	649,273	-	-
Trade creditors	6,737,756	7,649,366	-	-
Amounts owed to group undertakings	-	-	2,057,696	2,057,696
Other taxation and social security	3,323,496	920,705	-	-
Obligations under finance lease and hire purchase contracts	873,142	1,125,477	-	-
Other creditors	3,537,054	1,508,478	-	-
Accruals and deferred income	1,531,360	2,699,033	-	-
	<u>22,089,682</u>	<u>18,052,332</u>	<u>2,057,696</u>	<u>2,057,696</u>

Bank overdrafts are secured by way of a first legal charge over freehold property owned by the group.

20. Creditors: Amounts falling due after more than one year

	Group 30 November 2021 £	Group 31 May 2020 £
Net obligations under finance leases and hire purchase contracts	<u>490,736</u>	<u>921,591</u>

Net obligations under hire purchase contracts due within and after one year are secured over the assets to which they relate.

SAINT FORTCHERN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

21. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 30 November 2021 £	Group 31 May 2020 £
Within one year	873,142	1,125,477
Between 1-5 years	490,736	921,591
	<u>1,363,878</u>	<u>2,047,068</u>

22. Deferred taxation

Group

	2021 £	2020 £
At beginning of year	(52,960)	(148,046)
(Credited)/Charged to profit or loss	-	95,086
At end of year	<u>(52,960)</u>	<u>(52,960)</u>

The provision for deferred taxation is made up as follows:

	Group 30 November 2021 £	Group 31 May 2020 £
Accelerated capital allowances	<u>52,960</u>	<u>52,960</u>

23. Share capital

	30 November 2021 £	31 May 2020 £
Allotted, called up and fully paid		
9,232 (2020 - 9,232) Ordinary share shares of £1 each	<u>9,232</u>	<u>9,232</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021

24. Financial commitments, guarantees and contingent liabilities

A guarantee dated 15 June 2016 in respect of the borrowings of Braven Limited, a company under common control, in favour of Santander UK Plc, is secured over the assets of O'Keefe Construction (Greenwich) Limited. The directors consider the possibility of the group having to make any payment under the terms of the guarantee to be remote, and no provision is required. The maximum exposure to the group is £6,693,992 (2020: £6,693,992) at the balance sheet date.

25. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £465,156 (2020 - £415,317). Contributions totalling £107,855 (2020 - £143,473) were payable to the fund at the balance sheet date and are included in other creditors.

26. Commitments under operating leases

At 30 November 2021 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 30 November 2021 £	<i>Group 31 May 2020 £</i>
Not later than 1 year	45,510	88,142
Later than 1 year and not later than 5 years	7,971	6,865
	<u>53,481</u>	<u>95,007</u>

27. Transactions with directors

During the year the group made an interest free loan to a director. At 31 November 2021 £nil (2020: £19,166) remained outstanding and is included within debtors.

28. Related party transactions

During the prior 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 November 2021 the balance due from O'Keefe Utilities Limited was £nil (2020 : £1,434,362) which is included within debtors.

As at 31 November 2021 the balance due from Braven Limited, a company controlled by P J O'Keefe , was £592,658 (2020: £ 5,893,200) which is included in other debtors.

SAINT FORTCHERN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2021**

29. Controlling party

The ultimate controlling party is considered to be P J O'Keefe by virtue of his majority shareholding in the company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.