

Strategic Report, Report of the Directors and

Financial Statements

for the Year Ended 31 January 2016

for

Castlepoint Gas & Heating Co. Limited

SATURDAY



A5HMTPYH

A23

15/10/2016

#326

COMPANIES HOUSE

Michael Letch & Partners LLP
Accountants and Statutory Auditors
146 High Street
Billerica
Essex
CM12 9DF

Castlepoint Gas & Heating Co. Limited

Contents of the Financial Statements
for the Year Ended 31 January 2016

	Page
Company Information	1
Strategic Report	2
Report of the Directors	4
Report of the Independent Auditors	5
Statement of Comprehensive Income	6
Balance Sheet	7
Statement of Changes in Equity	8
Cash Flow Statement	9
Notes to the Cash Flow Statement	10
Notes to the Financial Statements	11
Reconciliation of Equity	18
Reconciliation of Profit	20

Castlepoint Gas & Heating Co. Limited

Company Information
for the Year Ended 31 January 2016

DIRECTORS: D Wells
K Wells
G White

SECRETARY: D Wells

REGISTERED OFFICE: Hillside
Goldfinch Lane
Thundersley
Benfleet
Essex
SS7 3LS

REGISTERED NUMBER: 01765130

AUDITORS: Michael Letch & Partners LLP
Accountants and Statutory Auditors
146 High Street
Billericay
Essex
CM12 9DF

Castlepoint Gas & Heating Co. Limited

Strategic Report
for the Year Ended 31 January 2016

The directors present their strategic report for the year ended 31 January 2016

It is the view of the Directors that the Company has stabilised its position within the gas and heating sector, and can build on that stability to expand further into the electrical, domestic and renewable markets

REVIEW OF BUSINESS

The company's performance during the year to 31 January 2016 was in line with expectations and shows the company has stabilised and maintained its performance over the past three years as demonstrated by the figures detailed below

	2016	2015	2014
Sales	£11,027,005	£10,818,329	£10,517,319
Gross Profit	£2,413,347	£2,422,060	£2,314,369
Net Profit	£1,294,530	£1,429,300	£1,338,250
Gross Profit %	21.89%	22.39%	22.01%
Net Profit %	11.74%	13.21%	12.72%

The company have increased retained profits by over £900k in the year, its retained profits are now in excess of £7m

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the business are

Local authority budgets

The company's main customers are local authorities, therefore the company's principle risks and uncertainties are the exposure to local authority budgets for heating installation and maintenance,

Effective privatisation of local authority contracts via main contractors

The majority of the company's work for local authorities is contracted via a main contractor rather than dealing direct with the local authorities, this increases the administrative burden on the company and increases the price risk together with the liquidity risk posed by the slower payment terms and bad debt risk

Financial risk

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk
The Company is self financing out of retained cash reserves

Cash flow risk

The company's have retained significant reserves and built up significant liquid cash reserves to minimise the risk posed by potentially slow paying main contractors

Credit risk

The company's principal financial assets are bank balances and cash, trade and other receivables and investments. The credit risk is primarily attributed to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. Trade debtors are managed in respect of credit and cash flow risk by the implementation of suitable credit control procedures, where receivable balances are closely monitored on an ongoing basis for both time and credit limits.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies

Liquidity risk

In order to maintain liquidity, the company ensures there are sufficient funds available for ongoing operations and future developments

Castlepoint Gas & Heating Co. Limited

Strategic Report
for the Year Ended 31 January 2016

FUTURE DEVELOPMENTS

The prospects for the longer term continue, as always, to be difficult to predict, especially in today's economic climate and the privatisation of the local authority contracts via main contractors

The Company are therefore continuing to look to expand its customer base in the electrical, renewable and domestic market to offset this risk

The Company also recognise that there is a change in the industry and see the Company's long term growth at being at the forefront of the renewable energy markets i.e. solar / heat recovery / ground & air source heat pumps etc. The Company have made investment in resources and in training in the various type of renewable energies available. As part of the Company's confidence in this future market they have made a significant positive investment in converting its new head office into a working example of the various types of renewable energies available. This will enable the Company to demonstrate these technologies, together with their environmental benefits and future cost savings to current and future potential customers

The company has always invested heavily in its recruitment and training of apprentices and many of the companies senior staff started their careers with the company as an apprentice. The company recognise the continued investment in apprentices will help secure the long term future of the Company in its development of its core business and also into new modern markets, with the likes of renewable, solar, thermal and air source energy technology

