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COMPANY REGISTRATION NUMBER 07432717

**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY  
GRAHAM HEATH HOLDINGS LIMITED)**

**FINANCIAL STATEMENTS**

**31 JULY 2015**

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**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2015**

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<b>CONTENTS</b>	<b>PAGES</b>
Officers and professional advisers	<b>1</b>
Strategic report	<b>2 to 3</b>
Director's report	<b>4 to 5</b>
Independent auditor's report to the shareholders	<b>6 to 7</b>
Profit and loss account	<b>8</b>
Group balance sheet	<b>9</b>
Balance sheet	<b>10</b>
Group cash flow cash flow statement	<b>11</b>
Notes to the financial statements	<b>12 to 24</b>

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**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**OFFICERS AND PROFESSIONAL ADVISERS**

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<b>The director</b>	G J T Heath
<b>Registered office</b>	The Creamery Wrenbury Industrial Estate 2 Station Road Wrenbury Cheshire CW5 8EX
<b>Business address</b>	The Creamery Wrenbury Industrial Estate 2 Station Road Wrenbury Cheshire CW5 8EX
<b>Auditor</b>	DPC Accountants Limited Chartered Accountants & Statutory Auditor Vernon Road Stoke on Trent Staffordshire ST4 2QY
<b>Bankers</b>	National Westminster 2 Crewe Road Alsager Stoke-on-Trent Staffordshire ST7 2ER

# **GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM HEATH HOLDINGS LIMITED)**

## **STRATEGIC REPORT**

### **YEAR ENDED 31 JULY 2015**

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The director presents his report for the year ended 31st July 2015.

#### **Business review**

The following set of consolidated accounts reflects the group's operations as follows:

Graham Heath Group Limited (Previously Graham Heath Holdings Limited) - a property holding company.

Graham Heath Construction Limited - subsidiary operating in erection of agricultural buildings.

Concrete Panel Systems Limited - subsidiary operating in the manufacture of concrete panels.

Graham Heath Management Services Limited (Previously South Cheshire Readymix Limited)- dormant subsidiary

Kit Framed Buildings Limited - dormant subsidiary

Moorfields Investments Limited - dormant subsidiary

G H Equestrian Limited - dormant subsidiary

Concrete Products Limited - dormant subsidiary

The trading activities are conducted through Graham Heath Construction Limited and Concrete Panel Systems Limited.

Both trading companies generate turnover through advertising from their respective websites and also in key industry magazines. The companies also focus on core business values of high quality of product, competitive pricing, and excellent customer service, to generate repeat business with customers and also generate positive publicity where possible.

#### **Review of business risk**

There are a range of risks facing the group and the group seeks to mitigate exposure to all forms of risk.

##### **Credit risks**

The trading companies have implemented policies that require appropriate credit checks on potential customers before sales are made. In addition, all purchases undergo stringent processes to establish rightful title to goods before onward sale.

##### **Liquidity and cash flow risks**

The trading companies carefully manage both its stock holding and aged debtors policy and provides appropriately to minimise risk. The trading companies do not require any funding to manage their working capital requirements due to their cash reserves. Funding facilities have been agreed with the company bankers to fund the immediate and future expansion plans.

#### **Financial Key Performance Indicators**

##### **Turnover (growth)**

The group sales for the year amount to £12,478,811 (2014: £11,263,323), being an increase of £1,215,488 and 10.8%.

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**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**STRATEGIC REPORT** *(continued)*

**YEAR ENDED 31 JULY 2015**

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**Review of the year**

During the year the group remained profitable and has acquired the freehold of Moorfield Industrial Estate situated near Eccleshall in Staffordshire. The term loan is secured on the freehold and over the floating assets.

The group's reputation for offering excellent value and service continues to grow, and this has been reflected in increased sales throughout the trading period for both trading companies.

