

REGISTERED NUMBER: 09307607

Group Strategic Report, Report of the Directors and
Consolidated Financial Statements for the Year Ended 30 April 2017
for
OCU Group Limited

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OCU Group Limited (Registered number: 09307607)

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for the Year Ended 30 April 2017

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OCU Group Limited

Company Information
for the Year Ended 30 April 2017

DIRECTORS:

T G O'Connor
T J O'Connor
Mrs S O'Connor
Mrs C O'Connor

REGISTERED OFFICE:

202 Northolt Road
South Harrow
Middlesex
HA2 0EX

REGISTERED NUMBER:

09307607

AUDITORS:

Kingston Smith LLP
The Shipping Building
The Old Vinyl Factory
Blyth Road
Hayes
London
UB3 1HA

Group Strategic Report
for the Year Ended 30 April 2017

The directors present their strategic report of the company and the group for the year ended 30 April 2017.

This strategic report has been prepared in compliance with Section 414C of the Companies Act 2006 for the purpose of informing the members and helping them assess how the directors have performed their duty under Section 172 of the Companies Act 2006 to promote the success of the group.

Principal activities and review of the business

The principal activity of the group continued to be that of cable installation and ancillary services.

Risk management

The group's strategy is to follow an appropriate risk policy, which effectively manages exposures related to the achievement of business objectives. The key risks which management face are detailed as follows:

Business performance risk

Business performance risk is the risk that the group may not perform as expected either due to internal factors or due to competitive pressures in the markets in which they operate. The risk is managed through a number of measures: authorisation of forward purchases requirements; ensuring the appropriate management team is in place; budget and business planning; monthly reporting and variance analysis; financial controls; key performance indicators; and regular forecasting, in conjunction with an internal compliance function.

Business continuity risk

While there is a reliance on physical infrastructure, the group operates out of a number of depots which helps the group to minimise the business continuity risk. The group ensures that there is sufficient IT support available should an unforeseen event occur. Management are continually implementing and reviewing business continuity and IT disaster recovery plans to ensure any increase in risk arising from future activities is managed.

Health and safety risk

The group is committed to ensuring a safe working environment. These risks are managed by the group through strong promotion of health and safety culture and well defined health and safety policies, facilitated by the employment of a health and safety professional.

Liquidity risk

Available cash headroom is monitored by management on a daily basis and regular discussions take place with the group's bankers as a way of managing the group's liquidity risk. Stock and trade debtor levels are monitored periodically by the board of directors.

Credit risk

Credit risk arises principally on third party revenues. Group policy is aimed at minimising such risk, and requires that deferred terms are granted to customers who demonstrate an appropriate payment history and satisfy creditworthiness procedures. Individual exposures are monitored with customers subject to credit limits to ensure the group's exposure to bad debts is not significant.

Price risk

The group is exposed to materials and associated costs fluctuation price risk on projects.

Management development risk

Long-term growth of the business depends on the group's ability to retain and attract personnel of high quality. The risk is managed through development plans which are regularly reviewed and updated. These are accompanied by specific policies in areas such as training, management development and performance management.

Financial and business control

Strong financial and business controls are necessary to ensure the integrity and reliability of financial and other information on which the group relies for day-to-day operations, external reporting and for long term planning. The group exercises financial and business control through a combination of qualified and experienced financial personnel; performance analysis; budgeting and cash flow forecasting; and clearly defined approval limits, supported by integrated and proven systems.

OCU Group Limited (Registered number: 09307607)

Group Strategic Report
for the Year Ended 30 April 2017

Social, ethical and environmental risk

Due to the group's nature and size no significant social, ethical or environmental risks have been identified by management.

Future developments

The group continues to grow at a planned rate and will continue to develop new contracts in the foreseeable future.

Review of business

The directors were pleased with the results for the year, which are detailed on page 8. The directors are optimistic about the long-term prospects for continued growth of the company.

Financial Performance

The directors have determined that the following financial key performance indicators (KPI) are the most effective measure of progress towards achieving the group's objectives:

KPI's

	30 April 2017	30 April 2016
Turnover	118,947,710	74,581,500
Gross Profit	19,739,098	12,407,066
Profit Before Tax	8,561,674	5,738,868

The group has performed well during the year with the gross profit margin remaining steady and in line with the previous year at 16.59% (2016: 16.64%) and the net profit margin remaining steady and in line with the previous year at 7.20% (2016: 7.69%), in trading activities.