The company will therefore continue to employ apprentices to maintain its high level of training. The company will also continue to offer all staff additional training, so that all staff will achieve a recognised training certificate i.e. City & Guilds etc

ON BEHALF OF THE BOARD:



D Wells - Director

8 July 2016

Castlepoint Gas & Heating Co. Limited

Report of the Directors
for the Year Ended 31 January 2016

The directors present their report with the financial statements of the company for the year ended 31 January 2016

DIVIDENDS

The total distribution of dividends for the year ended 31 January 2016 will be £125,000

DIRECTORS

The directors shown below have held office during the whole of the period from 1 February 2015 to the date of this report

D Wells
K Wells
G White

DISCLOSURE IN THE STRATEGIC REPORT

Please refer to the Strategic Report for information regarding the company's financial risk management and future developments

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 of the profit or loss of the company 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,
- 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. They 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.

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 company'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 company's auditors are aware of that information.

AUDITORS

The auditors, Michael Letch & Partners LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



D Wells - Director

8 July 2016

Report of the Independent Auditors to the Members of
Castlepoint Gas & Heating Co. Limited

We have audited the financial statements of Castlepoint Gas & Heating Co Limited for the year ended 31 January 2016 on pages six to twenty. 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of 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 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 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 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 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 company's affairs as at 31 January 2016 and of its 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 the information given in the 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.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, 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.

Michael B Letch FCCA (Senior Statutory Auditor)
for and on behalf of Michael Letch & Partners LLP
Accountants and Statutory Auditors
146 High Street
Billerica
Essex
CM12 9DF

15 July 2016

Castlepoint Gas & Heating Co. Limited

Statement of Comprehensive Income
for the Year Ended 31 January 2016

	Notes	2016 £	2015 £
TURNOVER		11,027,005	10,818,329
Cost of sales		8,613,658	8,396,269
GROSS PROFIT		2,413,347	2,422,060
Administrative expenses		1,183,980	1,050,126
		1,229,367	1,371,934
Other operating income		42,000	42,000
OPERATING PROFIT	3	1,271,367	1,413,934
Interest receivable and similar income		27,206	18,464
		1,298,573	1,432,398
Interest payable and similar charges	4	4,043	3,097
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,294,530	1,429,301
Tax on profit on ordinary activities	5	264,492	309,474
PROFIT FOR THE FINANCIAL YEAR		1,030,038	1,119,827
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,030,038	1,119,827

The notes form part of these financial statements

Castlepoint Gas & Heating Co. Limited (Registered number: 01765130)

Balance Sheet
31 January 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible assets	7	406,654	1,516,858
Investment property	8	1,258,313	-
		<u>1,664,967</u>	<u>1,516,858</u>
CURRENT ASSETS			
Stocks	9	28,000	30,000
Debtors	10	2,639,349	2,905,587
Cash at bank and in hand		4,508,357	3,681,399
		<u>7,175,706</u>	<u>6,616,986</u>
CREDITORS			
Amounts falling due within one year	11	1,578,124	1,758,962
NET CURRENT ASSETS		<u>5,597,582</u>	<u>4,858,024</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,262,549</u>	<u>6,374,882</u>
CREDITORS			
Amounts falling due after more than one year	12	(125,305)	(136,732)
PROVISIONS FOR LIABILITIES	15	(12,260)	(18,204)
NET ASSETS		<u><u>7,124,984</u></u>	<u><u>6,219,946</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	100	100
Retained earnings		7,124,884	6,219,846
SHAREHOLDERS' FUNDS		<u><u>7,124,984</u></u>	<u><u>6,219,946</u></u>

The financial statements were approved by the Board of Directors on 8 July 2016 and were signed on its behalf by



D Wells - Director

The notes form part of these financial statements

Castlepoint Gas & Heating Co. Limited

Statement of Changes in Equity
for the Year Ended 31 January 2016

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 February 2014	100	5,100,019	5,100,119
Changes in equity			
Total comprehensive income	-	1,119,827	1,119,827
Balance at 31 January 2015	100	6,219,846	6,219,946
Changes in equity			
Dividends	-	(125,000)	(125,000)
Total comprehensive income	-	1,030,038	1,030,038
Balance at 31 January 2016	100	7,124,884	7,124,984