The directors intend to continue the policies which have resulted in the turnover growth of the business whilst at the same time expanding the breadth of their product range, enhancing accessibility for clients and embarking upon further geographic growth.

Signed by



**G J T Heath**  
**Director**

Approved by the director on 28 April 2016

# **GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM HEATH HOLDINGS LIMITED)**

## **DIRECTOR'S REPORT**

### **YEAR ENDED 31 JULY 2015**

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The director presents his report and the financial statements of the group for the year ended 31 July 2015.

#### **Change of name**

The company changed its name on 30 April 2015 from Graham Heath Holdings Limited to Graham Heath Group Limited.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £218,970. The director has not recommended a dividend.

#### **Director**

The director who served the company during the year was as follows:

G J T Heath

#### **Employment policy**

The group's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

The group's policy is to recruit and discuss with employees matters likely to affect employee's interest. Information on matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting group performance.

#### **Statement of director's responsibilities**

The director is responsible for preparing the Strategic Report, Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director 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 year.

In preparing these financial statements, the director is 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 group will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**DIRECTOR'S REPORT** *(continued)*

**YEAR ENDED 31 JULY 2015**

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**Post balance sheet event**

On the 4th January 2016, the company converted the long term directors loan account of £1,500,000 into cumulative redeemable preference shares of £1 each. The shares carry a non cumulative flexible coupon rate of between 0 and 5% per annum and the shares are redeemable at the option of the company at par and carry a preferential return of capital upon the winding up of the company.

There were no further material events up to the date of approval of the financial statements by the board.

**Strategic report**

The likely future developments of the business are included in the strategic report.

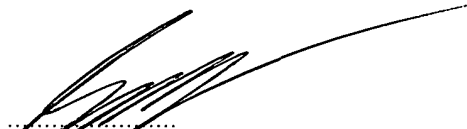
**Auditor**

DPC Accountants Limited are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

The director at the date of the approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the group's auditor is unaware; and
- the director has taken all steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed by



**G J T Heath**  
**Director**

Approved by the director on 28 April 2016

**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GRAHAM  
HEATH GROUP LIMITED (PREVIOUSLY GRAHAM HEATH HOLDINGS LIMITED)**

**YEAR ENDED 31 JULY 2015**

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We have audited the group and parent company financial statements of GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM HEATH HOLDINGS LIMITED) for the year ended 31 July 2015 which comprise the Profit and Loss Account, Group Balance Sheet and Company Balance Sheet, Group Cash Flow Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditor's report 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of director and auditor**

As explained more fully in the Director's Responsibilities Statement set out on pages 4 to 5, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GRAHAM  
HEATH GROUP LIMITED (PREVIOUSLY GRAHAM HEATH HOLDINGS LIMITED)**  
*(continued)*

**YEAR ENDED 31 JULY 2015**

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**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 July 2015 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.


**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

  
SIMON OWEN (Senior Statutory Auditor)  
For and on behalf of  
DPC ACCOUNTANTS LIMITED  
Chartered Accountants & Statutory Auditor

Vernon Road  
Stoke on Trent  
Staffordshire  
ST4 2QY

28/04/16  
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**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**PROFIT AND LOSS ACCOUNT**

**YEAR ENDED 31 JULY 2015**

	Note	2015 £	2014 £
<b>Group turnover</b>	<b>2</b>	<b>12,478,811</b>	11,263,323
Cost of sales		<b>(8,059,131)</b>	(7,367,752)
<b>Gross profit</b>		<b>4,419,680</b>	3,895,571
Distribution costs		<b>(12,929)</b>	(23,225)
Administrative expenses		<b>(4,319,900)</b>	(3,640,754)
Other operating income	<b>3</b>	<b>191,958</b>	—
<b>Operating profit</b>	<b>4</b>	<b>278,809</b>	231,592
Interest receivable		<b>1,857</b>	—
Interest payable and similar charges	<b>7</b>	—	224
<b>Profit on ordinary activities before taxation</b>		<b>280,666</b>	231,816
Tax on profit on ordinary activities	<b>8</b>	<b>(61,696)</b>	(58,466)
<b>Profit for the financial year</b>	<b>9</b>	<b>218,970</b>	173,350

All of the activities of the group are classed as continuing.

