

Report of the Directors and
Financial Statements
for the Year Ended 31 December 2015
for
Civils Store Limited

FRIDAY



A59CI654

A05

17/06/2016

#180

COMPANIES HOUSE

**Contents of the Financial Statements
for the Year Ended 31 December 2015**

	Page
Company Information	1
Report of the Directors	2
Statement of Directors' Responsibilities	4
Report of the Independent Auditors	5
Statement of Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10

Civils Store Limited

Company Information
for the Year Ended 31 December 2015

DIRECTORS:

A R Hampton
K D Hancock
J A Lewis
C4C Ownership Partners Ltd

REGISTERED OFFICE:

Area 4
Evercreech Junction Industrial Estate
Evercreech
Shepton Mallet
BA4 6NA

REGISTERED NUMBER:

08330011 (England and Wales)

AUDITORS:

A C Mole & Sons
Chartered Accountants
& Statutory Auditors
Stafford House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Civils Store Limited

Report of the Directors **for the Year Ended 31 December 2015**

The directors present their report with the financial statements of the company for the year ended 31 December 2015.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the sale of civil engineering and building materials.

REVIEW OF BUSINESS

Total revenue for the year was £6.7m an increase of 45% over that of 2014. The company recorded an operating profit of £13k before interest charges of £136k. In December 2015, as trailed in the 2014 director's report, the largest percentage of these interest costs, interest on £400k of loan notes to fund working capital, were converted to equity, significantly strengthening the balance sheet and substantially reducing future interest charges.

The forecast for 2016 shows considerable further growth.

DIRECTORS

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

A R Hampton
K D Hancock
J A Lewis

Other changes in directors holding office are as follows:

C4C Ownership Partners Ltd - appointed 24 February 2015

CONTINUING BUSINESS

The financial statements have been prepared on the going concern basis.

Civils Store is very pleased with the progress made in establishing the business as an expert supplier of civil engineering materials. It operates in a sector of construction that is markedly different from the more general building materials supply. The company is establishing a leading brand position and reputation for expertise and service in this specialist sector of construction.

The strategies of the business are consistent with current industry outlook. This remains very positive with significant additional investment in the UK economy predicted in infrastructure, private housing and private commercial.

The first quarter of 2016 has seen the company achieve an increase in sales of over 30% on that of 2015. Civils Store is an exciting business and one that is well positioned for the short and long term and has great potential.

On the basis of the above, and having received confirmation of continued support from banking partners and loan note holders, the Directors consider it appropriate for the accounts to be prepared on a going concern basis.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

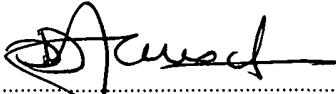
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant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

Civils Store Limited

Report of the Directors
for the Year Ended 31 December 2015

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:



.....
K D Hancock - Director

Date: 6.6.2016
.....

Civils Store Limited

Statement of Directors' Responsibilities **for the Year Ended 31 December 2015**

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;
- state whether applicable United Kingdom Accounting Standards, including FRS 102, 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.

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.

Report of the Independent Auditors to the Members of Civils Store Limited

We have audited the financial statements of Civils Store Limited for the year ended 31 December 2015 on pages seven 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 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 December 2015 and of its loss 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
Civils Store Limited**

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; 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 Strategic Report or in preparing the Report of the Directors.

