COMPANIES HOUSE

REGISTERED NUMBER: 10690670 (England and Wales)

# Group Strategic Report, Report of the Directors and Consolidated Financial Statements for the Period 25 March 2017 to 31 January 2018 for Cosmur Holdings Limited



## Contents of the Consolidated Financial Statements for the Period 25 March 2017 to 31 January 2018


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**Cosmur Holdings Limited**

**Company Information**
**for the Period 25 March 2017 to 31 January 2018**

| | |
|---|---|
| **DIRECTORS:** | P A Conway<br>T L Lane<br>S N Naeem |
| **SECRETARY:** | P A Conway |
| **REGISTERED OFFICE:** | 72 Salusbury Road<br>London<br>NW6 6NU |
| **REGISTERED NUMBER:** | 10690670 (England and Wales) |
| **AUDITORS:** | Ian S Anderson<br>Chartam House, 16 College Avenue,<br>Maidenhead,<br>Berkshire SL6 6AX<br><br>Cansdales<br>Bourbon Court, Nightingales Corner,<br>Little Chalfont,<br>Buckinghamshire HP7 9QS |

## Group Strategic Report
## for the Period 25 March 2017 to 31 January 2018

The directors present their strategic report for the period ended 31 January 2018.

The company was incorporated on 25 March 2017 as an investment holding company with the intention of acquiring the whole share capital of Cosmur Construction (London) Limited. This transaction occurred on 14 December 2017 which is the effective date for the commencement of trading of the group.

This Strategic Report is impacted by the above acquisition and reflects comments contained in the Strategic Report of Cosmur Construction (London) Limited for the year ended 31 January 2018, which is on public file at Companies House.

REVIEW OF BUSINESS

The marketplace for construction services remains very competitive. Whilst annual turnover of the acquired business had decreased in real terms this had the benefit of an improvement of 3% in gross margin and 22% in the percentage made for the profit before tax. Whilst competition for the new contract work is still fierce the new group has a buoyant order book and is seeking new work with a low risk profile where profit is easier to achieve.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors monitor all areas of the group's operations. In the opinion of the Board of Directors the principal risks and uncertainties are staff retention and skill shortages, allied to a lack of qualified management staff.

EMPLOYEES

Notwithstanding the comments above, the directors are seeking to grow the business and develop from the success and skills of its employees. Continuous improvement programmes have been developed within each department, and these have led to improved innovation and productivity. Where possible the group continues to promote from within. Investment in training continues to be a priority.

ENVIRONMENTAL AND HEALTH AND SAFETY

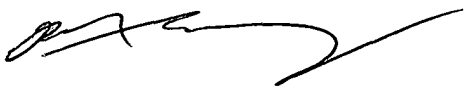
The group has all necessary industry and management accreditations, including accreditation under ISO 14001, environmental, and OHSAS 18001, health and safety standards. The group has an excellent health and safety record and Partner Member status under the Considerate Contractors' Scheme. That scheme is used to benchmark performance on all our construction sites.

KEY PERFORMANCE INDICATORS

We use KPIs to measure and improve our group performance across several areas of the business:

1. Training and employment: we monitor training hours per employee and achievement.
2. Health and Safety: we use our site safety visits to produce average performance figures per site.
3. Estimating: we look at percentages of tenders won (strike rate).
4. Financial: we look at productivity per employee and profit against turnover.
5. Performance: we look at actual project handover dates against original contract dates and the amount of defects notified.
6. Employee Satisfaction: We send out surveys annually to monitor employee satisfaction.
7. Market standing and share: we benchmark ourselves against our nearest competitors in relation to tendering opportunities and market reach.

**ON BEHALF OF THE BOARD:**



P A Conway - Director

25 October 2018

## Report of the Directors for the Period 25 March 2017 to 31 January 2018

The directors present their report with the financial statements of the company and the group for the period 25 March 2017 to 31 January 2018.

### INCORPORATION AND COMMENCEMENT OF TRADING

The company was incorporated on 25 March 2017 and commenced trading on 14 December 2017 when it acquired the whole of the share capital of Cosmur Construction (London) Limited.

### PRINCIPAL ACTIVITY

The principal activity of the group in the period under review was that of building and civil engineering contractors.

