

REGISTERED NUMBER: 09623492 (England and Wales)

GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019
FOR
CJL HOLDINGS (SW) LIMITED

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FOR THE YEAR ENDED 30 SEPTEMBER 2019

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CJL HOLDINGS (SW) LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2019

DIRECTORS:

C J Lomas
Mrs H M L Lomas

REGISTERED OFFICE:

Woodland Court,
Sandford,
Winscombe,
Bristol,
North Somerset
BS25 5QP

REGISTERED NUMBER:

09623492 (England and Wales)

**SENIOR STATUTORY
AUDITOR:**

P A Freeman BA FCCA FCA

AUDITORS:

Lawes & Co UK Limited (Statutory Auditors)
Boyce's Building
40-42 Regent Street
Clifton
Bristol
BS8 4HU

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2019

The directors present their strategic report of the company and the group for the year ended 30 September 2019.

This strategic report forms only part of the group's annual accounts and reports. A person entitled to receive a full copy of the group's annual accounts and reports can obtain them by contacting Mr C J Lomas using the contact details given on the following website: www.cjlconstruction.com.

REVIEW OF BUSINESS

Our group operates in the construction industry which comprises building, contracting, civil engineering, plant hire and operating landfill sites. The majority of our work relates to providing services to major homebuilders in the South West of England.

On 8 February 2017, the group acquired 100% of the share capital of Chasenet Limited, a holding company, which owns 100% of the share capital of BT Jenkins Limited. BT Jenkins Limited operates two landfill sites and also provides plant hire and contract work services. This acquisition compliments the operation of the original group, helping to improve efficiencies and remain competitive.

As directors, we aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business.

The group continues to operate in the construction industry and we consider our key financial performance indicators to be those which communicate the performance and strength of the group as a whole. These are as follows:

	2019	2018	2017
	£	£	£
Sales	60,710,108	51,612,262	41,586,313
Gross Profit	13,286,987	10,893,990	8,458,149
Profit Before Tax	9,932,864	7,723,811	5,332,908
Profit After Tax	8,008,655	6,290,092	4,213,795
Net Assets	37,353,096	31,347,522	27,057,430
Liquidity %	381.80	388.27	524.36

There has continued to be pressures from both customers and suppliers on prices. However, the group's aim of providing a market leading service to its customers has helped to ensure that it remains financially steady and able to react to both customer and supplier demands. The acquisition of BT Jenkins Limited has proved to be successful and is assisting the group in achieving its aims:

A constant review of processes coupled with increased use of technology has helped to maintain a high level of service to customers and limit the impact on margins.

The group has continued its commitment to retaining reserves within the group to help ensure that it has adequate liquid resources for future investment and a strong net assets position to remain financially viable for a long term future.

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2019

PRINCIPAL RISKS AND UNCERTAINTIES

As for many businesses, the business environment in which we operate is a challenging one with pressures due to the Covid-19 pandemic and uncertainty of the economy. However, the group has adapted to the conditions and continued to trade successfully. With the financial strength we have built over the years, the relationships with customers and the positive expectations moving forward, we are well placed to continue managing the economic uncertainty and fast changing environment.

The financial stability of our major customers is crucial to the financial stability of our group and this presents a risk outside of our control. To minimise this risk we ensure that we conduct our business within the contractual terms agreed with our customers. We also work closely with our large and frequent customers so that we are aware of their plans for future development. We can then make sure that we provide a cost effective and efficient service to them.

Another factor that ensures financial stability of the group is the collection of retentions from customers as they fall due. The group has procedures in place to ensure these are recovered.

Labour requirements and operational overheads are reviewed and monitored constantly and carefully. Management accounts for subsidiaries are also prepared and reviewed on a monthly basis to ensure profits are achieved.

Health and Safety is also crucial to the construction industry. The group has a number of procedures in place to ensure the safety of individuals on the construction sites. These include use of Health and Safety examiners, annual audits by the public liability insurance company, a full time Health & Safety manager, a requirement for all appropriate employees to have CSCS cards, monthly site visits from a safety consultancy firm and risk assessments.

In addition, since the recent acquisition of the two landfill sites, compliance with the Environment Agency regulations is crucial. Procedures for ensuring that the regulations are adhered to include the inspection and monitoring of the necessary paperwork by management, quarterly checks by an independent external environmental consultant and annual Environment Agency inspections.

