REGISTERED NUMBER: 11525761 (England and Wales)

Group Strategic Report,

Report of the Directors and

Consolidated Financial Statements

For The Period 21 August 2018 to 31 December 2019

for

Stortford Holdings Limited

Contents of the Consolidated Financial Statements
For The Period 21 August 2018 to 31 December 2019

Company Information
For The Period 21 August 2018 to 31 December 2019

DIRECTORS:	J P Nania S F Shearing S Harvey J J Sheehan
REGISTERED OFFICE:	Stortford House 231 London Road Bishops Stortford Hertfordshire CM23 3LA
REGISTERED NUMBER:	11525761 (England and Wales)
AUDITORS:	Giess Wallis Crisp LLP Registered Auditor 10-12 Mulberry Green Old Harlow Essex CM17 0ET

Group Strategic Report
For The Period 21 August 2018 to 31 December 2019

The directors present their strategic report of the company and the group for the period 21 August 2018 to 31 December 2019.

REVIEW OF BUSINESS
These are the first financial statements consolidating the performance of the group. The Income Statement, page 7, shows the consolidated performance for Stortford Interiors (UK) Limited for the 7 months from acquisition, turnover £27.3m, and that of Arcade Tiling Limited from the commencement of trade, turnover £0.8m.

The year ended 31st December 2019 has shown, once again, a substantial improvement in performance. Profits from it's main subsidiary, Stortford Interiors (UK) Limited increased form circa £1.20 million to circa £1.70m, with an increase in turnover of £2m to circa £41m.

During 2019 the business completed a management buy out by the 3 remaining non shareholding directors, this was achieved without any degradation to the cashflow of the business, which increased cash for the year by circa £518k to a year end position of £3.156m.

Stortford Interiors (UK) Limited have continued to add to its portfolio of high quality projects with both existing and new Tier 1 clients. At the time of writing the current order book stands at circa £51 million with good visibility of projects, advised by our clients, for 2021/22.

The business strategy of maintaining and building upon our relationships with our 'blue chip' clients has continued to be successful and will prove vital as we navigate the current uncertainties brought on by Brexit and the COVID-19 pandemic.

PRINCIPAL RISKS AND UNCERTAINTIES
The business has historically worked on projects in London and the Home Counties. During 2019 the business focussed on mitigation of the Brexit uncertainties to the commercial market and successfully moved into the mid to high end residential market. This policy will continue as further diversification of markets into key areas such as Infrastructure and Education will be a core KPI of the business to mitigate any downturn in any one sector.

With the UK Governments plans to 'level up' the UK's economic activity of the Midlands and the North, Stortford Interiors have successfully opened up offices in Birmingham in 2019 and secured several projects with our Tier 1 clients and where we show strong growth. This represents the core KPI of diversification away from being a London centric business.

The major uncertainties of COVID-19 to the construction markets, is in our opinion, the management of productivity on the sites as we cope with new working practices. The risks of disputes with current contracts affected by COVID-19 is also a concern but at the time of writing we have seen no evidence of this with our clients, where we continue to maintain strong and close business relations. Notwithstanding this we will continue to be diligent in managing our contracts to avoid disputes wherever possible.

The company is well placed with a strong management team and dedicated staff to manage the transition into new working practices which in turn, is supported by a robust cash position and support from our Bank should we need to call upon it.

KEY PERFORMANCE INDICATORS
Gross Profit Margin:

2019: 9.11%

Net Profit Margin:

2019: 6.36

Trade debtor days:

2019: 29 days

Liquidity:

2019: 119.74%

ON BEHALF OF THE BOARD:

J P Nania - Director

27 May 2020

Report of the Directors
For The Period 21 August 2018 to 31 December 2019

The directors present their report with the financial statements of the company and the group for the period 21 August 2018 to 31 December 2019.

INCORPORATION
The group was incorporated on 20 August 2018 and commenced trading on 1 June 2019.

DIVIDENDS
Interim dividends per share were paid as follows:

A Ordinary £1 shares	£6,540.00	- 31 December 2019
Ordinary Redeemable B £20,000 shares	£6,540.00	- 31 December 2019

The directors recommend that no final dividends be paid.