### REVIEW OF BUSINESS

The initial period of trading covered 48 days and included the Christmas shut down. A group loss for this short period after taxation arose of £52,869 on turnover of £2,356,982. The full year profit of the acquired Cosmur Construction (London) Limited group was £12,422 on turnover of £17,922,881.

The group balance sheet is strong with net assets in excess of £2.5 million. The company balance sheet has net assets in excess of £2.6 million. The Strategic Report reflects the directors' comments on the group's performance, including the impact of the group reorganisation in December 2017

### DIRECTORS

The directors who have held office during the period from 25 March 2017 to the date of this report are as follows:

P A Conway - appointed 25 March 2017
T L Lane - appointed 23 June 2017
S N Naeem - appointed 23 June 2017

### 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;

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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

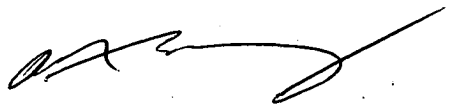
### AUDITORS

The Joint Auditors, Ian S Anderson and Cansdales, will be re-appointed under section 487(2) of the Companies Act 2006.

## Report of the Directors
## for the Period 25 March 2017 to 31 January 2018

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**



P A Conway - Director

25 October 2018

## Report of the Independent Auditors to the Members of Cosmur Holdings Limited

### Opinion

We have audited the financial statements of Cosmur Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 January 2018 which comprise the Consolidated Income Statement, Consolidated Balance Sheet, Company Balance Sheet and Notes to the Financial Statements, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 January 2018 and of the group's loss for the period 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.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Opinion on other matters 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.

**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 Group 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Group Strategic Report or in preparing the Report of the Directors.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**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 a Report of the Auditors 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.

Ian S Anderson BA FCA (Senior Statutory Auditor)
for and on behalf of

Ian S Anderson
Chartered Accountant & Statutory Auditor
Chartam House, 16 College Avenue,
Maidenhead, Berkshire SL6 6AX

Date: 25 October 2018

James Foskett BSc FCA (Senior Statutory Auditor)
for and on behalf of

Cansdales
Chartered Accountants & Statutory Auditors
Bourbon Court, Nightingales Corner,
Little Chalfont, Buckinghamshire HP7 9QS

Date: 25 October 2018

## Consolidated Income Statement
## for the Period 25 March 2017 to 31 January 2018

| | Notes | £ | £ |
|---|---|---|---|
| **TURNOVER** | 3 | | **2,356,982** |
| Cost of sales | | | **1,938,127** |
| **GROSS PROFIT** | | | **418,855** |
| Distribution costs | | **1,204** | |
| Administrative expenses | | **469,768** | |
| | | | **470,972** |
| | | | **(52,117)** |
| Other operating income | | | **21,653** |
| **OPERATING LOSS** | 5 | | **(30,464)** |
| Interest receivable and similar income | | | **177** |
| | | | **(30,287)** |
| Interest payable and similar expenses | | | **17,011** |
| **LOSS BEFORE TAXATION** | | | **(47,298)** |
| Tax on loss | 6 | | **5,571** |
| **LOSS FOR THE FINANCIAL PERIOD** | | | **(52,869)** |
| Loss attributable to: | | | |
| Owners of the parent | | | **(52,869)** |

The notes form part of these financial statements

## Consolidated Balance Sheet
## 31 January 2018

| | Notes | £ | £ |
|---|---|---|---|
| **FIXED ASSETS** | | | |
| Intangible assets | 9 | | **1,680,524** |
| Tangible assets | 10 | | **30,701** |
| Investments | 11 | | **-** |
| Investment property | 12 | | **2,735,000** |
| | | | **4,446,225** |
| **CURRENT ASSETS** | | | |
| Debtors | 13 | **4,850,765** | |
| Cash at bank | | **517,818** | |
| | | **5,368,583** | |
| **CREDITORS** | | | |
| Amounts falling due within one year | 14 | **5,825,403** | |
| **NET CURRENT LIABILITIES** | | | **(456,820)** |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | **3,989,405** |
| **CREDITORS** | | | |
| Amounts falling due after more than one year | 15 | | **(1,288,765)** |
| **PROVISIONS FOR LIABILITIES** | 18 | | **(166,147)** |
| **NET ASSETS** | | | **2,534,493** |
| **CAPITAL AND RESERVES** | | | |
| Called up share capital | | | **140,000** |
| Share premium | | | **2,477,029** |
| Retained earnings | | | **(82,536)** |
| **SHAREHOLDERS' FUNDS** | | | **2,534,493** |

