

COMPANY REGISTRATION NUMBER 05374580

ADDERSTONE CONSTRUCTION LIMITED
FINANCIAL STATEMENTS
31 MARCH 2013

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ADDERSTONE CONSTRUCTION LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

CONTENTS	PAGE
The directors' report	1
Profit and loss account	2
Balance sheet	3
Notes to the financial statements	5

ADDERSTONE CONSTRUCTION LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2013

The directors present their report and the unaudited financial statements of the company for the year ended 31 March 2013

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of construction

During the year, the company, with the support of the controlling party, has focused on improving long term profitability. Systems and procedures have been reinforced, and relationships with key suppliers and customers has been strengthened. The Directors believe this will form a solid base to move forward.

The directors recognise that market conditions remain challenging, and remain committed to finding profitable construction contracts and expanding the customer base, on an on-going basis

DIRECTORS

The directors who served the company during the year were as follows

I R Baggett BSc (Hons) PhD
D J Mallatratt

GOING CONCERN

After making enquiries, the directors have reasonable expectations that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts

DONATIONS

The company made no political or charitable donations during the year

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office
Unit 5, Maling Court
Union Street
Newcastle Upon Tyne
NE2 1BP

Signed by order of the directors



J G ARMSTRONG FCCA
Company Secretary

Approved by the directors on 9 December 2013

ADDERSTONE CONSTRUCTION LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2013

	Note	Year to 31 Mar 13 £	Period from 1 Aug 11 to 31 Mar 12 £
TURNOVER		1,716,817	1,776,862
Cost of sales		<u>1,437,890</u>	<u>1,764,025</u>
GROSS PROFIT		278,927	12,837
Administrative expenses		250,416	165,600
Other operating income	3	—	3,290
		<u> </u>	<u> </u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		28,511	(156,053)
Tax on profit/(loss) on ordinary activities		—	—
		<u> </u>	<u> </u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		28,511	(156,053)
Balance brought forward		(133,340)	22,713
Balance carried forward		<u>(104,829)</u>	<u>(133,340)</u>

The notes on pages 5 to 12 form part of these financial statements

ADDERSTONE CONSTRUCTION LIMITED

BALANCE SHEET

31 MARCH 2013

	Note	2013 £	£	2012 £
FIXED ASSETS				
Tangible assets	6		<u>1,915</u>	<u>2,959</u>
CURRENT ASSETS				
Debtors	7	1,174,224		1,882,878
Cash at bank and in hand		7,085		8,256
		<u>1,181,309</u>		<u>1,891,134</u>
CREDITORS: Amounts falling due within one year	8	<u>1,287,610</u>		<u>2,026,990</u>
NET CURRENT LIABILITIES			<u>(106,301)</u>	<u>(135,856)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(104,386)</u>	<u>(132,897)</u>
PROVISIONS FOR LIABILITIES				
Deferred taxation	9		343	343
			<u>(104,729)</u>	<u>(133,240)</u>
CAPITAL AND RESERVES				
Called-up equity share capital	11		100	100
Profit and loss account			<u>(104,829)</u>	<u>(133,340)</u>
DEFICIT			<u>(104,729)</u>	<u>(133,240)</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The Balance sheet continues on the following page
The notes on pages 5 to 12 form part of these financial statements

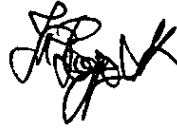
ADDERSTONE CONSTRUCTION LIMITED

BALANCE SHEET *(continued)*

31 MARCH 2013

These financial statements were approved by the directors and authorised for issue on 9 December 2013, and are signed on their behalf by

I R BAGGETT BSC (HONS) PHD
Director



Company Registration Number 05374580

The notes on pages 5 to 12 form part of these financial statements

ADDERSTONE CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The company has received confirmation from the principal shareholder and related parties, with whom balances were held at the balance sheet date, that they will continue to provide the company with the necessary financial support and working capital for at least one year from the date of approval of these financial statements to allow the company to meet its liabilities as they fall due. Accordingly, the directors have prepared these financial statements on a going concern basis