Earnings before interest, taxation, depreciation and amortisation (EBITDA) amounted to £11,923,121 (2016: £8,863,727).

ON BEHALF OF THE BOARD:


.....
T G O'Connor - Director

Date: 26-01-18

OCU Group Limited (Registered number: 09307607)

Report of the Directors
for the Year Ended 30 April 2017

The directors present their report with the financial statements of the company and the group for the year ended 30 April 2017.

Under CA2006 s414C(11), the information relating to future developments and risk management are included in the strategic report.

DIVIDENDS

No dividends will be distributed for the year ended 30 April 2017.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2016 to the date of this report.

T G O'Connor
T J O'Connor
Mrs S O'Connor
Mrs C O'Connor

RESULTS AND DIVIDENDS

The results for the year are set out on page 8.

No dividends were paid in the year.

DISABLED PERSONS

It has been the policy of the group throughout the year to encourage the employment and development of disabled employees. No unnecessary limitations are placed on the type of work which disabled persons can perform and the policy ensures that in appropriate cases consideration is given to modifications to equipment or premises and to adjustments in working practices. The policy provides that full and fair consideration will be given to disabled applicants for employment and that existing employees who become disabled will have the opportunity to retrain and continue in employment.

EMPLOYEE INVOLVEMENT

Information is conveyed to employees by means of briefings or by way of statements posted on notice boards throughout the group.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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 company will continue in business.

OCU Group Limited (Registered number: 09307607)

Report of the Directors
for the Year Ended 30 April 2017

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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

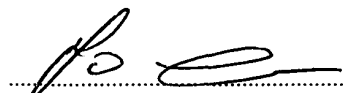
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

Kingston Smith LLP were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, and a resolution proposing they be reappointed will be put to a general meeting.

ON BEHALF OF THE BOARD:


.....
T.G O'Connor - Director

Date: 26-01-18.....

Independent Auditors' Report to the Members of
OCU Group Limited

We have audited the financial statements of OCU Group Limited for the year ended 30 April 2017 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cashflows and the related notes. 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and the company's members as a body, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities Statement set out on pages four and five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 April 2017 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Independent Auditors' Report to the Members of
OCU Group Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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

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

Kingston Smith LLP

Mahmood Ramji (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP, *Statutory Auditor*
The Shipping Building
The Old Vinyl Factory
Blyth Road
Hayes
London
UB3 1HA

Date: *30 January 2018*

OCU Group Limited (Registered number: 09307607)

Consolidated Statement of Comprehensive Income
for the Year Ended 30 April 2017

		30.4.17	30.4.16 as restated
	Notes	£	£
TURNOVER	3	118,947,710	74,581,500
Cost of sales		99,208,612	62,174,434
GROSS PROFIT		19,739,098	12,407,066
Administrative expenses		11,001,134	6,774,050
		8,737,964	5,633,016
Other operating income	4	123,343	110,252
Gain/loss on revaluation of investments		-	351,902
OPERATING PROFIT	6	8,861,307	6,095,170
Interest receivable and similar income	7	5,786	7,821
		8,867,093	6,102,991
Interest payable and similar expenses	8	305,419	364,123
PROFIT BEFORE TAXATION		8,561,674	5,738,868
Tax on profit	9	1,878,136	1,233,408
PROFIT FOR THE FINANCIAL YEAR		6,683,538	4,505,460
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		6,683,538	4,505,460
Profit attributable to: Owners of the parent		6,683,538	4,505,460
Total comprehensive income attributable to: Owners of the parent		6,683,538	4,505,460

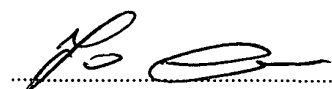
The notes form part of these financial statements

OCU Group Limited (Registered number: 09307607)

