

GEMECH FOUNDATIONS GROUP LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

GEMECH FOUNDATIONS GROUP LIMITED
REGISTERED NUMBER: 06872675

BALANCE SHEET
AS AT 31 MARCH 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	1,187,416	735,456
Investments		135,100	235,100
		<hr/> 1,322,516	<hr/> 970,556
Current assets			
Debtors: amounts falling due within one year	5	58,833	49,497
Cash at bank and in hand	6	314,043	210,924
		<hr/> 372,876	<hr/> 260,421
Creditors: amounts falling due within one year	7	(219,068)	(219,829)
		<hr/>	<hr/>
Net current assets		153,808	40,592
		<hr/>	<hr/>
Total assets less current liabilities		1,476,324	1,011,148
		<hr/>	<hr/>
Creditors: amounts falling due after more than one year	8	(532,273)	(242,997)
		<hr/>	<hr/>
Net assets		<u>944,051</u>	<u>768,151</u>
Capital and reserves			
Called up share capital	10	100	100
Profit and loss account		943,951	768,051
		<hr/> 944,051	<hr/> 768,151

The directors consider 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 directors acknowledge their 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 comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

GEMECH FOUNDATIONS GROUP LIMITED
REGISTERED NUMBER: 06872675

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2018

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

.....
D J Garner
Director

Date: 18 December 2018

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

GEMECH FOUNDATIONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. General information

Gemech Foundations Group Limited is a private company, limited by share capital and incorporated in England and Wales.

The company's registered office and principal place of business is Unit 12 Kenn Court, South Bristol Business park, Roman Farm road, Bristol, BS4 1UL.

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.

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:

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 Operating leases

Rentals income from operating leases is credited to the Statement of Comprehensive Income on a straight line basis over the term of the relevant lease.

2.4 Leased assets

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.5 Taxation

Tax is recognised in the Statement of Comprehensive Income, 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.

2.6 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, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- varying rates
Motor vehicles	- varying rates
Fixtures and fittings	- varying rates

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 Comprehensive Income.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 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.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)

2.11 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.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2017 - 3).

GEMECH FOUNDATIONS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

4. Tangible fixed assets

	Plant and machinery	Motor vehicles	Fixtures and fittings	Total
	£	£	£	£
Cost or valuation				
At 1 April 2017	1,291,897	198,671	19,117	1,509,685
Additions	595,861	41,100	4,488	641,449
Disposals	-	(6,405)	-	(6,405)
At 31 March 2018	<u>1,887,758</u>	<u>233,366</u>	<u>23,605</u>	<u>2,144,729</u>
Depreciation				
At 1 April 2017	668,023	94,907	11,299	774,229
Charge for the year on owned assets	85,544	10,450	8,137	104,131
Charge for the year on financed assets	52,565	32,435	358	85,358
Disposals	-	(6,405)	-	(6,405)
At 31 March 2018	<u>806,132</u>	<u>131,387</u>	<u>19,794</u>	<u>957,313</u>
Net book value				
At 31 March 2018	<u>1,081,626</u>	<u>101,979</u>	<u>3,811</u>	<u>1,187,416</u>
At 31 March 2017	<u>623,874</u>	<u>103,764</u>	<u>7,818</u>	<u>735,456</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2018	2017
	£	£
Plant and machinery	862,334	492,542
Motor vehicles	59,453	91,888
Office equipment	-	358
	<u>921,787</u>	<u>584,788</u>

GEMECH FOUNDATIONS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

5. Debtors

	2018	2017
	£	£
Trade debtors	8,448	4,280
Amounts owed by group undertakings	12	-
Other debtors	49,597	44,731
Prepayments and accrued income	776	486
	<hr/> 58,833 <hr/>	<hr/> 49,497 <hr/>

6. Cash and cash equivalents

	2018	2017
	£	£
Cash at bank and in hand	314,043	210,924
	<hr/> 314,043 <hr/>	<hr/> 210,924 <hr/>

7. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Corporation tax	17,291	17,332
Obligations under finance lease and hire purchase contracts	198,777	199,497
Other creditors	3,000	3,000
	<hr/> 219,068 <hr/>	<hr/> 219,829 <hr/>

8. Creditors: Amounts falling due after more than one year

	2018	2017
	£	£
Obligations under finance leases and hire purchase contracts	532,273	242,997
	<hr/> 532,273 <hr/>	<hr/> 242,997 <hr/>

GEMECH FOUNDATIONS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

9. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2018 £	2017 £
Within one year	198,778	199,497
Between 1-5 years	532,273	242,997
	<u>731,051</u>	<u>442,494</u>

Obligations under finance lease and hire purchase contracts are secured against the assets to which they relate.

10. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
100 (2017 - 100) Ordinary shares of £1 each	<u>100</u>	<u>100</u>

11. Related party transactions

Included in debtors is an amount of £12 (2017: £nil) owing from Gemech Limited, which is 100% owned by the company.

During the year the company sold £100,000 Ordinary £1 B shares in Geomechanical Engineering Limited. In addition the directors still hold 2 Ordinary £1 A shares in this company.

Investments include 100 Ordinary £1 A and 135,000 Ordinary £1 B shares in Gemech Limited being 100% of the issued share capital.

During the year the company was charged a management charge from the 100% owned subsidiary Gemech Limited of £76,487 (2017: £76,496).

During the period sales were made to Gemech Limited of £498,251 (2017: £444,503) a 100% owned subsidiary.

12. Controlling party

There is no ultimate controlling party, each of the two shareholders holding shares in equal measure.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.