FUTURE DEVELOPMENTS

The group has sufficient financial resources together with numerous contracts in place at the year end with a number of customers. As a result, the directors believe the group is well placed to manage its business risks successfully.

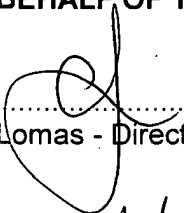
The directors believe that the group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2019

UNQUALIFIED ACCOUNTS

The auditor's report on pages 7 to 9 gives an unqualified opinion on the annual accounts. As required by Companies Act 2006 section 496, the auditor's report also provides an unqualified opinion confirming specifically that the information given in the strategic report and the directors' report is consistent with the accounts.

ON BEHALF OF THE BOARD:



.....
C J Lomas - Director

Date: 22/9/20

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

The directors present their report with the financial statements of the company and the group for the year ended 30 September 2019.

DIVIDENDS

The total distribution of dividends for the year ended 30 September 2019 will be £2,000,000.

FUTURE DEVELOPMENTS

The group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review. The financial position of the group and its cash flows are described in the financial statements. The group has sufficient financial resources together with numerous contracts in place at the year end with a number of customers. As a result, the directors believe the group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2018 to the date of this report.

C J Lomas
Mrs H M L Lomas

CHARITABLE DONATIONS

During the year the group made the following charitable donations:

	£
The Christopher Lomas Charitable Trust	100,000
Other sundry donations	750
	<hr/>
	100,750
	<hr/> <hr/>

EMPLOYMENT OF DISABLED PERSONS

The group supports the principle of equal opportunities in employment and opposes all forms of unlawful or unfair discrimination on the grounds of race, age, nationality, religion, ethnic or national origin, sexual orientation, gender or gender reassignment, marital status or disability. It is also the policy of the group, where possible, to give sympathetic consideration to disabled persons in their application for employment with the group and to protect the interests of existing members of the staff who are disabled.

EMPLOYEE INVOLVEMENT

It is the policy of the group to encourage and develop all members of staff to realise their maximum potential. Wherever possible, vacancies are filled from within the group and adequate opportunities for internal promotion are created. The group is committed to a systematic training policy and has a comprehensive training and development programme creating the opportunity for employees to maintain and improve their performance and to develop their potential to a maximum level of attainment. In this way, staff will make their best possible contribution to the group's success.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

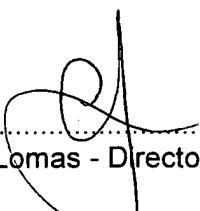
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

The auditors, Lawes & Co UK Limited (Statutory Auditors), will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
C J Lomas - Director

Date: 22/9/20.....

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CJL HOLDINGS (SW) LIMITED

Opinion

We have audited the financial statements of CJL Holdings (SW) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2019 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 30 September 2019 and of the group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CJL HOLDINGS (SW) LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
 - the parent company financial statements are not in agreement with the accounting records and returns; or
 - certain disclosures of directors' remuneration specified by law are not made; or
 - we have not received all the information and explanations we require for our audit.
- in the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have identified material misstatements in the Strategic Report and the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page six, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements


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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CJL HOLDINGS (SW) LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



P A Freeman BA FCCA FCA (Senior Statutory Auditor)
for and on behalf of Lawes & Co UK Limited (Statutory Auditors)
Boyce's Building
40-42 Regent Street
Clifton
Bristol
BS8 4HU

Date:24/9/20.....

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Notes	30.9.19 £	30.9.18 £
TURNOVER		60,710,108	51,612,262
Cost of sales		<u>47,423,121</u>	<u>40,718,272</u>
GROSS PROFIT		13,286,987	10,893,990
Administrative expenses		<u>3,502,017</u>	<u>3,243,291</u>
		9,784,970	7,650,699
Other operating income		-	17,930
OPERATING PROFIT	5	9,784,970	7,668,629
Interest receivable and similar income		<u>115,702</u>	<u>51,064</u>
		9,900,672	7,719,693
Interest payable and similar expenses	6	<u>12,122</u>	<u>(4,118)</u>
PROFIT BEFORE TAXATION		9,888,550	7,723,811
Tax on profit	7	<u>1,924,209</u>	<u>1,433,719</u>
PROFIT FOR THE FINANCIAL YEAR		7,964,341	6,290,092
Profit attributable to: Owners of the parent		<u>7,964,341</u>	<u>6,290,092</u>