Consolidated Balance Sheet
30 April 2017

		30.4.17		30.4.16 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	12		18,741,095		15,820,258
Investments	13		-		-
Investment property	14		2,200,000		2,200,000
			<u>20,941,095</u>		<u>18,020,258</u>
CURRENT ASSETS					
Stocks	15	49,000		49,000	
Debtors	16	33,354,113		24,582,622	
Cash at bank and in hand		<u>9,905,501</u>		<u>5,725,273</u>	
			43,308,614		30,356,895
CREDITORS					
Amounts falling due within one year	17	<u>24,534,415</u>		<u>16,315,324</u>	
NET CURRENT ASSETS			<u>18,774,199</u>		<u>14,041,571</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>39,715,294</u>		<u>32,061,829</u>
CREDITORS					
Amounts falling due after more than one year	18		(6,283,229)		(5,366,585)
PROVISIONS FOR LIABILITIES	22		<u>(96,867)</u>		<u>(43,584)</u>
NET ASSETS			<u><u>33,335,198</u></u>		<u><u>26,651,660</u></u>
CAPITAL AND RESERVES					
Called up share capital	23		100,000		100,000
Revaluation reserve			351,902		351,902
Retained earnings			<u>32,883,296</u>		<u>26,199,758</u>
SHAREHOLDERS' FUNDS			<u><u>33,335,198</u></u>		<u><u>26,651,660</u></u>

The financial statements were approved by the Board of Directors on 26-01-18 and were signed on its behalf by:


.....
T G O'Connor - Director

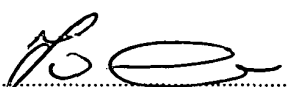
The notes form part of these financial statements

OCU Group Limited (Registered number: 09307607)

Company Balance Sheet
30 April 2017

		30.4.17	30.4.16 as restated
	Notes	£	£
FIXED ASSETS			
Tangible assets	12	-	-
Investments	13	250,300	250,300
Investment property	14	-	-
		<u>250,300</u>	<u>250,300</u>
CURRENT ASSETS			
Cash at bank		1,000	1,000
CREDITORS			
Amounts falling due within one year	17	<u>151,300</u>	<u>151,300</u>
NET CURRENT LIABILITIES		<u>(150,300)</u>	<u>(150,300)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>100,000</u>	<u>100,000</u>
CAPITAL AND RESERVES			
Called up share capital	23	<u>100,000</u>	<u>100,000</u>
SHAREHOLDERS' FUNDS		<u>100,000</u>	<u>100,000</u>
Company's profit for the financial year		<u>-</u>	<u>-</u>

The financial statements were approved by the Board of Directors on 26-01-18 and were signed on its behalf by:


.....
T G O'Connor - Director

The notes form part of these financial statements

OCU Group Limited

Consolidated Statement of Changes in Equity
for the Year Ended 30 April 2017

	Called up share capital	Retained earnings	Revaluation reserve	Total equity
	£	£	£	£
Balance at 1 May 2015	100,000	22,046,200	-	22,146,200
Changes in Equity				
Total comprehensive income	-	4,153,558	-	4,153,558
Balance at 30 April 2016 as previously stated	100,000	26,199,758	-	26,299,758
Prior year adjustment	-	351,902	-	351,902
Transfer unrealised gain to revaluation reserve	-	(351,902)	351,902	-
Balance at 30 April 2016 as restated	100,000	26,199,758	351,902	26,651,660
Changes in Equity				
Total comprehensive income	-	6,683,538	-	6,683,538
Balance at 30 April 2017	100,000	32,883,296	351,902	33,335,198

The notes form part of these financial statements

OCU Group Limited (Registered number: 09307607)

Company Statement of Changes in Equity
for the Year Ended 30 April 2017

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 May 2015	100	-	100
Changes in equity			
Issue of share capital	99,900	-	99,900
Balance at 30 April 2016	100,000	-	100,000
Changes in equity			
Balance at 30 April 2017	100,000	-	100,000

The notes form part of these financial statements

OCU Group Limited (Registered number: 09307607)