The notes form part of these financial statements

Castlepoint Gas & Heating Co. Limited

Cash Flow Statement
for the Year Ended 31 January 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	1,307,374	1,451,994
Interest paid		(4,043)	(3,097)
Tax paid		(272,426)	(262,000)
Net cash from operating activities		<u>1,030,905</u>	<u>1,186,897</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,457)	(21,608)
Purchase of investment property		(198,844)	-
Interest received		27,206	18,464
Net cash from investing activities		<u>(174,095)</u>	<u>(3,144)</u>
Cash flows from financing activities			
Loan repayments in year		(17,161)	(19,427)
Amount introduced by directors		112,309	-
Amount withdrawn by directors		-	(118,492)
Equity dividends paid		(125,000)	-
Net cash from financing activities		<u>(29,852)</u>	<u>(137,919)</u>
Increase in cash and cash equivalents		<u>826,958</u>	<u>1,045,834</u>
Cash and cash equivalents at beginning of year	2	3,681,399	2,635,565
Cash and cash equivalents at end of year	2	<u><u>4,508,357</u></u>	<u><u>3,681,399</u></u>

The notes form part of these financial statements

Castlepoint Gas & Heating Co. Limited

Notes to the Cash Flow Statement
for the Year Ended 31 January 2016

1 RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2016	2015
	£	£
Profit before taxation	1,294,530	1,429,301
Depreciation charges	47,621	76,655
Loss on disposal of fixed assets	5,569	-
Finance costs	4,043	3,097
Finance income	(27,206)	(18,464)
	<u>1,324,557</u>	<u>1,490,589</u>
Decrease/(increase) in stocks	2,000	(1,500)
Decrease in trade and other debtors	155,553	219,120
Decrease in trade and other creditors	(174,736)	(256,215)
	<u>1,307,374</u>	<u>1,451,994</u>

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 31 January 2016

	31 1 16	1 2 15
	£	£
Cash and cash equivalents	<u>4,508,357</u>	<u>3,681,399</u>

Year ended 31 January 2015

	31 1 15	1 2 14
	£	£
Cash and cash equivalents	<u>3,681,399</u>	<u>2,635,565</u>

The notes form part of these financial statements

Castlepoint Gas & Heating Co. Limited

Notes to the Financial Statements
for the Year Ended 31 January 2016

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with 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.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The whole of the turnover is attributable to the one principle activity of the company, heating installation and maintenance. All turnover can be geographically analysed to the United Kingdom.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	- Straight line over 50 years
Improvements to property	- 25% on cost
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

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.

Deferred tax

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

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

2 STAFF COSTS

	2016	2015
	£	£
Wages and salaries	2,147,685	2,116,139
Social security costs	209,872	205,349
Other pension costs	13,116	7,701
	<u>2,370,673</u>	<u>2,329,189</u>

Castlepoint Gas & Heating Co. Limited

Notes to the Financial Statements - continued
for the Year Ended 31 January 2016

2 STAFF COSTS - continued

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

	2016	2015
Direct labour	46	55
Administrative labour	16	16
	<u>62</u>	<u>71</u>

3 OPERATING PROFIT

The operating profit is stated after charging

	2016 £	2015 £
Hire of plant and machinery	7,663	1,946
Depreciation - owned assets	47,623	76,655
Loss on disposal of fixed assets	5,569	-
Auditors' remuneration	15,500	15,500
	<u>118,799</u>	<u>111,426</u>
Directors' remuneration	-	15,000
Compensation to director for loss of office	<u>-</u>	<u>15,000</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2016 £	2015 £
Interest on taxation	648	141
Mortgage interest	3,395	2,956
	<u>4,043</u>	<u>3,097</u>

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2016 £	2015 £
Current tax		
UK corporation tax	270,436	315,547
Deferred tax	(5,944)	(6,073)
Tax on profit on ordinary activities	<u>264,492</u>	<u>309,474</u>

Castlepoint Gas & Heating Co. Limited

Notes to the Financial Statements - continued
for the Year Ended 31 January 2016

5 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

	2016 £	2015 £
Profit on ordinary activities before tax	<u>1,294,530</u>	<u>1,429,301</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.162% (2015 - 21.320%)	261,003	304,727
Effects of		
Expenses not deductible for tax purposes	1,607	2,128
Depreciation in excess of capital allowances	7,826	8,692
Change in deferred tax	<u>(5,944)</u>	<u>(6,073)</u>
Total tax charge	<u><u>264,492</u></u>	<u><u>309,474</u></u>