Turnover

Turnover represents net invoiced sales of goods and services, net of value added tax, and revenue recognised on contracts extending beyond the year

Where there are transactions which are gradually performed over time, revenue is recognised as the contract activity progresses to reflect the partial performance of the contractual obligations. The amount of revenue included within turnover reflects the accrual of the right to consideration as contract activity progresses by reference to the value of the work performed. The amounts provided are reflected in the balance sheet under debtors as "Amounts recoverable on contracts"

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

Motor Vehicles	-	25% straight line
Equipment	-	33% straight line

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

ADDERSTONE CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

The charge for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed at the balance sheet date, except as otherwise required by FRS 19

Financial instruments

Following the adoption of FRS 25, financial instruments issued by the company are treated as equity (i.e., forming part of shareholders' funds) only to the extent that they meet the following two conditions

- they include the contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company, and
- where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments

To the extent that the definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account excludes amounts in relation to those shares

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy) are dealt with as appropriations in the reconciliation of movements in shareholders' funds

2. TAXATION

There is no tax charge for the year because it has been eliminated by tax losses. Tax losses of £80,000 remain available for offset against future profits

3. OTHER OPERATING INCOME

	Year to 31 Mar 13	Period from 1 Aug 11 to 31 Mar 12
	£	£
Other operating income	—	(3,290)

ADDERSTONE CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

4. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging

	Year to 31 Mar 13	Period from 1 Aug 11 to 31 Mar 12
	£	£
Depreciation of owned fixed assets	1,044	696
Loss on disposal of fixed assets	—	1,200
	<u> </u>	<u> </u>

5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	Year to 31 Mar 13	Period from 1 Aug 11 to 31 Mar 12
	£	£
Aggregate remuneration	<u>46,502</u>	<u>36,667</u>

6. TANGIBLE FIXED ASSETS

	Motor Vehicles	Equipment	Total
	£	£	£
COST			
At 1 April 2012 and 31 March 2013	<u>3,000</u>	<u>892</u>	<u>3,892</u>
DEPRECIATION			
At 1 April 2012	688	245	933
Charge for the year	<u>750</u>	<u>294</u>	<u>1,044</u>
At 31 March 2013	<u>1,438</u>	<u>539</u>	<u>1,977</u>
NET BOOK VALUE			
At 31 March 2013	<u>1,562</u>	<u>353</u>	<u>1,915</u>
At 31 March 2012	<u>2,312</u>	<u>647</u>	<u>2,959</u>

7. DEBTORS

	2013	2012
	£	£
Trade debtors and amounts recoverable on contracts	997,780	1,784,215
Amounts owed by related undertakings	128,367	891
Corporation tax repayable	81	—
Other debtors	<u>47,996</u>	<u>97,772</u>
	<u>1,174,224</u>	<u>1,882,878</u>

ADDERSTONE CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

8. CREDITORS: Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	61,019	190,424
Amounts owed to related undertakings	1,160,072	1,805,238
Corporation tax	—	6,749
Other taxation and social security	52,120	12,235
Other creditors	14,399	12,344
	<u>1,287,610</u>	<u>2,026,990</u>

9. DEFERRED TAXATION

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2013	2012
	£	£
Excess of taxation allowances over depreciation on fixed assets	343	343
	<u>343</u>	<u>343</u>

ADDERSTONE CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

10. RELATED PARTY TRANSACTIONS

The company is controlled by I R Baggett who is a director and shareholder Transactions with related parties during the year are set out below

Adderstone Properties Limited

I R Baggett is a director and controlling shareholder of Adderstone Properties Limited, with whom the following transactions were undertaken and at the year end the following balances were outstanding