Consolidated Cash Flow Statement
for the Year Ended 30 April 2017

		30.4.17	30.4.16 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	11,667,207	9,365,016
Interest paid		(137,654)	(164,927)
Interest element of hire purchase payments paid		(167,765)	(199,196)
Tax paid		(1,400,348)	(1,882,702)
Net cash from operating activities		<u>9,961,440</u>	<u>7,118,191</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(894,133)	(3,961,179)
Sale of tangible fixed assets		629,558	3,388,967
Interest received		5,786	7,821
Net cash from investing activities		<u>(258,789)</u>	<u>(564,391)</u>
Cash flows from financing activities			
Loan repayments in year		(304,491)	(250,668)
Capital repayments in year		(4,302,585)	(2,877,377)
Amount introduced by directors		59,353	-
Net cash from financing activities		<u>(4,547,723)</u>	<u>(3,128,045)</u>
Increase in cash and cash equivalents		<u>5,154,928</u>	<u>3,425,755</u>
Cash and cash equivalents at beginning of year	2	<u>4,750,573</u>	<u>1,324,818</u>
Cash and cash equivalents at end of year	2	<u><u>9,905,501</u></u>	<u><u>4,750,573</u></u>

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the Year Ended 30 April 2017

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

	30.4.17	30.4.16 as restated
	£	£
Profit before taxation	8,561,674	5,738,868
Depreciation charges	3,061,814	2,768,558
Profit on disposal of fixed assets	(142,767)	(25,066)
Gain on revaluation of fixed assets	-	(351,902)
Finance costs	305,419	364,123
Finance income	(5,786)	(7,821)
	11,780,354	8,486,760
(Increase)/decrease in trade and other debtors	(8,771,491)	1,161,095
Increase/(decrease) in trade and other creditors	8,658,344	(282,839)
Cash generated from operations	11,667,207	9,365,016

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 April 2017

	30.4.17	1.5.16
	£	£
Cash and cash equivalents	9,905,501	5,725,273
Bank overdrafts	-	(974,700)
	9,905,501	4,750,573

Year ended 30 April 2016

	30.4.16 as restated	1.5.15
	£	£
Cash and cash equivalents	5,725,273	2,515,126
Bank overdrafts	(974,700)	(1,190,308)
	4,750,573	1,324,818

Notes to the Consolidated Financial Statements
for the Year Ended 30 April 2017

1. GROUP INFORMATION

OCU Group Limited is a private limited company limited by shares domiciled and incorporated in England and Wales. The registered office is 202 Northolt Road, South Harrow, Middlesex, HA2 0EX. The group consists of OCU Group Limited and its subsidiaries O'Connor Utilities Limited, Instalcom Limited, O'Connor Plant Limited, O'Connor HDD Limited and O'Connor Property Estates Limited.

2. ACCOUNTING POLICIES

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 group. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention modified by the recognition of investment property measured at fair value. The principal accounting policies adopted are set out below.

Basis of Consolidation

The consolidated financial statements incorporate those of OCU Group 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). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 30 April 2017 with the exception of Instalcom Limited which prepares financial statements up to 28 February 2017.

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.

Note that O'Connor HDD Limited and O'Connor Property Estates Limited were exempt from audit by virtue of Section 479A of Companies Act 2006.

Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom. Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received excluding VAT. Revenue is recognised by reference to the point at which services have been rendered.

Related party exemption

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

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2017

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Short leasehold	- 10% on cost
Plant and machinery	- 33% on reducing balance, 25% on reducing balance and 2% on cost
Fixtures and fittings	- 33% on reducing balance, 25% on reducing balance
Motor vehicles	- 25% on reducing balance

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, as is recognised in the profit and loss account.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets 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.

Hire purchase and leasing commitments

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

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

Pension costs and other post-retirement benefits

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

Fixed asset investments

In the separate accounts of the company, interests in subsidiaries are 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.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies so as to obtain benefits from its activities.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2017

2. ACCOUNTING POLICIES - continued

Loans and receivables

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

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.

Basic financial assets

Basic financial assets, which include trade and other receivables 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.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies are initially recognised at transaction price and subsequently are carried at amortised cost.

Equity instruments

Equity instruments issued by the group are recorded at 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 tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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 group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2017

2. **ACCOUNTING POLICIES - continued**

Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Leases

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.

Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

Critical accounting estimates and judgements

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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

In these financial statements the directors accounting estimates relate to revenue recognition, provisions for remedials, provisions for insurance claims, recoverability of debtors, useful economic life of tangible fixed assets and investment property valuation.