The total distribution of dividends for the period ended 31 December 2019 will be £ 654,000 .

EVENTS SINCE THE END OF THE PERIOD
Information relating to events since the end of the period is given in the notes to the financial statements.

DIRECTORS
J P Nania has held office during the whole of the period from 21 August 2018 to the date of this report.

Other changes in directors holding office are as follows:

S F Shearing - appointed 21 May 2019
S Harvey - appointed 21 May 2019
J J Sheehan - appointed 21 May 2019

All the directors who are eligible offer themselves for election at the forthcoming first Annual General Meeting.

COVID-19
COVID-19 represents a significant risk to the business. The directors are monitoring the ongoing developments in order to ensure that the company's operations and cash flows are effectively managed.

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). 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;
- 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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS
The auditors, Giess Wallis Crisp LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

J P Nania - Director

27 May 2020

Opinion
We have audited the financial statements of Stortford Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 December 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 31 December 2019 and of the group's profit for the period 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.

Material uncertainty relating to going concern
We draw attention to the going concern accounting policy in the financial statements, which explains the directors risk assessment and actions in response to the COVID-19 pandemic. The occurrence of the COVID-19 pandemic clearly indicates that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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.

Responsibilities of directors

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, 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.

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.

Tony Crisp FCA (Senior Statutory Auditor)
for and on behalf of Giess Wallis Crisp LLP
Registered Auditor
10-12 Mulberry Green
Old Harlow
Essex
CM17 0ET

28 May 2020

Consolidated Income Statement
For The Period 21 August 2018 to 31 December 2019

	Notes	£
TURNOVER		28,132,313
Cost of sales		25,568,417
GROSS PROFIT		2,563,896
Administrative expenses		793,751
		1,770,145
Other operating income		54,261
OPERATING PROFIT	5	1,824,406
Interest receivable and similar income		7,875
		1,832,281
Interest payable and similar expenses	6	44,155
PROFIT BEFORE TAXATION		1,788,126
Tax on profit	7	(41,615)
PROFIT FOR THE FINANCIAL PERIOD		1,829,741
Profit attributable to:		
Owners of the parent		1,816,689
Non-controlling interests		13,052
		1,829,741

The notes form part of these financial statements

Consolidated Other Comprehensive Income
For The Period 21 August 2018 to 31 December 2019

	Notes	£
PROFIT FOR THE PERIOD		**1,829,741**
OTHER COMPREHENSIVE INCOME		-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**1,829,741**
Total comprehensive income attributable to:		
Owners of the parent		**1,816,689**
Non-controlling interests		**13,052**
		1,829,741

The notes form part of these financial statements

Consolidated Balance Sheet
31 December 2019

	Notes	£	£
FIXED ASSETS			
Intangible assets	10		90,568
Tangible assets	11		229,172
Investments	12		29,700
Investment property	13		350,000
			699,440
CURRENT ASSETS			
Debtors	14	8,029,972	
Cash at bank and in hand		3,185,268	
		11,215,240	
CREDITORS			
Amounts falling due within one year	15	9,369,037	
NET CURRENT ASSETS			1,846,203
TOTAL ASSETS LESS CURRENT LIABILITIES			2,545,643
CREDITORS			
Amounts falling due after more than one year	16		(1,265,240)
PROVISIONS FOR LIABILITIES	20		(52,110)
NET ASSETS			1,228,293
CAPITAL AND RESERVES			
Called up share capital	21		52,356
Retained earnings	22		1,162,689
SHAREHOLDERS' FUNDS			1,215,045
NON-CONTROLLING INTERESTS	23		13,248
TOTAL EQUITY			1,228,293

The financial statements were approved by the Board of Directors and authorised for issue on 27 May 2020 and were signed on its behalf by:

J P Nania - Director

The notes form part of these financial statements

Company Balance Sheet
31 December 2019

	Notes	£	£
FIXED ASSETS			
Intangible assets	10		-
Tangible assets	11		-
Investments	12		2,678,593
Investment property	13		-
			2,678,593
CURRENT ASSETS			
Cash in hand		75	
CREDITORS			
Amounts falling due within one year	15	669,051	
NET CURRENT LIABILITIES			(668,976)
TOTAL ASSETS LESS CURRENT LIABILITIES			2,009,617
CREDITORS			
Amounts falling due after more than one year	16		1,124,491
NET ASSETS			885,126
CAPITAL AND RESERVES			
Called up share capital	21		52,356
Retained earnings	22		832,770
SHAREHOLDERS' FUNDS			885,126
Company's profit for the financial year			1,486,770

The financial statements were approved by the Board of Directors and authorised for issue on 27 May 2020 and were signed on its behalf by:

J P Nania - Director

The notes form part of these financial statements

Consolidated Statement of Changes in Equity
For The Period 21 August 2018 to 31 December 2019

	Called up share capital £	Retained earnings £	Total £	Non-controlling interests £	Total equity £
Prior year adjustment	-	-	-	196	196
As restated	-	-	-	196	196
Changes in equity					
Issue of share capital	52,356	-	52,356	-	52,356
Dividends	-	(654,000)	(654,000)	-	(654,000)
Total comprehensive income	-	1,816,689	1,816,689	13,052	1,829,741
Balance at 31 December 2019	52,356	1,162,689	1,215,045	13,248	1,228,293

The notes form part of these financial statements

Company Statement of Changes in Equity
For The Period 21 August 2018 to 31 December 2019

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	52,356	-	52,356
Dividends	-	(654,000)	(654,000)
Total comprehensive income	-	1,486,770	1,486,770
Balance at 31 December 2019	52,356	832,770	885,126

The notes form part of these financial statements

Consolidated Cash Flow Statement
For The Period 21 August 2018 to 31 December 2019

	Notes	£
Cash flows from operating activities		
Cash generated from operations	1	**2,184,853**
Interest paid		**(37,407)**
Interest element of hire purchase payments paid		**(6,748)**
Tax paid		**(272,046)**
Net cash from operating activities		**1,868,652**
Cash flows from investing activities		
Purchase of tangible fixed assets		**(104,055)**
Interest received		**7,875**
Net cash from investing activities		**(96,180)**
Cash flows from financing activities		
New loans in year		**271,922**
Loan repayments in year		**(178,807)**
New HP in year		**129,112**
Capital repayments in year		**(29,967)**
Amount introduced by directors		**58,500**
Amount withdrawn by directors		**(29,658)**
Share issue		**75**
Loan notes issued		**1,600,000**
Loan notes repaid		**(254,381)**
Redeemable B Shares		**500,000**
Equity dividends paid		**(654,000)**
Net cash from financing activities		**1,412,796**
Increase in cash and cash equivalents		**3,185,268**
Cash and cash equivalents at beginning of period	2	**-**
Cash and cash equivalents at end of period	2	**3,185,268**

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
For The Period 21 August 2018 to 31 December 2019

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

	£
Profit before taxation	1,788,126
Depreciation charges	65,376
Finance costs	44,155
Finance income	(7,875)
	1,889,782
Decrease in stocks	19,984
Increase in trade and other debtors	(979,102)
Increase in trade and other creditors	1,254,189
Cash generated from operations	2,184,853

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:

Period ended 31 December 2019

	31/12/19	21/8/18
	£	£
Cash and cash equivalents	3,185,268	-

The notes form part of these financial statements

1. STATUTORY INFORMATION

Stortford Holdings 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.

2. STATEMENT OF COMPLIANCE

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.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements have been prepared under the historical cost convention.

Basis of consolidation
The Group financial statements incorporate the financial statements of Stortford Holdings Ltd (the 'Company') and entities controlled by the Company (its subsidiaries) made up to 31 December each year.

The results of subsidiaries acquired during the year are included in the consolidated income statement from the effective date of acquisition.

Significant judgements and estimates
In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no estimates and assumptions which have had a significant risk of causing a material adjustment to the carrying amount of assets and liabilities

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 is derived from one-off jobs and contracts. Turnover from one-off jobs is measured through an internal assessment of work carried out based on time incurred and materials utilised or percentage of completion depending on the nature of the contract.