The notes form part of these financial statements

CJL HOLDINGS (SW) LIMITED (REGISTERED NUMBER: 09623492)

CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2019

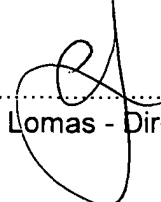
	Notes	30.9.19 £	30.9.18 £
PROFIT FOR THE YEAR		7,964,341	6,290,092
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>7,964,341</u>	<u>6,290,092</u>
Total comprehensive income attributable to: Owners of the parent		<u>7,964,341</u>	<u>6,290,092</u>

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
30 SEPTEMBER 2019

	Notes	30.9.19		30.9.18	
		£	£	£	£
FIXED ASSETS					
Intangible assets	10		294,923		502,236
Tangible assets	11		8,898,351		6,491,165
Investments	12		-		-
			<u>9,193,274</u>		<u>6,993,401</u>
CURRENT ASSETS					
Stocks	13	164,387		137,580	
Debtors	14	16,704,811		13,360,727	
Cash at bank		21,700,306		19,582,057	
		<u>38,569,504</u>		<u>33,080,364</u>	
CREDITORS					
Amounts falling due within one year	15	10,102,048		8,519,862	
NET CURRENT ASSETS			<u>28,467,456</u>		<u>24,560,502</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>37,660,730</u>		<u>31,553,903</u>
PROVISIONS FOR LIABILITIES	17		393,377		250,891
NET ASSETS			<u><u>37,267,353</u></u>		<u><u>31,303,012</u></u>
CAPITAL AND RESERVES					
Called up share capital	18		100		100
Retained earnings	19		37,267,253		31,302,912
SHAREHOLDERS' FUNDS			<u><u>37,267,353</u></u>		<u><u>31,303,012</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 22/9/20 and were signed on its behalf by:


.....
C J Lomas - Director

COMPANY BALANCE SHEET
30 SEPTEMBER 2019

	Notes	30.9.19	30.9.18
		£	£
FIXED ASSETS			
Intangible assets	10	294,927	502,238
Tangible assets	11	-	-
Investments	12	4,765,165	4,765,165
		<u>5,060,092</u>	<u>5,267,403</u>
CURRENT ASSETS			
Debtors	14	-	257,906
Cash at bank		799,994	-
		<u>799,994</u>	<u>257,906</u>
NET CURRENT ASSETS		<u>799,994</u>	<u>257,906</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,860,086</u>	<u>5,525,309</u>
CAPITAL AND RESERVES			
Called up share capital	18	100	100
Retained earnings		5,859,986	5,525,209
SHAREHOLDERS' FUNDS		<u>5,860,086</u>	<u>5,525,309</u>
Company's profit for the financial year		<u>2,334,777</u>	<u>2,095,018</u>

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

The financial statements were approved by the Board of Directors and authorised for issue on 22/9/20 and were signed on its behalf by:

.....
C J Lomas - Director

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 October 2017	100	27,012,820	27,012,920
Changes in equity			
Dividends	-	(2,000,000)	(2,000,000)
Total comprehensive income	-	6,290,092	6,290,092
Balance at 30 September 2018	<u>100</u>	<u>31,302,912</u>	<u>31,303,012</u>
Changes in equity			
Dividends	-	(2,000,000)	(2,000,000)
Total comprehensive income	-	7,964,341	7,964,341
Balance at 30 September 2019	<u>100</u>	<u>37,267,253</u>	<u>37,267,353</u>

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 October 2017	100	5,430,191	5,430,291
Changes in equity			
Dividends	-	(2,000,000)	(2,000,000)
Total comprehensive income	-	2,095,018	2,095,018
Balance at 30 September 2018	<u>100</u>	<u>5,525,209</u>	<u>5,525,309</u>
Changes in equity			
Dividends	-	(2,000,000)	(2,000,000)
Total comprehensive income	-	2,334,777	2,334,777
Balance at 30 September 2019	<u>100</u>	<u>5,859,986</u>	<u>5,860,086</u>