The group has no recognised gains or losses other than the results for the year as set out above.

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account.

The notes on pages 12 to 24 form part of these financial statements.

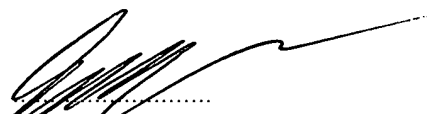
**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**GROUP BALANCE SHEET**

**31 JULY 2015**

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Intangible assets	10	27,500	30,500
Tangible assets	11	5,268,536	2,427,411
		<u>5,296,036</u>	<u>2,457,911</u>
<b>Current assets</b>			
Stocks	13	305,613	330,935
Debtors	14	1,675,787	1,509,680
Cash at bank and in hand		886,636	628,075
		<u>2,868,036</u>	<u>2,468,690</u>
<b>Creditors: Amounts falling due within one year</b>	15	<u>(3,961,501)</u>	<u>(2,352,802)</u>
<b>Net current (liabilities)/assets</b>		<u>(1,093,465)</u>	<u>115,888</u>
<b>Total assets less current liabilities</b>		<u>4,202,571</u>	<u>2,573,799</u>
<b>Creditors: Amounts falling due after more than one year</b>	16	(3,148,106)	(1,800,000)
<b>Provisions for liabilities</b>			
Deferred taxation	18	<u>(182,889)</u>	<u>(121,193)</u>
		<u>871,576</u>	<u>652,606</u>
<b>Capital and reserves</b>			
Called up equity share capital	21	3	3
Profit and loss account	22	871,573	652,603
<b>Shareholders' funds</b>	23	<u>871,576</u>	<u>652,606</u>

These accounts were approved and signed by the director and authorised for issue on 28 April 2016.

  
G J T Heath  
Director

The notes on pages 12 to 24 form part of these financial statements.

**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**BALANCE SHEET**

**31 JULY 2015**

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Tangible assets	11	4,035,954	1,367,068
Investments	12	502	402
		<u>4,036,456</u>	<u>1,367,470</u>
<b>Current assets</b>			
Debtors	14	952,038	372,929
Cash at bank		341,566	300,000
		<u>1,293,604</u>	<u>672,929</u>
<b>Creditors: Amounts falling due within one year</b>	15	<u>(2,428,991)</u>	<u>(648,170)</u>
<b>Net current (liabilities)/assets</b>		<u>(1,135,387)</u>	<u>24,759</u>
<b>Total assets less current liabilities</b>		<u>2,901,069</u>	<u>1,392,229</u>
<b>Creditors: Amounts falling due after more than one year</b>	16	<u>(2,848,106)</u>	<u>(1,500,000)</u>
		<u>52,963</u>	<u>(107,771)</u>
<b>Capital and reserves</b>			
Called up equity share capital	21	3	3
Profit and loss account	22	52,960	(107,774)
<b>Shareholders' funds/(deficit)</b>		<u>52,963</u>	<u>(107,771)</u>

These accounts were approved and signed by the director and authorised for issue on 28 April 2016.

  
G J T Heath  
Director

Company Registration Number: 07432717

The notes on pages 12 to 24 form part of these financial statements.