	2013	2012
	£	£
Loan (included within creditors due within one year)		
Owed to Adderstone Properties Limited	857,938	1,683,444

The loan from Adderstone Properties Limited is unsecured, bears an interest rate equivalent to the Bank of England Base Rate plus 1% per annum and has no fixed repayment terms The loans were taken over at the year end from Adderstone Group Limited and Adderstone Commercial Investments Limited hence no interest was paid to Adderstone Properties Limited during the year

Adderstone Group Limited

I R Baggett is a director and controlling shareholder of Adderstone Group Limited, with whom the following transactions were undertaken and at the year end the following balances were outstanding

	2013	2012
	£	£
Sales		
In total	643,670	28,379
Debtors		
Amounts recoverable on contracts	31,971	28,379
Amounts owed to related parties (included within creditors due within one year)		
Owed to Adderstone Group Limited	-	121,794

The loan from Adderstone Group Limited was unsecured, bore an interest rate equivalent to the Bank of England Base Rate plus 1% per annum and had no fixed repayment terms At the end of the financial year the loan was taken over by Adderstone Properties Limited

ADDERSTONE CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

10. RELATED PARTY TRANSACTIONS *(continued)*

I R Baggett

I R Baggett is a director and controlling shareholder of the company. The following transactions were undertaken during the year and at the year end the following balances were outstanding

	2013	2012
	£	£
Sales	63,138	(95,885)
Interest payable		
Loan interest (this amount is included within accruals)	-	1,612
Purchases		
Rent	-	-
Amounts recoverable on contracts	852,414	847,293
Amounts owed to related parties (included within creditors due within one year)		
Loan from I R Baggett	302,134	-

Adderstone Properties Trading Limited

I R Baggett is a director and controlling shareholder of Adderstone Properties Trading Limited, with whom the following transactions were undertaken and at the year end the following balances were outstanding

	2013	2012
	£	£
Sales		
In total	88,722	617,669
Debtors		
Amounts recoverable on contracts	-	617,669

ADDERSTONE CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

10. RELATED PARTY TRANSACTIONS *(continued)*

Finestone Properties Limited

Finestone Properties Limited is 100% owned by Adderstone Construction Limited, with whom the following transactions were undertaken and at the year end the following balances were outstanding:

	2013	2012
	£	£
Sales		
In total	23,399	142,358
Debtors		
Amounts recoverable on contracts	-	142,358