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Notes	30.9.19 £	30.9.18 £
Cash flows from operating activities			
Cash generated from operations	1	9,643,633	11,266,601
Interest paid		(12,122)	4,118
Tax paid		(1,950,794)	(1,184,506)
Net cash from operating activities		<u>7,680,717</u>	<u>10,086,213</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(4,893,033)	(2,704,707)
Sale of tangible fixed assets		1,214,863	1,065,158
Interest received		115,702	51,064
Net cash from investing activities		<u>(3,562,468)</u>	<u>(1,588,485)</u>
Cash flows from financing activities			
Equity dividends paid		(2,000,000)	(2,000,000)
Net cash from financing activities		<u>(2,000,000)</u>	<u>(2,000,000)</u>
Increase in cash and cash equivalents		<u>2,118,249</u>	<u>6,497,728</u>
Cash and cash equivalents at beginning of year	2	<u>19,582,057</u>	<u>13,084,329</u>
Cash and cash equivalents at end of year	2	<u><u>21,700,306</u></u>	<u><u>19,582,057</u></u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2019

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	30.9.19	30.9.18
	£	£
Profit before taxation	9,888,550	7,723,811
Depreciation charges	1,992,606	1,798,068
Profit on disposal of fixed assets	(514,311)	(399,820)
Finance costs	12,122	(4,118)
Finance income	(115,702)	(51,064)
	11,263,265	9,066,877
Increase in stocks	(26,807)	(12,921)
Increase in trade and other debtors	(3,344,081)	(1,172,286)
Increase in trade and other creditors	1,751,256	3,384,931
Cash generated from operations	9,643,633	11,266,601

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 30 September 2019

	30.9.19	1.10.18
	£	£
Cash and cash equivalents	21,700,306	19,582,057

Year ended 30 September 2018

	30.9.18	1.10.17
	£	£
Cash and cash equivalents	19,582,057	13,084,329

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

1. GENERAL INFORMATION

A description of the nature of the group's operations and principal activities is provided in the Strategic Report on page 2.

The parent and subsidiaries are all private companies limited by shares. Details of the parent company's country of registration, registered number and registered office address can be found on the Company Information section on page 1.

2. STATUTORY INFORMATION

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

3. 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.

All figures shown within the financial statements are in pounds sterling.

Basis of consolidation

On 22 April 2016 CJL Holdings (SW) Limited acquired 100% of the share capital of CJL Construction Limited in a share-for-share exchange arrangement. Consolidation has been carried out using the merger accounting method, as allowed under FRS 102 s19, on the basis that:

- * the use of the merger accounting method is not prohibited;
- * the ultimate equity holder remains the same and the rights of the equity holder are unchanged;
- * no non-controlling interest in the net assets of the group is altered by the arrangement.

On 8 February 2017 CJL Holdings (SW) Limited acquired 100% of the share capital of Chasenet Limited. Chasenet Limited owns 100% of the share capital of BT Jenkins Limited. Consolidation has been carried out using the purchase method.

Going concern

Despite the Covid-19 pandemic the group has been trading successfully in 2020 and the directors therefore consider that the group accounts should be prepared on a going concern basis.

Turnover

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

Revenue is recognised through the monthly valuations undertaken in accordance with the agreed contract on all active sites. Each valuation reflects all work done to that date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

3. ACCOUNTING POLICIES - continued

Intangible assets

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

Licences are being amortised evenly over their estimated useful life of five years.

Tangible fixed assets

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

Plant and machinery	- 15% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 20% on cost

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Stocks

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

Stocks are recognised as an expense in the period in which the related revenue is recognised.

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

3. ACCOUNTING POLICIES - continued

Related parties

For the purposes of these financial statements, a party is considered to be related to the group if:

(i) the party has the ability, directly or indirectly, through one or more intermediaries, to control the group or exercise significant influence over the group in making financial and operating policy decisions, or has joint control over the group;

(ii) the group and the party are subject to common control;

(iii) the party is an associate of the group or a joint venture in which the group is a venturer;

(iv) the party is a member of key management personnel of the parent or subsidiary, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;

(v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals;

(vi) the party is a post-employment benefit plan which is for the benefit of employees of the group or of any entity that is a related party of the group; or

(vii) the party, or any member of a group of which it is part, provides key management personnel services to the subsidiary or its parent.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

Employee benefits

Short-term employee benefits are recognised as an expense in the period in which they are incurred.