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 25 October 2018 and were signed on its behalf by:

P A Conway - Director

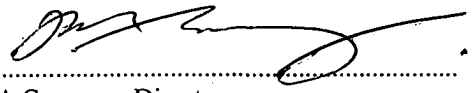
The notes form part of these financial statements

## Company Balance Sheet
## 31 January 2018

| | Notes | £ | £ |
|---|---|---|---|
| **FIXED ASSETS** | | | |
| Intangible assets | 9 | | - |
| Tangible assets | 10 | | - |
| Investments | 11 | | 3,874,115 |
| Investment property | 12 | | - |
| | | | 3,874,115 |
| **CURRENT ASSETS** | | | |
| Debtors | 13 | 143,925 | |
| Cash at bank | | 503,380 | |
| | | 647,305 | |
| **CREDITORS** | | | |
| Amounts falling due within one year | 14 | 601,144 | |
| **NET CURRENT ASSETS** | | | 46,161 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | 3,920,276 |
| **CREDITORS** | | | |
| Amounts falling due after more than one year | 15 | | 1,288,765 |
| **NET ASSETS** | | | 2,631,511 |
| **CAPITAL AND RESERVES** | | | |
| Called up share capital | | | 140,000 |
| Share premium | | | 2,477,029 |
| Retained earnings | | | 14,482 |
| **SHAREHOLDERS' FUNDS** | | | 2,631,511 |
| Company's profit for the financial year | | | 44,149 |

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 25 October 2018 and were signed on its behalf by:



P A Conway - Director

The notes form part of these financial statements

## Notes to the Consolidated Financial Statements for the Period 25 March 2017 to 31 January 2018

### 1. STATUTORY INFORMATION

Cosmur Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

### 2. ACCOUNTING POLICIES

**Basis of preparing the financial statements**
These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Sterling (£).

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

**Turnover**
Turnover represents the total invoice value of construction and related activities, including development property sales, carried out for third parties excluding value added tax, during the year.

**Goodwill**
Goodwill, being the amount paid in connection with the acquisition of a business in 2017, is being amortised evenly over its estimated useful life of ten years.

**Intangible assets**
Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**Tangible fixed assets**
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.
Plant and machinery etc - 25% on reducing balance

The group's only freehold property is held as an investment property.

**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.

In accordance with the relevant Financial Reporting Standard FRS102 no provision is made for depreciation. The directors consider that this accounting policy results in the financial statements giving a true and fair view. Depreciation is only one of many factors reflected in the annual valuation and the amount attributable to this factor cannot be separately identified or quantified.

In general, valuations are carried out at intervals of not more than five years by independent external valuers and in the intervening years by the directors.


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2. ACCOUNTING POLICIES - continued

**Financial instruments**
The Group only enters into basic financial instruments 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 non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.

**Taxation**
Taxation for the period comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Stocks**
Stock is generally charged to contracts and forms part of work in progress. Short term work in progress is valued on the basis of direct cost plus attributable overheads based on normal level of activity. Where contracts fulfil the criteria to be longer term, turnover reflects costs incurred plus the directors' best estimate of attributable profit, where foreseeable. Provision is made for any foreseeable losses where appropriate.

**Hire purchase and leasing commitments**
Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**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 in the period to which they relate.



continued...

## 2. ACCOUNTING POLICIES - continued

**Going concern**
The group's business activities are expected to continue as previously such that the group will continue to generate positive cash flows on its account for the foreseeable future. On the basis of enquiries made and their assessment of the group's financial position, the directors have a reasonable expectation that the company and the group will be able to continue in operational existence for the foreseeable future. Thus the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

**Rental income**
The group is primarily a building and civil engineering contractor, although rental income receivable may occur on a short term basis on any development properties in the period prior to sale and any longer term property held for investment purposes.

## 3. TURNOVER

The total turnover of the group for the year has been derived from its principal activities wholly undertaken in the UK.

## 4. EMPLOYEES AND DIRECTORS

The average number of employees during the period was 43.