Hastie Burton Stairs Limited

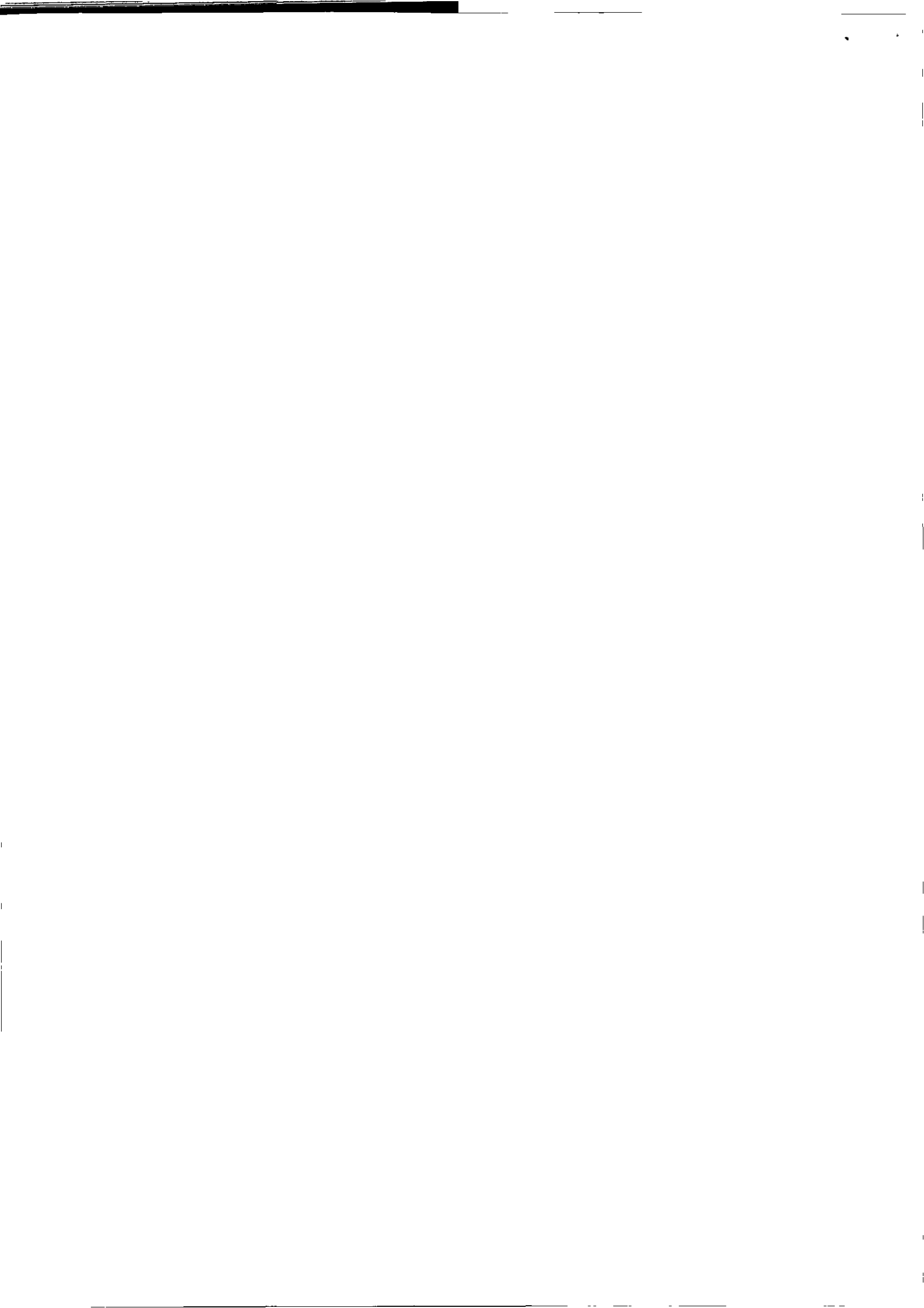
I R Baggett is a director and controlling shareholder of Adderstone Properties Limited. Adderstone Properties is 100% owner of Hastie Burton Stairs Limited with which the following transactions were undertaken, and at the year end the following balances were outstanding:

	2013	2012
	£	£
Sales		
In total	183,379	-
Debtors		
Amounts recoverable on contracts	-	-

Adderstone Sunderland LLP

I R Baggett is a member of Adderstone (Sunderland) LLP with whom the following transactions took place during the year and balances outstanding are follows:

	2013	2012
	£	£
Sales		
In total	106,471	-
Debtors		
Amounts recoverable on contracts	-	-



ADDERSTONE CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

10. RELATED PARTY TRANSACTIONS *(continued)*

Bede Globe LLP

I R Baggett is a member of Bede Globe LLP with whom the following transactions have occurred and balances are outstanding

	2013 £	2012 £
Sales		
In total	87,890	-
Debtors		
Amounts recoverable on contracts	-	-

Adderstone Commercial Property Management Limited

I R Baggett is a director and controlling shareholder of Adderstone Properties Limited. Adderstone Properties is 100% owner of Adderstone Commercial Property Management Limited with which the following transactions were undertaken, and at the year end the following balances were outstanding

	2013 £	2012 £
Sales		
In total	77,828	-
Debtors		
Amounts recoverable on contracts	-	-

11. SHARE CAPITAL

Allotted, called up and fully paid:

	2013		2012	
	No	£	No	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>