**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**GROUP CASH FLOW CASH FLOW STATEMENT**

**YEAR ENDED 31 JULY 2015**

	Note	2015 £	2014 £
<b>Net cash inflow from operating activities</b>		<b>1,902,132</b>	<b>347,805</b>
<b>Returns on investments and servicing of finance</b>	<b>24</b>	<b>(11,454)</b>	<b>224</b>
<b>Taxation</b>	<b>24</b>	<b>(18,127)</b>	<b>–</b>
<b>Capital expenditure and financial investment</b>	<b>24</b>	<b>(3,047,324)</b>	<b>(582,830)</b>
<b>Cash outflow before financing</b>		<b>(1,174,773)</b>	<b>(234,801)</b>
<b>Financing</b>	<b>24</b>	<b>1,433,334</b>	<b>(280,386)</b>
<b>Increase/(decrease) in cash</b>		<b>258,561</b>	<b>(515,187)</b>
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
		<b>2015 £</b>	<b>2014 £</b>
Operating profit		<b>278,809</b>	<b>231,592</b>
Interest payable		<b>13,311</b>	<b>–</b>
Amortisation		<b>3,000</b>	<b>2,000</b>
Depreciation		<b>247,029</b>	<b>211,577</b>
(Profit)/Loss on disposal of fixed assets		<b>(40,830)</b>	<b>1,391</b>
Decrease/(increase) in stocks		<b>25,322</b>	<b>(137,298)</b>
Increase in debtors		<b>(166,107)</b>	<b>(409,927)</b>
Increase in creditors		<b>1,541,598</b>	<b>448,470</b>
<b>Net cash inflow from operating activities</b>		<b>1,902,132</b>	<b>347,805</b>
<b>Reconciliation of net cash flow to movement in net debt</b>			
		<b>2015 £</b>	<b>2014 £</b>
<b>Increase/(decrease) in cash in the period</b>		<b>258,561</b>	<b>(515,187)</b>
<b>Net cash (inflow) from/outflow from bank loans</b>		<b>(1,433,334)</b>	<b>280,386</b>
		<b>(1,174,773)</b>	<b>(234,801)</b>
<b>Change in net debt</b>	<b>24</b>	<b>(1,174,773)</b>	<b>(234,801)</b>
<b>Net debt at 1 August 2014</b>	<b>24</b>	<b>(1,171,925)</b>	<b>(937,124)</b>
<b>Net debt at 31 July 2015</b>	<b>24</b>	<b>(2,346,698)</b>	<b>(1,171,925)</b>

The notes on pages 12 to 24 form part of these financial statements.

# GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM HEATH HOLDINGS LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 JULY 2015

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#### 1. Accounting policies

##### Basis of accounting

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

##### Basis of consolidation

The group financial statements consolidate the accounts of Graham Heath Group Limited (Previously Graham Heath Holdings Limited) and all its subsidiary undertakings made up to 31 July 2015; the group profit and loss account includes the results of all subsidiary undertakings for the period from the date of their acquisition and up to the date of disposal.

As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Turnover and profits arising on trading between group companies are excluded.

##### Turnover

Graham Heath Group Limited

- Rental and licence income is invoiced three months in advance and deferred appropriately.

Graham Heath Construction Limited

- A 10% deposit is invoiced once an order is placed. Invoices are subsequently raised for stage payments for the supply of materials. The balance of a contract value is invoiced once goods are delivered and erection is completed.

Concrete Panel Systems Limited

- Invoices are raised on delivery of product.

##### Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - over 20 years

##### Fixed assets

All fixed assets are initially recorded at cost.

##### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	-	15% reducing balance
Fixtures & Fittings	-	15% reducing balance
Motor Vehicles	-	25% reducing balance

# GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM HEATH HOLDINGS LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2015

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### 1. Accounting policies *(continued)*

Depreciation on freehold buildings is not provided, as any uncharged depreciation for the year and the accumulated uncharged depreciation would be immaterial in aggregate, as a result of the company's policy to maintain its properties in good condition which substantially prolongs their useful life, and the estimated high residual value of the properties.

Tangible fixed assets which are not depreciated are reviewed for impairment annually by the directors in accordance with Financial Reporting Standard number 11.