Alexandra Shore

Alexandra Shore FCA CTA (Senior Statutory Auditor)
for and on behalf of A C Mole & Sons
Chartered Accountants
& Statutory Auditors
Stafford House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date: *13th June 2016*

Civils Store Limited**Statement of Comprehensive Income**
for the Year Ended 31 December 2015

	Notes	2015 £	2014 £
TURNOVER		6,676,930	4,597,782
Cost of sales		<u>5,448,830</u>	<u>3,820,156</u>
GROSS PROFIT		1,228,100	777,626
Distribution costs		828,503	731,250
Administrative expenses		<u>407,802</u>	<u>363,604</u>
		1,236,305	1,094,854
		(8,205)	(317,228)
Other operating income		<u>20,994</u>	<u>13,461</u>
OPERATING PROFIT/(LOSS)	3	12,789	(303,767)
Interest payable and similar charges	4	<u>136,198</u>	<u>89,506</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(123,409)	(393,273)
Tax on loss on ordinary activities	5	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		(123,409)	(393,273)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(123,409)</u>	<u>(393,273)</u>

The notes form part of these financial statements

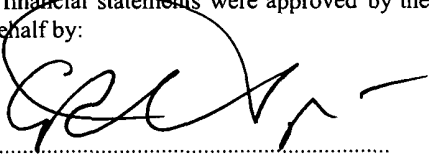
Civils Store Limited (Registered number: 08330011)

Balance Sheet
31 December 2015

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	6	1,104,464	1,077,941
Investments	7	51	-
		<u>1,104,515</u>	<u>1,077,941</u>
CURRENT ASSETS			
Stocks	8	895,550	675,594
Debtors	9	1,093,868	824,244
Cash at bank and in hand		54,228	1,808
		<u>2,043,646</u>	<u>1,501,646</u>
CREDITORS			
Amounts falling due within one year	10	<u>2,013,398</u>	<u>1,410,228</u>
NET CURRENT ASSETS		<u>30,248</u>	<u>91,418</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,134,763</u>	<u>1,169,359</u>
CREDITORS			
Amounts falling due after more than one year	11	<u>633,112</u>	<u>944,299</u>
NET ASSETS		<u><u>501,651</u></u>	<u><u>225,060</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	1,100,000	700,000
Revaluation reserve	17	213,328	220,807
Retained earnings	17	(811,677)	(695,747)
SHAREHOLDERS' FUNDS		<u><u>501,651</u></u>	<u><u>225,060</u></u>

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 6.6.2016 and were signed on its behalf by:


.....
A R Hampton - Director


.....
K D Hancock - Director

The notes form part of these financial statements

Civils Store Limited

Statement of Changes in Equity
for the Year Ended 31 December 2015

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 January 2014	700,000	(318,886)	237,219	618,333
Changes in equity				
Total comprehensive income	-	(376,861)	(16,412)	(393,273)
Balance at 31 December 2014	700,000	(695,747)	220,807	225,060
Changes in equity				
Issue of share capital	400,000	-	-	400,000
Total comprehensive income	-	(115,930)	(7,479)	(123,409)
Balance at 31 December 2015	1,100,000	(811,677)	213,328	501,651

The notes form part of these financial statements

Civils Store Limited

Notes to the Financial Statements **for the Year Ended 31 December 2015**

1. ACCOUNTING POLICIES

General information

Civils Store Limited is engaged in the sale of civil engineering and building materials.

The company is incorporated and domiciled in the UK. The address of its registered office is Area 4, Evercreech Junction Industrial Estate, Evercreech, Shepton Mallet, BA4 6NA.

Statement of compliance

These financial statements have been prepared in compliance with UK accounting standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") section 1A.

This is the first set of financial statements prepared by Civils Store Limited in compliance with FRS 102 section 1A.

The company transitioned from previously extant UK GAAP to FRS 102 as at 1 January 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 20.

The significant accounting policies adopted by the Company and applied consistently in the preparation of these financial statements are as follows:

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.

As set out in the Directors Report it is the opinion of the Directors that the company is a going concern and the financial statements have been prepared on the going concern basis.

The current trading outlook is positive with the business seeing record sales growth on a month by month basis.

The long term ability of the company to continue as a going concern is reliant on continuing to increase the level of trade and on the continued support of its' banking partners and loan note holders. The Directors have received confirmation of this support and the business has already achieved an increase in trade for the period to 31 March 2016. On this basis the Directors have a reasonable expectation of achieving the desired increase in trade and therefore consider it appropriate to prepare the accounts on the going concern basis.