The obligations for contributions to defined contribution scheme are recognised as an expense in the period they are incurred. The assets of the scheme are held separately from those of the group in an independently administered fund.

4. EMPLOYEES AND DIRECTORS

	30.9.19	30.9.18
	£	£
Wages and salaries	13,2146,212	12,278,364

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

	30.9.19	30.9.18
Site staff	256	254
Administration staff	24	24
	280	278

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

	30.9.19	30.9.18
	£	£
Directors' remuneration	<u>103,863</u>	<u>102,034</u>

The total value of benefits in kind received by the directors amounted to £86,883 (2018 - £85,954)

5. OPERATING PROFIT

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

	30.9.19	30.9.18
	£	£
Depreciation - owned assets	1,785,295	2,392,204
Profit on disposal of fixed assets	(514,311)	(399,820)
Licences amortisation	207,313	162,890
Auditors' remuneration	30,500	31,000
Auditors' remuneration for non audit work	<u>96,450</u>	<u>82,180</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.9.19	30.9.18
	£	£
Bank interest	86	-
Interest on late taxation	<u>12,036</u>	<u>(4,118)</u>
	<u>12,122</u>	<u>(4,118)</u>

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	30.9.19	30.9.18
	£	£
Current tax:		
UK corporation tax	1,781,724	1,475,902
Deferred tax	<u>142,485</u>	<u>(42,183)</u>
Tax on profit	<u>1,924,209</u>	<u>1,433,719</u>

UK corporation tax was charged at 20% in 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

7. 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:

	30.9.19	30.9.18
	£	£
Profit before tax	9,888,550	7,723,811
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	1,878,825	1,467,524
Effects of:		
Expenses not deductible for tax purposes	48,842	1,880
Capital allowances in excess of depreciation	(147,338)	-
Depreciation in excess of capital allowances	-	2,434
Utilisation of tax losses	1,483	(16,600)
Adjustments to tax charge in respect of previous periods	-	(15)
Movement in deferred tax	142,485	(42,183)
Other timing differences	(88)	20,679
Total tax charge	1,924,209	1,433,719

8. INDIVIDUAL INCOME STATEMENT

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

9. DIVIDENDS

	30.9.19	30.9.18
	£	£
Ordinary shares of £1 each		
Interim	2,000,000	2,000,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

10. INTANGIBLE FIXED ASSETS

Group

**Licences
£**

COST

At 1 October 2018
and 30 September 2019

760,143

AMORTISATION

At 1 October 2018
Amortisation for year

257,907
207,313

At 30 September 2019

465,220

NET BOOK VALUE

At 30 September 2019

294,923

At 30 September 2018

502,236

Company

**Licences
£**

COST

At 1 October 2018
and 30 September 2019

760,143

AMORTISATION

At 1 October 2018
Amortisation for year

257,905
207,311

At 30 September 2019

465,216

NET BOOK VALUE

At 30 September 2019

294,927

At 30 September 2018

502,238

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

11. TANGIBLE FIXED ASSETS

Group

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 October 2018	10,569,807	233,060	2,119,171	12,922,038
Additions	4,506,202	21,414	365,417	4,893,033
Disposals	(2,324,997)	-	(139,316)	(2,464,313)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2019	12,751,012	254,474	2,345,272	15,350,758
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 October 2018	5,132,591	162,210	1,136,072	6,430,873
Charge for year	1,432,198	20,446	332,651	1,785,295
Eliminated on disposal	(1,636,509)	-	(127,252)	(1,763,761)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2019	4,928,280	182,656	1,341,471	6,452,407
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 30 September 2019	7,822,732	71,818	1,003,801	8,898,351
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2018	5,437,216	70,850	983,099	6,491,165
	<hr/>	<hr/>	<hr/>	<hr/>

12. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 October 2018 and 30 September 2019	4,765,165
	<hr/>
NET BOOK VALUE	
At 30 September 2019	4,765,165
	<hr/>
At 30 September 2018	4,765,165
	<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