#### **Investment properties**

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with SSAP 19 which, unlike the Companies Act 2006, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

#### **Stocks**

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

#### **Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

#### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the director considers that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2015**

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**1. Accounting policies *(continued)***

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**Going concern**

The financial statements have been prepared on the going concern basis which assumes that the company will continue to trade for the foreseeable future.

**2. Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

**3. Other operating income**

	2015 £	2014 £
Rent receivable	167,989	—
Other operating income	23,969	—
	<u>191,958</u>	<u>—</u>

**4. Operating profit**

Operating profit is stated after charging/(crediting):

	2015 £	2014 £
Amortisation of intangible assets	3,000	2,000
Depreciation of owned fixed assets	247,029	211,577
(Profit)/Loss on disposal of fixed assets	(40,830)	1,391
Auditor's remuneration	<u>12,000</u>	<u>9,000</u>

During the accounting period the group contributed £1,550,000 to the Graham Heath Remuneration Trust.

	2015 £	2014 £
Auditor's remuneration - audit of the financial statements	<u>12,000</u>	<u>9,000</u>



**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2015**

**5. Particulars of employees**

The average number of staff employed by the group during the financial year amounted to:

	<b>2015</b>	<b>2014</b>
	<b>No</b>	<b>No</b>
Staff	<b><u>54</u></b>	<b><u>48</u></b>

The aggregate payroll costs of the above were:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>1,381,973</b>	<b>1,228,933</b>
Social security costs	<b><u>135,957</u></b>	<b><u>115,598</u></b>
	<b><u>1,517,930</u></b>	<b><u>1,344,531</u></b>

**6. Director's remuneration**

The director's aggregate remuneration in respect of qualifying services were:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Remuneration receivable	<b><u>7,964</u></b>	<b><u>7,822</u></b>

**7. Interest payable and similar charges**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Interest payable on bank borrowing	<b><u>-</u></b>	<b><u>(224)</u></b>

**8. Taxation on ordinary activities**

**(a) Analysis of charge in the year**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Current tax:		
UK Corporation tax based on the results for the year at 20% (2014 - 20%)	<b>-</b>	<b>18,127</b>
Total current tax	<b>-</b>	<b>18,127</b>
Deferred tax:		
Origination and reversal of timing differences	<b><u>61,696</u></b>	<b><u>40,339</u></b>
Tax on profit on ordinary activities	<b><u>61,696</u></b>	<b><u>58,466</u></b>

**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2015**

**8. Taxation on ordinary activities *(continued)***

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20% (2014 - 20%).

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before taxation	<b><u>280,666</u></b>	<b><u>231,816</u></b>
Profit on ordinary activities by rate of tax	<b>56,133</b>	46,364
Expenses not deductible for tax purposes	<b>3,788</b>	5,997
Capital allowances for period in excess of depreciation	<b>(64,693)</b>	(40,459)
Utilisation of tax losses	<b>-</b>	(1,674)
Unrelieved tax losses	<b><u>4,772</u></b>	<b><u>7,899</u></b>
Total current tax (note 8(a))	<b><u>-</u></b>	<b><u>18,127</u></b>

**9. Profit attributable to members of the parent company**

The profit dealt with in the financial statements of the parent company was £160,734 (2014 - £37,426).

**10. Intangible assets**

<b>Group</b>	<b>Goodwill</b>
	<b>£</b>
<b>Cost</b>	
<b>At 1 August 2014 and 31 July 2015</b>	<b><u>60,000</u></b>
<b>Amortisation</b>	
At 1 August 2014	<b>29,500</b>
Charge for the year	<b><u>3,000</u></b>
<b>At 31 July 2015</b>	<b><u>32,500</u></b>
<b>Net book value</b>	
<b>At 31 July 2015</b>	<b><u>27,500</u></b>
At 31 July 2014	<b><u>30,500</u></b>