Prior year adjustments

There has been a prior year adjustment in the financial statements for the following;

A warehouse included in freehold properties has been transferred to investment property and re-valued to market value as it is rented out to a third party. Also a provision has been made for s455 tax on over-drawn directors' loan accounts.

3. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	30.4.17	30.4.16 as restated
	£	£
Rendering of Services	118,947,710	74,581,500
	<u>118,947,710</u>	<u>74,581,500</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2017

3. **TURNOVER - continued**

An analysis of turnover by geographical market is given below:

	30.4.17	30.4.16 as restated
	£	£
United Kingdom	118,947,710	74,581,500
	<u>118,947,710</u>	<u>74,581,500</u>

4. **OTHER OPERATING INCOME**

Minimum lease receipts fall due as follows;

	30.4.17	30.4.16
Between one and five years	<u>250,000</u>	<u>123,343</u>

5. **EMPLOYEES AND DIRECTORS**

	30.4.17	30.4.16 as restated
	£	£
Wages and salaries	5,695,934	3,694,681
Social security costs	486,074	340,304
Other pension costs	236,259	152,197
	<u>6,418,267</u>	<u>4,187,182</u>

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

	30.4.17	30.4.16 as restated
Directors	6	5
Management and office staff	161	99
Direct labour (excluding subcontractors)	17	26
	<u>184</u>	<u>130</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 2.

Directors' Emoluments

	2017	2016
Remuneration for qualifying services (including benefits)	<u>146,306</u>	<u>377,073</u>

Key Management Personnel

The key management personnel of the group comprises the directors of OCU Group Limited and its subsidiaries. The total amount of employee benefits received by key management personnel for their services to the company was £70,509 (2016: £100,887).

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2017

6. OPERATING PROFIT

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

	30.4.17	30.4.16 as restated
	£	£
Hire of plant and machinery	8,617,869	5,698,220
Depreciation - owned assets	1,489,786	1,765,683
Depreciation - assets on hire purchase contracts	1,572,028	1,002,874
Profit on disposal of fixed assets	(142,767)	(25,066)
Auditors' remuneration	40,500	23,500
Auditors' remuneration for non audit work	69,929	35,734
Exchange rate loss	(26,702)	(32,875)
	<u> </u>	<u> </u>

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	30.4.17	30.4.16 as restated
	£	£
Deposit account interest	<u>5,786</u>	<u>7,821</u>

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.4.17	30.4.16 as restated
	£	£
Bank loan interest	108,144	116,023
Interest charged	29,510	48,904
Hire purchase	<u>167,765</u>	<u>199,196</u>
	<u>305,419</u>	<u>364,123</u>

9. TAXATION

Analysis of the tax charge

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

	30.4.17	30.4.16 as restated
	£	£
Current tax:		
UK corporation tax	1,824,505	1,292,510
Tax - prior year	<u>348</u>	<u>-</u>
Total current tax	<u>1,824,853</u>	<u>1,292,510</u>
Deferred tax	<u>53,283</u>	<u>(59,102)</u>
Tax on profit	<u>1,878,136</u>	<u>1,233,408</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2017

9. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss

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

	30.4.17	30.4.16 as restated
	£	£
Profit before tax	8,561,674	5,738,868
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20%)	1,712,335	1,147,774
Effects of:		
Expenses not deductible for tax purposes	27,049	34,637
Income not taxable for tax purposes	(29,107)	(77,679)
Depreciation in excess of capital allowances	79,343	81,700
Adjustments to tax charge in respect of previous periods	348	(71,966)
Reduction in tax rate	(5,211)	1,898
Profit movement on consolidation	93,379	117,044
Total tax charge	1,878,136	1,233,408

10. **INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME**

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

11. **PRIOR YEAR ADJUSTMENT**

There has been a prior year adjustment in the financial statements which are explained in the accounting policies in note 2.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2017

12. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Short leasehold £	Plant and machinery £
COST			
At 1 May 2016	6,484,924	118,690	12,025,281
Additions	-	-	5,796,351
Disposals	-	-	(490,898)
At 30 April 2017	6,484,924	118,690	17,330,734
DEPRECIATION			
At 1 May 2016	571,271	118,690	3,736,971
Charge for year	168,111	-	2,647,710
Eliminated on disposal	-	-	(116,743)
At 30 April 2017	739,382	118,690	6,267,938
NET BOOK VALUE			
At 30 April 2017	5,745,542	-	11,062,796
At 30 April 2016	5,913,653	-	8,288,310