Consolidated financial statements

These accounts include the results of Civils Store Limited as separate financial statements. Investments in subsidiary undertakings are included at cost. The group is exempt from presenting consolidated financial statements on the basis that it qualifies as small as set out in section 383 of the Companies Act and the parent and group are considered eligible for the exemption.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Turnover

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

Civils Store Limited

Notes to the Financial Statements - continued **for the Year Ended 31 December 2015**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

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
Plant and machinery	- 20% on cost
Computer software	- 20% on cost

Freehold land is not depreciated.

Tangible fixed assets are held at cost. The company has taken advantage of the transitional provisions of FRS 102 and deemed previous valuations to be cost on transition.

Stocks

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

Current and deferred tax

The company is managed and controlled in the United Kingdom and, consequently, is tax resident there.

The taxation expense for the year comprises current and deferred tax recognised in the reporting period.

Current or deferred tax liabilities are not discounted.

i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit of the year. Current tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

ii) Deferred tax

Deferred tax is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax liability is settled.

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 profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

Distribution costs

The heading distribution costs in the statutory profit and loss account includes both selling and distribution expenses.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits and other short-term highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. Bank overdrafts are shown within current liabilities on the balance sheet.

Civils Store Limited

Notes to the Financial Statements - continued **for the Year Ended 31 December 2015**

1. ACCOUNTING POLICIES - continued

Financial instruments

The company only enters into basic financial instruments that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors together with loans to related parties.

Debt instruments, such as trade debtors and creditors, are initially measured at transaction price and subsequently measured at amortised cost.

Investments in subsidiaries are measured at cost less impairment.

Financial assets 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 income statement.

Critical accounting judgements and estimates

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Having given due consideration to the estimates and assumptions that form part of the carrying amounts of assets and liabilities within the financial statements, the directors are of the opinion that there are the following material estimates.

i) Provisions

The directors exercise their judgement in determining the need for provisions for obsolete and slow moving stock. Because of the inherent estimation in the provision process actual losses from obsolete stock may be different from the originally estimated provision.

2. STAFF COSTS

	2015 £	2014 £
Wages and salaries	581,502	514,985
Social security costs	46,392	41,360
	<u>627,894</u>	<u>556,345</u>

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

	2015	2014
Directors	3	3
Yard	12	9
Office	13	12
	<u>28</u>	<u>24</u>

Civils Store Limited**Notes to the Financial Statements - continued
for the Year Ended 31 December 2015****3. OPERATING PROFIT/(LOSS)**

The operating profit (2014 - operating loss) is stated after charging/(crediting):

	2015 £	2014 £
Hire of plant and machinery	22,854	12,808
Depreciation - owned assets	38,131	32,131
Depreciation - assets on hire purchase contracts	2,667	-
(Profit)/loss on disposal of fixed assets	(500)	3,483
Auditors remuneration - audit services	6,500	6,500
	<u>79,032</u>	<u>90,558</u>
Directors' remuneration and other benefits etc	<u>79,032</u>	<u>90,558</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

Interest payable and similar charges includes the following:

	2015 £	2014 £
Hire purchase	<u>1,278</u>	<u>-</u>

5. TAXATION**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2015 nor for the year ended 31 December 2014.

6. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Computer software £	Totals £
COST				
At 1 January 2015	990,000	92,372	30,864	1,113,236
Additions	-	41,210	26,111	67,321
At 31 December 2015	<u>990,000</u>	<u>133,582</u>	<u>56,975</u>	<u>1,180,557</u>
DEPRECIATION				
At 1 January 2015	9,257	18,447	7,591	35,295
Charge for year	6,534	22,065	12,199	40,798
At 31 December 2015	<u>15,791</u>	<u>40,512</u>	<u>19,790</u>	<u>76,093</u>
NET BOOK VALUE				
At 31 December 2015	<u>974,209</u>	<u>93,070</u>	<u>37,185</u>	<u>1,104,464</u>
At 31 December 2014	<u>980,743</u>	<u>73,925</u>	<u>23,273</u>	<u>1,077,941</u>

Included in cost of land and buildings is freehold land of £663,300 (2014 - £663,300) which is not depreciated.