**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2015**

**11. Tangible assets**

Group	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Investment Properties £	Total £
<b>Cost</b>						
At 1 Aug 2014	1,367,068	1,556,507	7,799	470,832	–	3,402,206
Additions	533,987	448,007	7,060	120,438	2,120,466	3,229,958
Disposals	–	(114,919)	–	(26,885)	–	(141,804)
<b>At 31 Jul 2015</b>	<b>1,901,055</b>	<b>1,889,595</b>	<b>14,859</b>	<b>564,385</b>	<b>2,120,466</b>	<b>6,490,360</b>
<b>Depreciation</b>						
At 1 Aug 2014	–	656,980	2,902	314,913	–	974,795
Charge for the year	–	182,570	2,092	62,367	–	247,029
<b>At 31 Jul 2015</b>	<b>–</b>	<b>839,550</b>	<b>4,994</b>	<b>377,280</b>	<b>–</b>	<b>1,221,824</b>
<b>Net book value</b>						
<b>At 31 Jul 2015</b>	<b>1,901,055</b>	<b>1,050,045</b>	<b>9,865</b>	<b>187,105</b>	<b>2,120,466</b>	<b>5,268,536</b>
At 31 Jul 2014	1,367,068	899,527	4,897	155,919	–	2,427,411
<b>Company</b>	<b>Freehold Property £</b>	<b>Plant &amp; Machinery £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Investment Properties £</b>	<b>Total £</b>	
<b>Cost</b>						
At 1 August 2014	1,367,068	–	–	–	1,367,068	
Additions	533,987	14,345	2,986	2,120,466	2,671,784	
<b>At 31 July 2015</b>	<b>1,901,055</b>	<b>14,345</b>	<b>2,986</b>	<b>2,120,466</b>	<b>4,038,852</b>	
<b>Depreciation</b>						
Charge for the year	–	2,152	746	–	2,898	
<b>At 31 July 2015</b>	<b>–</b>	<b>2,152</b>	<b>746</b>	<b>–</b>	<b>2,898</b>	
<b>Net book value</b>						
<b>At 31 July 2015</b>	<b>1,901,055</b>	<b>12,193</b>	<b>2,240</b>	<b>2,120,466</b>	<b>4,035,954</b>	
At 31 July 2014	1,367,068	–	–	–	1,367,068	

**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2015**

**12. Investments**

<b>Company</b>	<b>Group companies £</b>
<b>Cost</b>	
At 1 August 2014	<b>402</b>
Additions	<b>100</b>
At 31 July 2015	<b>502</b>
<b>Net book value</b>	
At 31 July 2015	<b>502</b>
At 31 July 2014	<b>402</b>

The company owns 100% of the issued Ordinary share capital of the companies listed below;

	<b>2015 £</b>	<b>2014 £</b>
<b>Aggregate capital and reserves</b>		
Graham Heath Construction Limited	226,387	222,672
Concrete Panel Systems Limited	592,228	537,707
Graham Heath Management Services Limited	100	100
G H Equestrian Limited	100	100
Kit Framed Buildings Limited	100	100
Moorfields Investments Limited	100	100
Concrete Products Limited	100	–
<b>Profit and (loss) for the year</b>		
Graham Heath Construction Limited	3,715	25,507
Concrete Panel Systems Limited	54,521	110,417
Graham Heath Management Services Limited	–	–
G H Equestrian Limited	–	–
Kit Framed Buildings Limited	–	–
Moorfields Investments Limited	–	–
Concrete Products Limited	–	–

**Nature of business**

Graham Heath Construction Limited - Agricultural building erection  
Concrete Panel Systems Limited - Manufacture of concrete panels  
Graham Heath Management Services Limited (Previously South Cheshire Readymix Limited)-  
Dormant company  
G H Equestrian Limited - Dormant company  
Kit Framed Buildings Limited - Dormant company  
Moorfields Investments Limited - Dormant company  
Concrete Products Limited - Dormant company

All subsidiary companies have been consolidated into the group accounts.