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 May 2016	2,129,812	433,745	21,192,452
Additions	451,574	221,517	6,469,442
Disposals	-	(162,033)	(652,931)
At 30 April 2017	2,581,386	493,229	27,008,963
DEPRECIATION			
At 1 May 2016	839,285	105,977	5,372,194
Charge for year	150,811	95,182	3,061,814
Eliminated on disposal	-	(49,397)	(166,140)
At 30 April 2017	990,096	151,762	8,267,868
NET BOOK VALUE			
At 30 April 2017	1,591,290	341,467	18,741,095
At 30 April 2016	1,290,527	327,768	15,820,258

Tangible fixed assets brought forward cost and subsequently net book value has been restated for a prior year adjustment as described in note 2, accounting policies, of these financial statements.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2017

12. TANGIBLE FIXED ASSETS - continued

Group

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

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 May 2016	4,999,427	-	200,078	5,199,505
Additions	5,224,328	193,215	157,766	5,575,309
Disposals	(12,840)	-	-	(12,840)
Transfer to ownership	(142,139)	-	(67,510)	(209,649)
At 30 April 2017	10,068,776	193,215	290,334	10,552,325
DEPRECIATION				
At 1 May 2016	1,337,994	-	48,420	1,386,414
Charge for year	1,472,376	48,304	51,348	1,572,028
Eliminated on disposal	(6,419)	-	-	(6,419)
Transfer to ownership	(57,366)	-	(24,911)	(82,277)
At 30 April 2017	2,746,585	48,304	74,857	2,869,746
NET BOOK VALUE				
At 30 April 2017	7,322,191	144,911	215,477	7,682,579
At 30 April 2016	3,661,433	-	151,658	3,813,091

13. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 May 2016 and 30 April 2017	250,300
NET BOOK VALUE	
At 30 April 2017	250,300
At 30 April 2016	250,300

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2017

13. **FIXED ASSET INVESTMENTS - continued**

Included within fixed asset investments are the following subsidiaries;

Name	Country of Incorporation	Nature of Business	Percentage Holding and Class of Share
O'Connor Utilities Limited	England	Cable installation and ancillary services	Ordinary 100%
Instalcom Limited	England	Cable installation and ancillary services	Ordinary 100%
O'Connor Plant Limited	England	Hire of plant & machinery	Ordinary 100%
O'Connor HDD Limited	England	Dormant	Ordinary 100%
O'Connor Property and Estates Limited	England	Dormant	Ordinary 100%

14. **INVESTMENT PROPERTY**

Group

	Total £
FAIR VALUE	
At 1 May 2016	
and 30 April 2017	2,200,000
NET BOOK VALUE	
At 30 April 2017	2,200,000
At 30 April 2016	2,200,000

Fair value at 30 April 2017 is represented by:

	£
Valuation in 2016	351,902
Cost	1,848,098
	2,200,000

The investment property was subject to an internal valuation carried out by the directors in the year ended 29 February 2016. The directors decided that the valuation was sufficient for the year ended 28 February 2017.

15. **STOCKS**

	Group	
	30.4.17	30.4.16 as restated
	£	£
Stocks	49,000	49,000

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2017

16. **DEBTORS**

	Group	
	30.4.17	30.4.16 as restated
	£	£
Amounts falling due within one year:		
Trade debtors	13,969,255	11,527,301
Other debtors	1,262,648	4,248,908
Prepayments and accrued income	16,714,298	7,879,422
	<u>31,946,201</u>	<u>23,655,631</u>
Amounts falling due after more than one year:		
Prepayments and accrued income	<u>1,407,912</u>	<u>926,991</u>
Aggregate amounts	<u>33,354,113</u>	<u>24,582,622</u>

17. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	30.4.17	30.4.16 as restated	30.4.17	30.4.16 as restated
	£	£	£	£
Bank loans and overdrafts (see note 19)	308,000	1,286,700	-	-
Hire purchase contracts (see note 20)	3,288,797	2,204,067	-	-
Trade creditors	9,003,592	4,569,339	-	-
Amounts owed to group undertakings	-	-	151,300	151,300
Tax	1,081,517	657,012	-	-
Social security and other taxes	1,588,872	1,276,574	-	-
Other creditors	1,966,010	1,251,595	-	-
Directors' current accounts	59,353	-	-	-
Accruals and deferred income	7,238,274	5,070,037	-	-
	<u>24,534,415</u>	<u>16,315,324</u>	<u>151,300</u>	<u>151,300</u>

18. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group	
	30.4.17	30.4.16 as restated
	£	£
Bank loans (see note 19)	3,409,608	3,710,099
Hire purchase contracts (see note 20)	2,873,621	1,656,486
	<u>6,283,229</u>	<u>5,366,585</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2017

19. **LOANS**

An analysis of the maturity of loans is given below:

	Group	
	30.4.17	30.4.16
	£	as restated £
Amounts falling due within one year or on demand:		
Bank overdrafts	-	974,700
Bank loans	308,000	312,000
	<u>308,000</u>	<u>1,286,700</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	3,409,608	3,710,099
	<u>3,409,608</u>	<u>3,710,099</u>

There is a first legal charge over the former UPS depot, Woolwich Road, Woolwich and Instalcom House, Rowley Lane, Borehamwood.

In addition there is a debenture over the business assets, an unlimited cross guarantee between Instalcom Limited and O'Connor Utilities Limited and Instalcom Limited has provided a guarantee on behalf of O'Connor Utilities Limited, limited to £1,762,500.

20. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	30.4.17	30.4.16
	£	as restated £
Net obligations repayable:		
Within one year	3,288,797	2,204,067
Between one and five years	2,873,621	1,656,486
	<u>6,162,418</u>	<u>3,860,553</u>

Group

	Non-cancellable operating leases	
	30.4.17	30.4.16
	£	as restated £
Between one and five years	183,402	254,103
	<u>183,402</u>	<u>254,103</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2017

21. FINANCIAL INSTRUMENTS

Categories of financial instrument

	30.04.17	30.04.16
	£	£
Financial Assets		
Loans and debtors	15,231,903	15,776,209
Financial liabilities		
Borrowings	9,880,026	8,857,352
Creditors	12,617,827	7,097,508

22. PROVISIONS FOR LIABILITIES

	Group	
	30.4.17	30.4.16 as restated
	£	£
Deferred tax	<u>96,867</u>	<u>43,584</u>
Group		
		Deferred tax
		£
Balance at 1 May 2016		43,584
Accelerated capital allowances		<u>53,283</u>
Balance at 30 April 2017		<u>96,867</u>

23. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.4.17	30.4.16 as restated
			£	£
100	Ordinary	1	<u>100,000</u>	<u>100,000</u>

24. PENSION COMMITMENTS

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

The charge to the profit and loss in respect of defined contribution schemes was £236,259 (2016: £152,197).

25. RELATED PARTY DISCLOSURES

During the year the company paid rent to T G O'Connor and T J O'Connor of £222,000 (2016: £222,000).

During the year the company paid rent to O'Connor Utilities Limited Retirement Benefits Scheme, the pension fund of T G O'Connor and T J O'Connor, of £125,000 (2016: £125,000).

Included within accrued income is an amount of £490,000 (2016: £490,000) owed from a partnership between T. G and T J O'Connor for work done but not yet invoiced on properties held by two of the directors.

Income of £549,732 (2016: £nil) in respect of services provided by the company to a partnership between the directors T G O'Connor and T J O'Connor was accrued into other debtors at the year end.

At the year end, directors who are shareholders were owed £59,353 by the group (2016: owed the group £3,386,814).

At the year end, included within debtors is a loan amount of £218,499 (2016: £718,499) due from a director of Instalcom Limited. During the year, advances of £nil (2016: £618,499) and repayments amounting to £500,000 (2016: £nil) were made against the loan. Interest is not chargeable on the loan.

26. ULTIMATE CONTROLLING PARTY

The ultimate controlling parties are the directors by virtue of their 100% beneficial ownership of the shares in the group's controlling parent company.