6 DIVIDENDS

	2016 £	2015 £
Interim	<u>125,000</u>	<u>-</u>

7 TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £
COST			
At 1 February 2015	1,428,982	119,799	91,759
Additions	-	-	2,457
Reclassification/transfer	<u>(1,118,564)</u>	<u>-</u>	<u>-</u>
At 31 January 2016	<u>310,418</u>	<u>119,799</u>	<u>94,216</u>
DEPRECIATION			
At 1 February 2015	69,226	119,799	81,879
Charge for year	3,208	-	3,085
Eliminated on disposal	-	-	-
Reclassification/transfer	<u>(53,186)</u>	<u>-</u>	<u>-</u>
At 31 January 2016	<u>19,248</u>	<u>119,799</u>	<u>84,964</u>
NET BOOK VALUE			
At 31 January 2016	<u>291,170</u>	<u>-</u>	<u>9,252</u>
At 31 January 2015	<u><u>1,359,756</u></u>	<u><u>-</u></u>	<u><u>9,880</u></u>

Castlepoint Gas & Heating Co. Limited

Notes to the Financial Statements - continued
for the Year Ended 31 January 2016

7 TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 February 2015	23,749	400,409	76,132	2,140,830
Additions	-	-	-	2,457
Disposals	-	(76,028)	-	(76,028)
Reclassification/transfer	-	-	-	(1,118,564)
At 31 January 2016	23,749	324,381	76,132	948,695
DEPRECIATION				
At 1 February 2015	18,637	272,458	61,973	623,972
Charge for year	1,283	30,596	3,542	41,714
Eliminated on disposal	-	(70,459)	-	(70,459)
Reclassification/transfer	-	-	-	(53,186)
At 31 January 2016	19,920	232,595	65,515	542,041
NET BOOK VALUE				
At 31 January 2016	3,829	91,786	10,617	406,654
At 31 January 2015	5,112	127,951	14,159	1,516,858

Included in cost of land and buildings is freehold land of £150,000 (2015 - £973,108) which is not depreciated

8 INVESTMENT PROPERTY

	Total £
COST	
Additions	198,844
Reclassification/transfer	1,118,564
At 31 January 2016	1,317,408
DEPRECIATION	
Charge for year	5,909
Reclassification/transfer	53,186
At 31 January 2016	59,095
NET BOOK VALUE	
At 31 January 2016	1,258,313

Included in cost of investment property is freehold land of £823,108 which is not depreciated

9 STOCKS

	2016 £	2015 £
Stocks	28,000	30,000

Castlepoint Gas & Heating Co. Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 January 2016**

10 DEBTORS. AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade debtors	1,783,294	2,509,262
Other debtors	800,483	219,779
Directors' loan accounts	-	110,685
Tax	27,671	27,671
Prepayments and accrued income	27,901	38,190
	<u>2,639,349</u>	<u>2,905,587</u>

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Bank loans and overdrafts (see note 13)	14,823	20,559
Trade creditors	880,325	955,309
Tax	195,446	197,436
Social security and other taxes	284,234	261,491
Other creditors	-	29,551
Directors' loan accounts	1,624	-
Accrued expenses	201,672	294,616
	<u>1,578,124</u>	<u>1,758,962</u>

12 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016	2015
	£	£
Bank loans (see note 13)	<u>125,305</u>	<u>136,732</u>

13 LOANS

An analysis of the maturity of loans is given below

	2016	2015
	£	£
Amounts falling due within one year or on demand		
Bank loans	<u>14,823</u>	<u>20,559</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>14,823</u>	<u>20,559</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	<u>44,468</u>	<u>61,676</u>
Amounts falling due in more than five years		
Repayable by instalments		
Bank loan over 5 years	<u>66,014</u>	<u>54,497</u>

Castlepoint Gas & Heating Co. Limited

Notes to the Financial Statements - continued
for the Year Ended 31 January 2016

14 SECURED DEBTS

The following secured debts are included within creditors

	2016	2015
	£	£
Bank loans	<u>140,128</u>	<u>157,291</u>

The company's bank loans, together with a paylow facility of £250,000 are secured by way of a 1st charge over the company's freehold properties and the company's business premium account held with its bankers. In addition, the bank have a personal guarantee of up to £255,000 from the managing director, Mr D Wells, together with further charges over freehold properties held by Mr D Wells

15 PROVISIONS FOR LIABILITIES

	2016	2015
	£	£
Deferred tax	<u>12,260</u>	<u>18,204</u>
		Deferred tax
		£
Balance at 1 February 2015		18,204
Provided during year		<u>(5,944)</u>
Balance at 31 January 2016		<u>12,260</u>

16 CALLED UP SHARE CAPITAL

Number	Class	Nominal value	2016	2015
		£1	£	£
100	Ordinary		<u>100</u>	<u>100</u>

17 RELATED PARTY DISCLOSURES

D Wells

A director and controlling shareholder

Provided personal guarantees totalling £255,000 (2015 £255,000) to the company's bankers