Turnover from contracts comprises the fair value of construction carried out in the year, based on an internal assessment of work carried out. Once the outcome of a contract can be estimated reliably, margin is recognised in the Statement of Income on a stage of contract completion basis by reference to the costs incurred to date and total forecast costs on the contract as a whole. Costs include labour and attributable overheads.

Losses expected in bringing a contract to completion are recognised immediately. Where the outcome of claims is uncertain, the company only recognises revenue and the associated margin where it is probable that the client will approve the variation.

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

Goodwill
Goodwill, being the amount paid in connection with the acquisition of a business in 2019, is being amortised evenly over its estimated useful life of ten years.

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.

continued...

3. **ACCOUNTING POLICIES - continued**

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	- 33% on cost and 3 to 5 years straight line basis
Motor vehicles	- 20% on cost

Investment property
Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Investment property is not being depreciated in accordance with FRS 102 Section 16. Management consider that the current property valuation provides a true and fair value at the year end.

continued...

3. **ACCOUNTING POLICIES - continued**

Financial instruments
The company has elected to apply the provisions of Section 11:'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues ' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets
Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets
Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as ·current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

continued...

3. **ACCOUNTING POLICIES - continued**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Taxation

Taxation for the period 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 period 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.

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.

Pension costs and other post-retirement benefits

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

Going concern

COVID-19 represents a significant risk to the business. The directors are monitoring the ongoing developments in order to ensure that the company's operations and cash flow are effectively managed. Cashflow forecasts have been prepared which support the directors' view that sufficient cash will be available to support the company's operations. The company are making use of government support currently available where necessary. The directors are continuing to monitor government websites for further announcements regarding support for business. Based on the information currently available, the directors consider that the company will have sufficient cash available to support its operations for a minimum period of 12 months from the date these financial statements were approved.

continued...

4. EMPLOYEES AND DIRECTORS

	£
Wages and salaries	2,504,525
Social security costs	226,693
Other pension costs	178,698
	2,909,916

The average number of employees during the period was as follows:

Management	6
Administration	12
Direct	78
	96

The average number of employees by undertakings that were proportionately consolidated during the period was 94 .

	£
Directors' remuneration	59,835

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	1

5. OPERATING PROFIT

The operating profit is stated after charging:

	£
Hire of equipment	183,621
Depreciation - owned assets	38,694
Depreciation - assets on hire purchase contracts	21,071
Goodwill amortisation	5,610
Auditors' remuneration	7,000
Auditors' remuneration for non audit work	1,500

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	£
Bank interest	6,856
Bank loan interest	1,736
Interest payable	28,815
Hire purchase	6,748
	44,155

continued...

7. TAXATION

Analysis of the tax credit
The tax credit on the profit for the period was as follows:

	£
Current tax:	
UK corporation tax	(58,356)
Deferred tax	16,741
Tax on profit	(41,615)

Reconciliation of total tax credit included in profit and loss
The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	£
Profit before tax	1,788,126
Profit multiplied by the standard rate of corporation tax in the UK of 19%	339,744
Effects of:	
Expenses not deductible for tax purposes	(9,902)
Income not taxable for tax purposes	5,475
Capital allowances in excess of depreciation	(11,611)
Utilisation of tax losses	(5,475)
Adjustments to tax charge in respect of previous periods	(24,288)
Tax effect of pre-acq losses	(26,611)
R&D Enhanced Deductions	(270,833)
Amortisation on Goodwill	1,066
Movement on Deferred Tax	16,354
Difference due to pre-acquistion reserves	(55,534)
Total tax credit	(41,615)

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

	£
A Ordinary shares of £1 each	
Interim	490,500
Ordinary Redeemable B shares of £20,000 each	
Interim	163,500
	654,000

continued...