12. FIXED ASSET INVESTMENTS - continued

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

Subsidiaries

CJL Construction Limited

Registered office: Woodland Court, Sandford, Winscombe, Bristol BS25 5QP

Nature of business: Construction

	%	30.9.19	30.9.18
Class of shares:	holding	£	£
Ordinary shares of £1 each	100.00		
Aggregate capital and reserves		31,654,612	27,037,994
Profit for the year		<u>6,624,518</u>	<u>5,384,410</u>

Chasenet Limited

Registered office: Woodland Court, Sandford, Winscombe, Bristol BS25 5QP

Nature of business: Holding company

	%	30.9.19	30.9.18
Class of shares:	holding	£	£
Ordinary A shares of £1 each	100.00		
Ordinary B shares of £1 each	100.00		
Aggregate capital and reserves		800,303	950,303
Loss for the year		<u>-</u>	<u>(289,970)</u>

BT Jenkins Limited

Registered office: Woodland Court, Sandford, Winscombe, Bristol BS25 5QP

Nature of business: Operation of landfill sites and plant hire

	%	30.9.19	30.9.18
Class of shares:	holding	£	£
Ordinary shares of £1 each	100.00		
Aggregate capital and reserves		4,517,420	3,504,572
Profit for the year		<u>1,350,713</u>	<u>1,063,624</u>

13. STOCKS

	Group	
	30.9.19	30.9.18
	£	£
Stocks	<u>164,387</u>	<u>137,580</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

14. DEBTORS

	Group		Company	
	30.9.19	30.9.18	30.9.19	30.9.18
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	12,346,789	10,216,588	-	-
Amounts recoverable on contract	65,000	147,500	-	-
Other debtors	2,127,633	1,430,773	-	257,906
Prepayments and accrued income	454,857	65,635	-	-
	14,994,279	11,860,496	-	257,906
Amounts falling due after more than one year:				
Trade debtors	1,710,532	1,500,231	-	-
Aggregate amounts	16,704,811	13,360,727	-	257,906

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	30.9.19	30.9.18
	£	£
Trade creditors	3,730,610	3,930,841
Tax	809,905	978,975
Social security and other taxes	428,369	317,342
VAT	51,078	123,029
Other creditors	3,027,743	1,877,125
Accrued expenses	2,054,343	1,292,550
	10,102,048	8,519,862

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	30.9.19	30.9.18
	£	£
Within one year	184,493	173,261
Between one and five years	257,568	373,632
	442,061	546,893

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

17. PROVISIONS FOR LIABILITIES

	Group	
	30.9.19	30.9.18
	£	£
Deferred tax		
Accelerated capital allowances	393,377	250,891
	<u><u>393,377</u></u>	<u><u>250,891</u></u>
Group		
		Deferred tax
		£
Balance at 1 October 2018		250,891
Provided during year		142,486
Depreciation in excess of capital allowances		
		<u><u>393,377</u></u>
Balance at 30 September 2019		

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.9.19	30.9.18
			£	£
100	Ordinary	£1	100	100
			<u><u>100</u></u>	<u><u>100</u></u>

19. RESERVES

Group	
	Retained earnings
	£
At 1 October 2018	31,302,912
Profit for the year	7,964,341
Dividends	(2,000,000)
	<u><u>37,267,253</u></u>
At 30 September 2019	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

20. RELATED PARTY DISCLOSURES

The directors, Mr C J Lomas and Mrs H M L Lomas, maintain an interest free loan account with one of the company's subsidiaries, CJL Construction Limited, which is repayable on demand. At the balance sheet date, CJL Construction Limited owed £3,011,548 (2018 - £1,863,465) to the directors.

During the year CJL Construction Limited paid rent totalling £142,740 (2018 - £142,740) to the directors for use of properties owned jointly by them.

During the year CJL Construction Limited made a charitable donation of £100,000 (2018 - £100,000) to The Christopher Lomas Charitable Trust, a charity for which the directors act as trustees.

21. ULTIMATE CONTROLLING PARTY

Mr C J Lomas, who owns 100% of the share capital of CJL Holdings (SW) Limited, has ultimate control of the group.

22. RETIREMENT BENEFITS

Employer pension costs for the year amounted to £117,577 (2018 - £68,065) and these have been expensed to the profit and loss account.

Included within creditors is a balance of £391,964 (2018 - £150,736 relating to pension contributions payable).