## 5. OPERATING LOSS

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

| | £ |
|---|---|
| Hire of plant and machinery | 62,785 |
| Operating lease income | (21,653) |
| Depreciation - owned assets | 1,327 |
| Goodwill amortisation | 22,395 |
| Audit fees | 4,180 |
| Other services relating to taxation | 599 |
| Pension costs | 2,210 |
| Directors' remuneration | 22,108 |
| Bank Interest | 17,011 |



continued...

## 6. TAXATION

**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the profit for the period was as follows:

| | Period Ended 31.1.18 |
|---|---|
| | £ |
| Current tax | |
| UK corporation tax | 5,698 |
| Deferred tax | (127) |
| Tax on result | (5,571) |

UK corporation tax was charged at 19.16%.

## 7. INDIVIDUAL INCOME STATEMENT

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

## 8. DIVIDENDS

| | £ |
|---|---|
| Ordinary A Shares shares of 1.00 each | |
| Interim | 14,667 |
| Ordinary B shares shares of 1.00 each | |
| Interim | 15,000 |
| | 29,667 |

## 9. INTANGIBLE FIXED ASSETS

**Group**

| | Goodwill £ |
|---|---|
| **COST** | |
| Additions | 1,702,919 |
| At 31 January 2018 | 1,702,919 |
| **AMORTISATION** | |
| Charge for period | 22,395 |
| At 31 January 2018 | 22,395 |
| **NET BOOK VALUE** | |
| At 31 January 2018 | 1,680,524 |



continued...

## 9. INTANGIBLE FIXED ASSETS - continued

**Group**

The intangible fixed assets above represents goodwill on consolidation.

The goodwill arising on the acquisition of Cosmur Construction (London) Limited and its subsidiary Cosmur Developments Limited on 14 December 2017, is being amortised evenly over the directors' estimate of its useful life of 10 years.

## 10. TANGIBLE FIXED ASSETS

**Group**

| | Plant and machinery etc £ |
|---|---|
| **COST** | |
| Transfer to ownership | **296,242** |
| At 31 January 2018 | **296,242** |
| **DEPRECIATION** | |
| Charge for period | **1,327** |
| Transfer to ownership | **264,214** |
| At 31 January 2018 | **265,541** |
| **NET BOOK VALUE** | |
| At 31 January 2018 | **30,701** |

The above Transfers to Ownership represent the cost and accumulated depreciation of plant and machinery as at the date of acquisition of the subsidiary companies on 14 December 2017.

The company held no fixed assets in the period ended 31 January 2018.

## 11. FIXED ASSET INVESTMENTS

**Company**

| | Shares in group undertakings £ |
|---|---|
| **COST** | |
| Additions | **3,896,448** |
| Dividends received | **(22,333)** |
| At 31 January 2018 | **3,874,115** |
| **NET BOOK VALUE** | |
| At 31 January 2018 | **3,874,115** |



continued...

## 11. FIXED ASSET INVESTMENTS - continued

The investment of £3,874,115 represents the cost of all the shares in Cosmur Construction (London) Limited, which company was acquired on 14 December 2017, less the dividend received from preacquisition profits on 15 December 2017. The aggregate amount of capital and reserves at 31 January 2018 was £1,936,384. The principal activity of the company is that of building and civil engineering contractors. The subsidiary company itself owns all the shares in Cosmur Developments Limited, which had an aggregate amount of capital and reserves at 31 January 2018 of £161,754. The principal activity of that company is that of property developers, although the company was inactive throughout its accounting year. Both companies are registered in England and Wales.

## 12. INVESTMENT PROPERTY

**Group**

| | Total<br>£ |
|---|---|
| **FAIR VALUE** | |
| As Transferred to Ownership on 14 December 2017 and at 31 January 2018 | 2,735,000 |
| **NET BOOK VALUE** | |
| At 31 January 2018 | 2,735,000 |

The investment property was acquired by Cosmur Construction (London) Limited at original cost of £1,836,000. Aitchison Raffety Limited actioned a full valuation for the bank as at 1 June 2016. The market value at that date was £2,570,000 but this reflected a deduction for selling and related costs of £165,000. The directors considered that the value prior to such deductions represent the fair value and accordingly the value reflected in the 2016 financial statements of Cosmur Construction (London) Limited was £2,735,000.