**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2015**

**13. Stocks**

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Raw materials	153,849	66,250	—	—
Work in progress	113,938	34,195	—	—
Finished goods	37,826	230,490	—	—
	<u>305,613</u>	<u>330,935</u>	<u>—</u>	<u>—</u>

**14. Debtors**

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	1,546,112	1,395,203	31,122	—
Amounts owed by group undertakings	—	—	912,563	372,929
Staff loans	4,300	4,300	—	—
Other debtors	1,733	600	133	—
Prepayments and accrued income	123,642	109,577	8,220	—
	<u>1,675,787</u>	<u>1,509,680</u>	<u>952,038</u>	<u>372,929</u>

**15. Creditors: Amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other loans	—	—	—	—
Bank loans	85,228	—	85,228	—
Trade creditors	736,239	936,362	15,342	—
Amounts owed to group undertakings	—	—	500	400
Director's loan account	2,229,553	605,409	2,229,553	605,409
Corporation tax	—	18,127	—	9,028
Other taxation and social security	152,082	40,101	66	—
Other creditors	63,662	80,189	—	—
Accruals and deferred income	694,737	672,614	98,302	33,333
	<u>3,961,501</u>	<u>2,352,802</u>	<u>2,428,991</u>	<u>648,170</u>

**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM HEATH HOLDINGS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2015**

**15. Creditors: Amounts falling due within one year *(continued)***

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other loans				
Bank loans	<b><u>85,228</u></b>	<b><u>—</u></b>	<b><u>85,228</u></b>	<b><u>—</u></b>

A mortgage debenture exists dated 29 October 2014 incorporating a fixed and floating charge over all assets of the group in the favour of Natwest Bank Plc.

A further debenture exists dated 17 March 2014 incorporating a fixed and floating charge over all assets of the group in favour of G J T Heath.

A legal charge exists dated 1 December 2014, this is over the property known as, Moorfields Industrial Estate, Cotes Heath, Stone, Staffordshire, ST21 6QY.

The bank loan expires on 28 November 2019 and is payable by monthly installments of £9,998.

**16. Creditors: Amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other loans				
Bank loans and overdrafts	<b>1,348,106</b>	<b>—</b>	<b>1,348,106</b>	<b>—</b>
Director's loan account	<b>1,500,000</b>	<b>1,500,000</b>	<b>1,500,000</b>	<b>1,500,000</b>
Other creditors	<b>300,000</b>	<b>300,000</b>	<b>—</b>	<b>—</b>
	<b><u>3,148,106</u></b>	<b><u>1,800,000</u></b>	<b><u>2,848,106</u></b>	<b><u>1,500,000</u></b>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other loans				
Bank loans and overdrafts	<b><u>1,348,106</u></b>	<b><u>—</u></b>	<b><u>1,348,106</u></b>	<b><u>—</u></b>

**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM HEATH HOLDINGS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2015**

**17. Creditors - capital instruments**

Creditors include finance capital which is due for repayment as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts repayable:				
In one year or less or on demand	<b>85,228</b>	–	<b>85,228</b>	–
In more than one year but not more than two years	<b>84,000</b>	–	<b>84,000</b>	–
In more than two years but not more than five years	<b>1,264,106</b>	–	<b>1,264,106</b>	–
	<b><u>1,433,334</u></b>	<u>–</u>	<b><u>1,433,334</u></b>	<u>–</u>

**18. Deferred taxation**

The movement in the deferred taxation provision during the year was:

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Provision brought forward	<b>121,193</b>	80,854	–	–
Increase in provision	<b>61,696</b>	40,339	–	–
Provision carried forward	<b><u>182,889</u></b>	<u>121,193</u>	<u>–</u>	<u>–</u>

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of:

<b>Group</b>	<b>2015</b>		<b>2014</b>	
	<b>Provided</b>	<b>Unprovided</b>	<b>Provided</b>	<b>Unprovided</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Excess of taxation allowances over depreciation on fixed assets	<b><u>182,889</u></b>	<u>–</u>	<b><u>121,193</u></b>	<u>–</u>

**19. Capital Commitments**

There were none, either contracted, or authorised but not contracted.