10. INTANGIBLE FIXED ASSETS

Group

	Goodwill
	£
COST	
Additions	96,178
At 31 December 2019	96,178
AMORTISATION	
Amortisation for period	5,610
At 31 December 2019	5,610
NET BOOK VALUE	
At 31 December 2019	90,568

11. TANGIBLE FIXED ASSETS

Group

	Fixtures and fittings	Motor vehicles	Totals
	£	£	£
COST			
Additions	224,099	64,838	288,937
At 31 December 2019	224,099	64,838	288,937
DEPRECIATION			
Charge for period	48,127	11,638	59,765
At 31 December 2019	48,127	11,638	59,765
NET BOOK VALUE			
At 31 December 2019	175,972	53,200	229,172

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

	Fixtures and fittings	Motor vehicles	Totals
	£	£	£
COST			
Additions	71,866	64,838	136,704
At 31 December 2019	71,866	64,838	136,704
DEPRECIATION			
Charge for period	9,433	11,638	21,071
At 31 December 2019	9,433	11,638	21,071
NET BOOK VALUE			
At 31 December 2019	62,433	53,200	115,633

continued...

12. **FIXED ASSET INVESTMENTS**

Group

	Unlisted investments £
COST	
Additions	**29,700**
At 31 December 2019	**29,700**
NET BOOK VALUE	
At 31 December 2019	**29,700**

Company

	Shares in group undertakings £
COST	
Additions	**2,678,593**
At 31 December 2019	**2,678,593**
NET BOOK VALUE	
At 31 December 2019	**2,678,593**

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

Subsidiaries

Stortford Interiors (UK) Ltd
Registered office: Stortford House, 231 London Road, Bishops Stortford, Hertfordshire, United Kingdom, CM23 3LA
Nature of business: Architectural package contractor

Class of shares:	% holding
Ordinary	100.00

	2019 £
Aggregate capital and reserves	2,904,156
Profit for the period	1,697,470

Stortford Holdings Ltd acquired 100% of the share capital of Stortford Interiors (UK) Ltd on 21st May 2019 for a consideration of £2,678,389.

The financial statements of Stortford Interiors (UK) Ltd are included in the consolidated financial statements of Stortford Holdings Ltd from the date of acquisition, being 21st May 2019.

continued...

12. **FIXED ASSET INVESTMENTS - continued**

Arcade Tiling Ltd
Registered office: Stortford House, 231 London Road, Bishops Stortford, Hertfordshire, United Kingdom, CM23 3LA
Nature of business: Tiling contractor

Class of shares:	% holding
Ordinary	51.00

	2019 £
Aggregate capital and reserves	27,036
Profit for the period	26,636

Stortford Holdings Ltd acquired 102 shares in Arcade Tiling Ltd on 26th November 2019 for the nominal share value of £2 per share.

The financial statements of Arcade Tiling Ltd are included in the consolidated financial statements of Stortford Holdings Ltd.

13. **INVESTMENT PROPERTY**

Group

	Total £
FAIR VALUE	
Additions	**350,000**
At 31 December 2019	**350,000**
NET BOOK VALUE	
At 31 December 2019	**350,000**

14. **DEBTORS**

	Group £
Amounts falling due within one year:	
Trade debtors	**1,612,320**
Amounts recoverable on contract	**5,634,942**
Other debtors	**37,651**
Directors' current accounts	**14,205**
Prepayments and accrued income	**133,566**
Prepayments	**5,968**
	7,438,652
Amounts falling due after more than one year:	
Amounts recoverable on contract	**591,320**
Aggregate amounts	**8,029,972**

continued...

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group £	Company £
Bank loans and overdrafts (see note 17)	226,600	-
Other loans (see note 17)	668,846	668,846
Hire purchase contracts (see note 18)	39,965	-
Trade creditors	5,045,262	-
Tax	34,845	-
Social security and other taxes	360,033	-
VAT	272,582	-
Other creditors	2,502,151	205
Directors' current accounts	58,500	-
Accrued expenses	160,253	-
	9,369,037	669,051

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

	Group £	Company £
Other loans (see note 17)	1,124,491	1,124,491
Hire purchase contracts (see note 18)	140,749	-
	1,265,240	1,124,491

17. LOANS

An analysis of the maturity of loans is given below:

	Group £	Company £
Amounts falling due within one year or on demand:		
Bank loans	226,600	-
Other loans	668,846	668,846
	895,446	668,846
Amounts falling due between one and two years:		
Other loans - 1-2 years	548,666	548,666
Amounts falling due between two and five years:		
Other loans - 2-5 years	575,825	575,825

The above total loan balance includes loan notes totalling £1,345,618 which are repayable over a term of 2 years and 3 months at an interest rate of 3.5%.