The company applied the transitional arrangements of Section 35 of FRS 102 and used a previous valuation as the deemed cost at 1 January 2014 for freehold properties and plant and machinery.

Civils Store Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

6. TANGIBLE FIXED ASSETS - continued

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

	Plant and machinery £
COST	
Additions	32,000
At 31 December 2015	32,000
DEPRECIATION	
Charge for year	2,667
At 31 December 2015	2,667
NET BOOK VALUE	
At 31 December 2015	29,333

7. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
Additions	51
At 31 December 2015	51
NET BOOK VALUE	
At 31 December 2015	51

The company's investments at the Balance Sheet date in the share capital of companies include the following:

CSM Site Supplies Limited

Nature of business: Sale of civil engineering and building materials.

	% holding	2015 £	31.8.14 £
Class of shares:			
Ordinary	51.00		
Aggregate capital and reserves		(94,784)	1
Loss for the period		(94,884)	-

8. STOCKS

	2015 £	2014 £
Goods held for resale	895,550	675,594

Civils Store Limited**Notes to the Financial Statements - continued
for the Year Ended 31 December 2015****9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015	2014
	£	£
Trade debtors	989,101	762,123
Other debtors	57,802	26,520
Prepayments	46,965	35,601
	<u>1,093,868</u>	<u>824,244</u>

The fair values of trade and other debtors are approximate to their carrying amounts.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Bank loans and overdrafts (see note 12)	27,283	57,374
Other loans (see note 12)	772,464	551,409
Hire purchase contracts (see note 13)	13,373	-
Trade creditors	1,045,792	651,320
Amounts owed to group undertakings	8,533	-
Social security and other taxes	29,668	33,953
VAT	36,930	20,711
Other creditors	52,532	46,999
Accrued expenses	26,823	48,462
	<u>2,013,398</u>	<u>1,410,228</u>

The fair values of trade and other creditors are approximate to their carrying amounts.

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015	2014
	£	£
Debentures (see note 12)	211,000	511,000
Bank loans (see note 12)	413,538	433,299
Hire purchase contracts (see note 13)	8,574	-
	<u>633,112</u>	<u>944,299</u>

Of the loan notes in issue at 1 January 2015 £300,000 were either repayable in May 2016 or could be converted into share capital. These loan notes were converted into ordinary share capital at par on 31 December 2015. During the year a further £100,000 of loan notes were issued and these were also converted to ordinary share capital at par on 31 December 2015.

The holders of the remaining £211,000 loan notes have agreed to not call upon the loan notes before June 2017 and accordingly these are shown as due after one year.

Civils Store Limited**Notes to the Financial Statements - continued
for the Year Ended 31 December 2015****12. LOANS**

An analysis of the maturity of loans is given below:

	2015 £	2014 £
Amounts falling due within one year or on demand:		
Bank overdrafts	-	24,043
Other bank loans	27,283	33,331
Debt factor advances	772,464	551,409
	<u>799,747</u>	<u>608,783</u>
Amounts falling due between two and five years:		
Loan notes	211,000	511,000
Bank loans due in 2 - 5 years	120,704	133,323
	<u>331,704</u>	<u>644,323</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans due in more than 5 years	292,834	299,976
	<u>292,834</u>	<u>299,976</u>

13. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2015 £	2014 £
Net obligations repayable:		
Within one year	13,373	-
Between one and five years	8,574	-
	<u>21,947</u>	<u>-</u>
	Non-cancellable operating leases	
	2015 £	2014 £
Within one year	61,200	53,285
Between one and five years	240,843	213,140
In more than five years	150,974	204,259
	<u>453,017</u>	<u>470,684</u>