Operates a director's loan account which is disclosed in the notes to the accounts

	2016	2015
	£	£
Amount due (to)/from related party at the balance sheet date	<u>(1,624)</u>	<u>110,685</u>

Castlepoint Gas & Heating Co. Limited

Notes to the Financial Statements - continued
for the Year Ended 31 January 2016

17 RELATED PARTY DISCLOSURES - continued

Castle Point Motors Limited (CPM)

A company in which Mr K Wells, is a director and shareholder

During the year the company purchased goods and services from CPM totalling £62,464 (2015 £62,524)

The amount owed is included within trade creditors

CPM operates from freehold premises owned by the company, at Manor Trading Estate Rent totalling £42,000 (2015 £42,000) has been paid in the year

	2016	2015
	£	£
Amount due to related party at the balance sheet date	<u>20,085</u>	<u>18,604</u>

Castlepoint Developments Limited

A Company in which Mr D Wells is a director and majority shareholder

During the year and previous years the company made loans to Castlepoint Developments Limited, the loan is subject to interest at 3.25% The total interest charged during the year was £5,276

Stage payments were made during the year to Castlepoint Developments Limited, for the development of 8 flats, shown in the financial statements as investment property, totalling £198,844

The amount owing is included within other debtors

	2016	2015
	£	£
Amount due from related party at the balance sheet date	<u>755,276</u>	<u>51,001</u>

The above transactions have been carried out under normal commercial terms

18 ULTIMATE CONTROLLING PARTY

The ultimate controlling party is D Wells

Castlepoint Gas & Heating Co Limited

**Reconciliation of Equity
1 February 2014
(Date of Transition to FRS 102)**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		1,571,905	-	1,571,905
CURRENT ASSETS				
Stocks		28,500	-	28,500
Debtors		2,957,035	-	2,957,035
Prepayments and accrued income		29,316	-	29,316
Cash at bank and in hand		2,635,565	-	2,635,565
		5,650,416	-	5,650,416
CREDITORS				
Amounts falling due within one year		(1,940,723)	-	(1,940,723)
NET CURRENT ASSETS		3,709,693	-	3,709,693
TOTAL ASSETS LESS CURRENT LIABILITIES		5,281,598	-	5,281,598
CREDITORS				
Amounts falling due after more than one year		(157,202)	-	(157,202)
PROVISIONS FOR LIABILITIES		(24,277)	-	(24,277)
NET ASSETS		5,100,119	-	5,100,119
CAPITAL AND RESERVES				
Called up share capital		100	-	100
Retained earnings		5,100,019	-	5,100,019
SHAREHOLDERS' FUNDS		5,100,119	-	5,100,119

The notes form part of these financial statements

Castlepoint Gas & Heating Co. Limited**Reconciliation of Equity - continued**
31 January 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		1,516,858	-	1,516,858
CURRENT ASSETS				
Stocks		30,000	-	30,000
Debtors		2,905,587	-	2,905,587
Cash at bank and in hand		3,681,399	-	3,681,399
		6,616,986	-	6,616,986
CREDITORS				
Amounts falling due within one year		(1,758,962)	-	(1,758,962)
NET CURRENT ASSETS		4,858,024	-	4,858,024
TOTAL ASSETS LESS CURRENT LIABILITIES		6,374,882	-	6,374,882
CREDITORS				
Amounts falling due after more than one year		(136,732)	-	(136,732)
PROVISIONS FOR LIABILITIES		(18,204)	-	(18,204)
NET ASSETS		6,219,946	-	6,219,946
CAPITAL AND RESERVES				
Called up share capital		100	-	100
Retained earnings		6,219,846	-	6,219,846
SHAREHOLDERS' FUNDS		6,219,946	-	6,219,946

The notes form part of these financial statements

Castlepoint Gas & Heating Co Limited

Reconciliation of Profit
for the Year Ended 31 January 2015

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	10,818,329	-	10,818,329
Cost of sales	(8,396,269)	-	(8,396,269)
GROSS PROFIT	2,422,060	-	2,422,060
Administrative expenses	(1,050,126)	-	(1,050,126)
Other operating income	42,000	-	42,000
OPERATING PROFIT	1,413,934	-	1,413,934
Interest receivable and similar income	18,464	-	18,464
Interest payable and similar charges	(3,097)	-	(3,097)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1,429,301	-	1,429,301
Tax on profit on ordinary activities	(309,474)	-	(309,474)
PROFIT FOR THE FINANCIAL YEAR	1,119,827	-	1,119,827

The notes form part of these financial statements