The remainder of the above other loans represents the liability element of the "Ordinary Redeemable B Shares" and totals £447,719 at the year end. This amount represents the present value of the total value of the shares, being £500,000, which has been discounted at an interest rate of 3.5% over a period of 3 and a half years, when the shares must be redeemed. The interest rate of 3.5% has been used to mirror the rate of the loan notes. Included in the loan value outstanding at the year end is £8,240 which represents the unwinding of the loan at 3.5% in the 6 months from the date of issue to the year end. The remainder of the "Ordinary Redeemable B Shares" are classified as equity as per Note 11.

continued...

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts
	£
Net obligations repayable:	
Within one year	39,965
Between one and five years	140,749
	180,714

19. SECURED DEBTS

The following secured debts are included within creditors:

	Group	Company
	£	£
Bank loans	226,600	-
Loan Notes	1,345,619	1,345,619
	1,572,219	1,345,619

The bank loans and overdraft facilities are secured by way of 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.

Hire purchase liabilities are all secured on the assets concerned.

Loan notes are secured by way of fixed and floating charges over the assets of the company and undertaking assets.

20. PROVISIONS FOR LIABILITIES

	Group
	£
Deferred tax	52,110

Group

	Deferred tax
	£
Charge to Income Statement during period	16,741
Pre-acquisition DT	35,369
Balance at 31 December 2019	52,110

continued...

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	£
75	A Ordinary	£1	75
25	Ordinary Redeemable B	£20,000	52,281
			52,356

The following shares were allotted and fully paid for cash at par during the period:

75 A Ordinary shares of £1 each
25 Ordinary Redeemable B shares of £20,000 each

The Ordinary Redeemable B Shares rank pari passu with A Ordinary Shares in respect of voting rights and rights to dividends.

The Ordinary Redeemable B Shares can be redeemed in full at any time after the Loan Notes have been repaid and in any event no later than 42 months from the date of adoption of the Articles of Association, being 21st May 2019. The amount payable to redeem the shares in full will be £500,000, no premium will be payable.

The Ordinary Redeemable B Shares are split between liabilities and equity in accordance with the applicable Accounting Standards. The share value of £52,281 represents the unwound present value of the equity element of the redeemable shares, unwound at an interest rate of 3.5% over a period of 3 and a half years when the shares will be redeemed. The liability element of the redeemable shares are disclosed as per Note 10.

22. RESERVES

Group

	Retained earnings £
Profit for the period	1,816,689
Dividends	(654,000)
At 31 December 2019	1,162,689

Company

	Retained earnings £
Profit for the period	1,486,770
Dividends	(654,000)
At 31 December 2019	832,770

23. NON-CONTROLLING INTERESTS

The minority interest represents 98 £2 shares in Arcade Tiling Ltd, representing a shareholding of 49%.

continued...

24. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the period ended 31 December 2019:

	£
J P Nania	
Balance outstanding at start of period	-
Amounts advanced	216,543
Amounts repaid	(202,338)
Amounts written off	-
Amounts waived	-
Balance outstanding at end of period	14,205

All other directors loan account balances were in credit at the year end and are disclosed within note 15.

All directors loans were provided on the basis they were repayable on demand and interest free.

25. POST BALANCE SHEET EVENTS

COVID-19 represents a significant risk to the business. The directors are monitoring the ongoing developments in order to ensure that the company's operations and cash flow are effectively managed. The directors consider that the company can continue as a going concern (accounting policies) and it did not affect any of the conditions that existed at the balance sheet date. Therefore, COVID-19 has been treated as a non-adjusting post balance sheet event and no adjustments have been made to the financial statements.

26. ULTIMATE CONTROLLING PARTY

There is no one ultimate controlling party.