Civils Store Limited**Notes to the Financial Statements - continued
for the Year Ended 31 December 2015****14. SECURED DEBTS**

The following secured debts are included within creditors:

	2015 £	2014 £
Bank loans	440,821	466,630
Debt factor advances	772,464	551,409
Loan notes	-	300,000
	<u>1,213,285</u>	<u>1,318,039</u>

The bank loans are secured by a first legal charge over freehold property, and a debenture including a fixed charge over all present freehold and leasehold property; first fixed charge over book and other debts, chattels, goodwill and uncalled capital both present and future; and first floating charge over all assets and undertaking both present and future of the company.

Debt factor advances of £772,464 (2014: £551,409) are secured over the related debtors.

At 31 December 2015 Capital for Colleagues PLC had a charge over the freehold property in respect of £300,000 of the loan notes that were in issue during the year, but converted to share capital on 31 December 2015. This charge has been satisfied post year end.

15. FINANCIAL INSTRUMENTS

The company has the following financial instruments:

	Notes	2015 £	2014 £
Financial assets at fair value through profit or loss	7	51	-
Financial assets that are debt instruments measured at amortised cost			
Trade debtors	8	989,101	762,123
Other debtors	8	57,802	26,520
		<u>1,046,903</u>	<u>788,643</u>
Financial assets that are equity instruments measured at cost less impairment		-	-
Financial liabilities measured at fair value through profit or loss		-	-
Financial liabilities measured at amortised cost			
Bank loans and overdrafts	9/10	440,821	490,673
Trade creditors	9	1,045,792	651,320
Loan notes	9/10	211,000	511,000
Other creditors	9	52,532	46,999
Amounts owed to group undertakings	9	8,533	-
Debt factor advances	9/10	772,464	551,409
		<u>2,531,142</u>	<u>2,251,401</u>

Civils Store Limited

Notes to the Financial Statements - continued **for the Year Ended 31 December 2015**

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2015 £	2014 £
700,000	Ordinary	£1	700,000	700,000
400,000	Ordinary A	£1	400,000	-
			<u>1,100,000</u>	<u>700,000</u>

400,000 Ordinary A shares of £1 each were allotted and fully paid for cash at par during the year.

Prior to 27 February 2021 Ordinary shares rank equally for voting rights. Each member shall have one vote per share held. Each share ranks equally for dividends declared and the rights to a distribution on a winding up. The Ordinary share holders are entitled to one vote per share prior to 27 February 2021.

Following 27 February 2021 the holders of the Ordinary shares shall be entitled to cast a maximum of 85% of all the votes cast, have fixed rights to 85% of all dividends, rights to capital and to participate in a distribution. The ordinary shares are not redeemable.

The Ordinary A share holders have no voting rights prior to 27 February 2021. Following 27 February 2021 the holders of the A ordinary shares shall be entitled to cast a maximum of 15% of all the votes cast, fixed rights to 15% of all dividends, rights to capital and to participate in a distribution. The A ordinary shares are not redeemable.

17. RESERVES

	Retained earnings £	Revaluation reserve £	Totals £
At 1 January 2015	(695,747)	220,807	(474,940)
Deficit for the year	(123,409)		(123,409)
Released in period	7,479	(7,479)	-
At 31 December 2015	<u>(811,677)</u>	<u>213,328</u>	<u>(598,349)</u>

18. RELATED PARTY DISCLOSURES

During the year A Hampton, a director, received £4,488 (2014: £4,500) and J Lewis, a director, £4,986 (2014: £5,000), in respect of interest on loan notes. K Hancock, the wife of a director, received similar interest of £2,493 (2014: £2,500).