Bearing in mind the stagnation in rental yields and other factors, the board, which includes qualified surveyors, have concluded that the valuation has not changed in the period since the above professional valuation and accordingly the directors believe the value reflected in these financial statements is fairly stated at £2,735,000.

The company held no investment property in the period ended 31 January 2018.

## 13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group<br>£ | Company<br>£ |
|---|---|---|
| Trade debtors | 4,526,675 | - |
| Amounts owed by group undertakings | - | 143,925 |
| Other debtors | 324,090 | - |
| | 4,850,765 | 143,925 |



continued...

## 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group | Company |
|---|---|---|
| | £ | £ |
| Bank loans and overdrafts | 235,915 | 122,274 |
| Trade creditors | 4,858,393 | - |
| Taxation and social security | 111,669 | - |
| Other creditors | 619,426 | 478,870 |
| | 5,825,403 | 601,144 |

The amount showing under other creditors includes payments due in respect of the acquisition of the subsidiary company, Cosmur Construction (London) Limited. At the balance sheet date a total of £472,668 was due by instalments over 2 years. However, subsequent to the period end the balance was fully paid and consequently it is disclosed under creditors falling due within one year.

## 15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | Group | Company |
|---|---|---|
| | £ | £ |
| Bank loans | 788,765 | 788,765 |
| Other creditors | 500,000 | 500,000 |
| | 1,288,765 | 1,288,765 |

Amounts falling due in more than five years:

| | Group | Company |
|---|---|---|
| | £ | £ |
| Repayable by instalments | | |
| Bank loans more 5 yr by instal | 270,308 | 270,308 |

The bank loan is at commercial rates repayable by monthly instalments until 2024. Other creditors relates to a director's loan bearing arms length interest, repayable July 2019.

## 16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

**Group**

| | Non-cancellable operating leases |
|---|---|
| | £ |
| Within one year | 144,337 |
| Between one and five years | 476,184 |
| In more than five years | 308,750 |
| | 929,271 |



continued...

## 16. LEASING AGREEMENTS - continued

The investment property is let under operating leases. The future minimum lease receipts under non-cancellable leases at 31 January 2018 are as follows:

| | 2018 |
|---|---|
| | £ |
| Within one year | 82,623 |
| Between one and five years | 14,808 |
| In more than five years | - |
| | 97,431 |

## 17. SECURED DEBTS

The following secured debts are included within creditors:

| | Group |
|---|---|
| | £ |
| Bank overdraft | 113,641 |
| Bank loans | 911,039 |
| | 1,024,680 |

The bank facilities are secured by a fixed and floating charge over the group's assets and undertakings, both present and future.

## 18. PROVISIONS FOR LIABILITIES

| | Group |
|---|---|
| | £ |
| Deferred tax | |
| Accelerated capital allowances | 4,041 |
| Def. tax - investment property | 162,106 |
| | 166,147 |

**Group**

| | Deferred tax |
|---|---|
| | £ |
| Arising on acquisition | 166,274 |
| Provided during the period | (127) |
| Balance at 31 January 2018 | 166,147 |

## 19. RELATED PARTY DISCLOSURES

During the period, total dividends of £29,667 were paid to the directors.



continued...

## 19. RELATED PARTY DISCLOSURES - continued

The group occupies office premises rented from Cosmur Executive Pension Scheme by Cosmur Construction (London) Limited. The rent apportioned to profit and loss account for the period from acquisition was £12,493. The group owed £28,500 to Cosmur Executive Pension Scheme at the period end.

Key management personnel consisted of 4 employees since acquisition on 14 December 2017, with total remuneration of £34,478.

## 20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | £ |
|---|---|---|---|
| 60,000 | Ordinary A Shares | 1.00 | 60,000 |
| 60,000 | Ordinary B shares | 1.00 | 60,000 |
| 20,000 | Ordinary C Shares | 1.00 | 20,000 |
| | | | 140,000 |

The following fully paid shares were allotted during the period at a premium as shown below:

60,000 Ordinary A Shares shares of 1.00 each at £19.7111 per share
60,000 Ordinary B shares shares of 1.00 each at £19.7111 per share
20,000 Ordinary C Shares shares of 1.00 each at £5.5846 per share

## 21. CONTROLLING INTEREST

There is no ultimate controller of the company.