

Registered number: 04435952

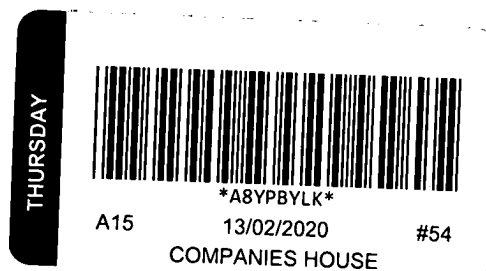
Nick Kenward Construction Limited

Unaudited

Financial statements

Information for filing with the registrar

For the Year Ended 31 July 2019



Nick Kenward Construction Limited
Registered number: 04435952

Balance Sheet
As at 31 July 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	<u>42,780</u>	<u>59,459</u>
		42,780	59,459
Current assets			
Stocks		7,086	9,355
Debtors		1,639,316	2,330,977
Cash at bank and in hand		<u>790,417</u>	<u>455,497</u>
		2,436,819	2,795,829
Creditors: amounts falling due within one year		<u>(835,513)</u>	<u>(1,319,517)</u>
Net current assets		1,601,306	1,476,312
Total assets less current liabilities		1,644,086	1,535,771
Provisions for liabilities			
Deferred tax	6	<u>(4,527)</u>	<u>(8,380)</u>
		(4,527)	(8,380)
Net assets		1,639,559	1,527,391
Capital and reserves			
Called up share capital		2	2
Profit and loss account		<u>1,639,557</u>	<u>1,527,389</u>
		1,639,559	1,527,391

Nick Kenward Construction Limited
Registered number: 04435952

Balance Sheet (continued)
As at 31 July 2019

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

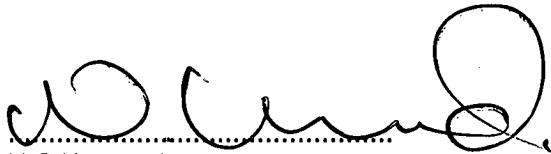
The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'N C Kenward', written over a dotted line.

N C Kenward
Director

Date: 06/02/2020

The notes on pages 3 to 8 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 July 2019**

1. General information

The company is a private company, limited by share capital, and incorporated in England and Wales. The address of its registered office is: The Office, Moathouse Farm, Rusper Road, Horsham, West Sussex, RH12 4QR.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £1.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

**Notes to the Financial Statements
For the Year Ended 31 July 2019**

2. Accounting policies (continued)

2.4 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.5 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.6 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of comprehensive income over its useful economic life.

The estimated useful lives range as follows:

Goodwill	-	10	years
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**Notes to the Financial Statements
For the Year Ended 31 July 2019**

2. Accounting policies (continued)

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	25% per annum on a reducing balance basis
Motor vehicles	-	25% per annum on a reducing balance basis
Fixtures and fittings	-	25% per annum on a reducing balance basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Short term creditors are measured at the transaction price.

Nick Kenward Construction Limited

Notes to the Financial Statements For the Year Ended 31 July 2019

2. Accounting policies (continued)

2.12 Financial instruments

The Company only enters into basic financial instrument 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.

2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 46 (2018 - 45).

4. Intangible assets

	Goodwill £
Cost	
At 1 August 2018	149,750
At 31 July 2019	149,750
Amortisation	
At 1 August 2018	149,750
At 31 July 2019	149,750
Net book value	
At 31 July 2019	-
At 31 July 2018	-

Notes to the Financial Statements
For the Year Ended 31 July 2019

5. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 August 2018	119,618	103,284	63,709	286,611
Additions	-	-	985	985
Disposals	(21,043)	-	-	(21,043)
At 31 July 2019	<u>98,575</u>	<u>103,284</u>	<u>64,694</u>	<u>266,553</u>
Depreciation				
At 1 August 2018	98,865	92,944	35,343	227,152
Charge for the year on owned assets	4,304	2,585	7,236	14,125
Disposals	(17,504)	-	-	(17,504)
At 31 July 2019	<u>85,665</u>	<u>95,529</u>	<u>42,579</u>	<u>223,773</u>
Net book value				
At 31 July 2019	<u>12,910</u>	<u>7,755</u>	<u>22,115</u>	<u>42,780</u>
At 31 July 2018	<u>20,753</u>	<u>10,340</u>	<u>28,366</u>	<u>59,459</u>

6. Deferred taxation

	2019 £
At beginning of year	(8,380)
Charged to profit or loss	3,853
At end of year	<u>(4,527)</u>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(6,953)	(8,775)
Short term timing differences	2,426	395
	<u>(4,527)</u>	<u>(8,380)</u>

Nick Kenward Construction Limited

Notes to the Financial Statements For the Year Ended 31 July 2019

7. Pension commitments

The company operates a defined benefit pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £28,120 (2018: £15,267). Contributions totalling £6,698 (2018: £4,856) were payable to the fund at the balance sheet date and are included in creditors.

8. Related party transactions

During the year the company made the following related party transactions:

Kenward Plant Limited

(A business owned by the director)

During the year the company hired assets from Kenward Plant Limited on an arms length basis. The hire charge amounted to a cost of £733,414 (2018: £515,648). During the year the company charged a management charge to Kenward Plant Limited amounting to £50,000 (2018: £nil). At the balance sheet date the amount due from Kenward Plant Limited was £97,813 (2018: £521,560).

Kenward Farm

(A business owned by the director)

During the year there were transactions between Kenward Farm and the company which were undertaken on an arms length basis. At the balance sheet date the amount due to Kenward Farms was £nil (2018: £1,120).

Director

During the year the director continued to provide a loan to the company. At the balance sheet date the amount due to the director was £17,974 (2018: £32,946).

9. Controlling party

The company is controlled by the director who owns 100% of the called up share capital.