CSM Site Supplies Limited Subsidiary company

During the year Civils Store Limited sold goods to CSM Site Supplies Limited to the value of £31,429 (2014: £nil) and bought goods from CSM Site Supplies Limited to the value of £7,753 (2014: £nil). At the year end £8,533 (2014: £nil) was owed to CSM Site Supplies Limited.

Tools and Equipment Limited

Under common control of one or more company directors

During the year Civils Store Limited sold goods to Tools and Equipment Limited to the value of £nil (2014: £645) and bought goods from Tools and Equipment Limited to the value of £nil (2014: £7,815).

Civils Store Limited

Notes to the Financial Statements - continued **for the Year Ended 31 December 2015**

18. RELATED PARTY DISCLOSURES - continued

Durnfield Limited

Under common control of one or more company directors

During the year Civils Store Limited sold goods to Durnfield Limited to the value of £449 (2014: £1,467) and bought goods from Durnfield Limited to the value of £14,533 (2014: £4,280). At the year end £6,000 (2014: £11,930) was owed to Durnfield Limited and £nil (2014: £168) was due from Durnfield Limited.

Midland Construction Limited

Under common control of one or more company directors

During the year Civils Store Limited sold goods to Midland Construction Limited to the value of £1,389 (2014: £17,624) and bought goods from Midland Construction Limited to the value of £2,788 (2014: £12,891). At the year end £nil (2014: £5,667) was due from Midland Construction Limited.

MIA Solutions Limited

Under common control of one or more company directors

During the year Civils Store Limited bought services from MIA Solutions Limited to the value of £19,500 (2014: £23,000). At the year end £6,300 (2014: £3,102) was owed to MIA Solutions Limited.

CPM Group Limited

Under significant influence of one or more company directors

During the year Civils Store Limited bought goods from CPM Group Limited to the value of £907,270 (2014: £462,232) and sold goods to CPM Group Limited to the value of £250 (2014: £nil). At the year end £97,190 (2014: £53,552) was owed to CPM Group Limited.

Milton Pipes Limited

Under significant influence of one or more company directors

During the year Civils Store Limited bought goods from Milton Pipes Limited to the value of £125,440 (2014: £88,487) and sold goods to Milton Pipes Limited to the value of £3,053 (2014: £nil). At the year end £32,942 (2014: £16,893) was owed to Milton Pipes Limited.

2HK Solutions Limited

Under significant influence of one or more company directors

During the year Civils Store Limited bought goods from 2HK Solutions Limited to the value of £26,727 (2014: £14,963). At the year end £671 (2014: £2,213) was owed to 2HK Solutions Limited.

European Drainage Systems Holdings Limited

Under common control of one or more company directors

During the year Civils Store Limited sold goods to European Drainage Systems Holdings Limited to the value of £250 (2014: £6,480) and bought goods to the value of £385,031 (2014: £363,426). At the year end £60,894 (2014: £68,010) was owed to European Drainage Systems Holdings Limited.

Capital for Colleagues PLC

Common key management personnel

During the year Capital for Colleagues PLC converted its £300,000 of loan notes into 300,000 £1 ordinary A shares. It also loaned a further £100,000 during the year, and these loan notes were also converted to 100,000 £1 ordinary A shares. During the year interest of £73,846 was payable to Capital for Colleagues PLC in respect of interest on these loan notes (2014: £47,853) and at the year end £16,520 was outstanding (2014: £2,599).

Civils Store Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

19. ULTIMATE CONTROLLING PARTY

No one party controls the company.

20. TRANSITION TO FRS 102

Prior to 1 January 2014 the company prepared its financial statements under previously extant UK GAAP. From 1 January 2014, the company has elected to present its annual financial statements in accordance with FRS 102 and the Companies Act 2006.

In preparing the accounts, the directors have considered whether in applying the accounting policies required by FRS 102 a restatement of comparative items was needed. No restatements were required.

The company has taken advantage of the transitional provisions of FRS 102 and freehold property and plant and machinery which were previously held at valuation are now held at deemed cost.