

Border Construction (Holdings) Limited
Directors' report and financial statements
for the year ended 31 December 2018

Registered Number SC213977



Border Construction (Holdings) Limited
Directors' report and financial statements
for the year ended 31 December 2018
Contents

Directors' report	1
Independent auditors' report to the members of Border Construction (Holdings) Limited.....	3
Statement of income and retained earnings for the year ended 31 December 2018	5
Balance sheet as at 31 December 2018.....	6
Statement of accounting policies	7
Notes to the financial statements for the year ended 31 December 2018	9

Border Construction (Holdings) Limited

Directors' report

The directors present their directors' report and financial statements for the year ended 31 December 2018.

Principal activities

The principal activity of the company is as an investment holding company.

Results

The result for the year, after taxation, amounted to £nil (2017: £nil).

Directors

The directors who were in office during the year and up to the date of signing the financial statements were as follows:

J Davies (resigned 12 July 2019)

S D Phillips (resigned 24 May 2018)

A E Radcliffe

M A Sowerby (appointed 29 January 2018)

Statement of director's responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Border Construction (Holdings) Limited

Directors' report (continued)

Statement of director's responsibilities in respect of the financial statements (continued)

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and the director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Small company provisions

In preparing this report, the directors have taken advantage of the small company's exemptions provided by section 415A of the Companies Act 2006.

On behalf of the board



A E Radcliffe

Director

Date 23/9/2014

Botany Mill
Roxburgh Street
Galashiels
TD1 1PB

Border Construction (Holdings) Limited

Independent auditors' report to the members of Border Construction (Holdings) Limited

Report on the audit of the financial statements

Opinion

In our opinion, Border Construction (Holdings) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2018; the statement of income and retained earnings for the year then ended; the accounting policies; and the notes to the financial statements.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- 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 company'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.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Border Construction (Holdings) Limited

Independent auditors' report to the members of Border Construction (Holdings) Limited (continued)

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of director's responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is 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 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 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 an auditors' report 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

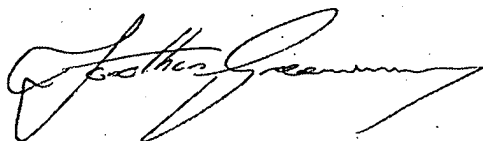
Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Jonathan Greenaway (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
25 September 2019

Border Construction (Holdings) Limited

Statement of income and retained earnings for the year ended 31 December 2018

		2018	2017
	Note	£	£
Result before taxation		-	-
Tax on result	3	-	-
Result for the financial year		-	-
Profit and loss account brought forward		(352,563)	(352,563)
Profit and loss account at the end of the year		(352,563)	(352,563)

All results derive from continuing operations.

The company had no other comprehensive income during the current or preceding year other than that reflected in the profit and loss account.

There is no material difference between the result before taxation and the result for the financial year stated above and their historical cost equivalents.

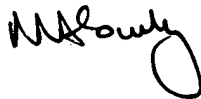
Border Construction (Holdings) Limited

Balance sheet as at 31 December 2018

	Note	2018 £	2017 £
Net assets		-	-
Capital and reserves			
Called up share capital	5	352,563	352,563
Profit and loss account		(352,563)	(352,563)
Total shareholders' funds		-	-

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements on pages 5 to 11 were approved by the board of directors on 23/9/2019 and were signed on its behalf by:



M A Sowerby
Director

Company registered number: SC213977

Border Construction (Holdings) Limited

Statement of accounting policies

Statement of compliance and general information

The Company is limited by shares and is incorporated in the United Kingdom. The registered office is Botany Mill, Roxburgh Street, Galashiels, TD1 1PB. These financial statements have been prepared in compliance with the United Kingdom Accounting Standards, including Financial Reporting Standard 102, “The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland” (“FRS 102”) and the Companies Act 2006.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

As the company is a wholly owned subsidiary of Esh Investments Limited, the company has taken advantage of the exemption contained in paragraph 33.1A of FRS 102 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with.

The Company has taken advantage of exemption to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

Going concern

The company meets its financing requirements through its cash resources and balances with other companies in the group headed by Esh Holdings Limited.

The company is subject to a cross guarantee banking arrangement with Esh Holdings Limited, and certain other group undertakings. Dunelm Homes Limited does not form part of this cross-guarantee arrangement.

Detailed information regarding the financial position of the group headed by Esh Holdings Limited, its cash flows, liquidity position and borrowing facilities are included in the financial statements of Esh Holdings Limited, which can be obtained from Companies House.

After making detailed enquiries and taking into account the factors discussed above, the Board is confident that the company has adequate resources to continue in operational existence for the foreseeable future and accordingly continues to prepare the financial statements on a going concern basis.

Border Construction (Holdings) Limited

Statement of accounting policies (continued)

Investments

Investments held as fixed assets are shown at cost less provision for impairment.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These 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 recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using 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.

Border Construction (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2018

1 Result before Taxation

In the current year the audit fee has been borne by another group company.

2 Directors' remuneration

No remuneration was paid by the company to the directors during the current or preceding financial year. The directors were the only employees. Emoluments of the Company's directors are paid by a parent company. Their services to this Company and to a number of other subsidiaries are of a non-executive nature and their emoluments are deemed to be wholly attributable to their services to the parent company.

3 Tax on result

Factors affecting the tax charge for the current year

The current tax charge for the year is the same as (2017: the same as) the standard rate of corporation tax in the UK 19% (2017: 19.25%). The differences are explained below:

	2018	2017
	£	£
Result before tax	-	-
Current tax at 19% (2017: 19.25%)	-	-
<i>Effects of:</i>		
Expense not subject to UK corporation tax	-	-
Total current tax charge	-	-

Tax rate changes

The Finance (No. 2) Act 2015 was substantively enacted on 26 October 2015. This reduced the main rate of corporation tax to 19% with effect from 1 April 2017 and to 18% with effect from 1 April 2020. A further reduction in the main corporation tax rate to 17% from 1 April 2020 was announced in the 2016 Budget and substantively enacted in the Finance Act 2016. Given the changes are stepped, deferred tax assets and liabilities reflect the rate of 19% that will apply from 1 April 2017.

Border Construction (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2018 (continued)

4 Investments

	Investments in subsidiary companies £
Cost	
At 1 January 2018 and 31 December 2018	1,712,570
Impairment	(1,712,570)
Net book value	
At 31 December 2018	-
At 31 December 2017	-

The undertakings in which the Company's interest at the year-end is more than 20% are as follows:

Subsidiary undertaking	Class and percentage of shares held	Nature of business	Registered Address:
Border Construction Limited	100% Ordinary	Civil engineering and building contractor	Esh House, Bowburn North Industrial Estate, Bowburn, Durham, DH6 5PF

5 Called up share capital

	2018 £	2017 £
Allotted, called up and fully paid		
352,563 ordinary shares of £1 each	352,563	352,563

Border Construction (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2018 (continued)

6 Ultimate parent company and parent undertaking of which the company is a member

The company is a subsidiary undertaking of Esh Investments Limited, the ultimate parent company incorporated in England and Wales. The immediate parent company is Esh Construction Limited.

The largest group in which the results are consolidated is that headed by Esh Investments Limited, incorporated in England and Wales and the smallest group is that headed by Esh Construction Limited. The consolidated financial statements of both companies are available to the public and may be obtained from Companies House.

The directors do not consider there to be an individual ultimate controlling party.