**20. Related party transactions**

During the year transactions took place with the following related parties;

i) G J T Heath, the director of the company;

£2,105,409 was due to the director at the start of the year. During the year, the director introduced £1,935,000 and was advanced £310,856 from the company. £3,729,553 was due to the director at the year end.

**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2015**

**21. Share capital**

**Allotted, called up and fully paid:**

	<b>2015</b>		<b>2014</b>	
	<b>No</b>	<b>£</b>	<b>No</b>	<b>£</b>
Ordinary shares of £1 each	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

**22. Reserves**

<b>Group</b>	<b>Profit and loss account £</b>
Balance brought forward	652,603
Profit for the year	<u>218,970</u>
Balance carried forward	<u>871,573</u>
<b>Company</b>	<b>Profit and loss account £</b>
Balance brought forward	(107,774)
Profit for the year	<u>160,734</u>
Balance carried forward	<u>52,960</u>

**23. Reconciliation of movements in shareholders' funds**

	<b>2015 £</b>	<b>2014 £</b>
Profit for the financial year	218,970	173,350
Opening shareholders' funds	<u>652,606</u>	<u>479,256</u>
Closing shareholders' funds	<u>871,576</u>	<u>652,606</u>

**24. Notes to the cash flow statement**

**Returns on investments and servicing of finance**

	<b>2015 £</b>	<b>2014 £</b>
Interest received	1,857	—
Interest paid	<u>(13,311)</u>	<u>224</u>
Net cash (outflow)/inflow from returns on investments and servicing of finance	<u>(11,454)</u>	<u>224</u>

**Taxation**

	<b>2015 £</b>	<b>2014 £</b>
Taxation	<u>(18,127)</u>	<u>—</u>



**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2015**

**24. Notes to the cash flow statement (continued)**

**Capital expenditure**

	2015 £	2014 £
Payments to acquire tangible fixed assets	(3,229,958)	(1,181,274)
Receipts from sale of fixed assets	182,634	598,444
Net cash outflow from capital expenditure	<u>(3,047,324)</u>	<u>(582,830)</u>

**Financing**

	2015 £	2014 £
Increase in/(repayment of) bank loans	1,433,334	(280,386)
Net cash inflow/(outflow) from financing	<u>1,433,334</u>	<u>(280,386)</u>

**Analysis of changes in net debt**

	At 1 Aug 2014 £	Cash flows £	At 31 Jul 2015 £
Net cash:			
Cash in hand and at bank	628,075	258,561	886,636
Debt:			
Debt due within 1 year	–	(85,228)	(85,228)
Debt due after 1 year	(1,800,000)	(1,348,106)	(3,148,106)
	<u>(1,800,000)</u>	<u>(1,433,334)</u>	<u>(3,233,334)</u>
Net debt	<u>(1,171,925)</u>	<u>(1,174,773)</u>	<u>(2,346,698)</u>

**25. Going concern**

The directors' have reviewed the company's trading and cashflow position and have provided assurances that they will continue to provide support to the company in order that it may continue its activities, as hitherto. Consequently the director's are of the opinion that the financial statements should be prepared on a going concern basis.

**26. Controlling interest**

The company is controlled by G J T Heath by virtue of his shareholding in the company.

**GRAHAM HEATH GROUP LIMITED (PREVIOUSLY GRAHAM  
HEATH HOLDINGS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2015**

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**27. Post balance sheet events**

On the 4th January 2016, the company converted the long term directors loan account of £1,500,000 into cumulative redeemable preference shares of £1 each. The shares carry a non cumulative flexible coupon rate of between 0 and 5% per annum and the shares are redeemable at the option of the company at par and carry a preferential return of capital upon the winding up of the company.

There were no further material events up to the date of approval of the financial statements by the board.