

**Company registration number: 03709881**

**(England and Wales)**

**Horizon Construction (East Anglia) Limited**

**Unaudited filleted financial statements**

**for the year ended**

**31 March 2021**

**Horizon Construction (East Anglia) Limited**

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**Horizon Construction (East Anglia) Limited****Directors and other information**

<b>Directors</b>	Mr S Tilley
	Mr P Holding
	Mr M Bynoe
<b>Secretary</b>	Mr S Tilley
<b>Company number</b>	03709881
<b>Registered office</b>	Mulberry House, Stephenson Road
	Severalls Industrial Park
	Colchester
	Essex
	CO4 9QR
<b>Accountants</b>	Griffin Chapman
	4 & 5 The Cedars, Apex 12
	Old Ipswich Road
	Colchester
	Essex
	CO7 7QR

**Horizon Construction (East Anglia) Limited**

**Directors report**

**Year ended 31 March 2021**

The directors present their report and the unaudited financial statements of the company for the year ended 31 March 2021.

**Directors**

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

Mr S Tilley
Mr P Holding
Mr M Bynoe

**Review of the year**

The Board is pleased to report that despite the significant issues of the Coronavirus pandemic and Brexit in 2020-2021, the company managed to maintain turnover at £19 million, consistent with 2019-2020.

Staff levels were increased through the year to 40 persons to cope with the expected influx of work following the sustained period of COVID-19.

In March 2020, the Board made the unprecedented decision to shut down operations for a 6-week period following the Government announcements and subsequent lockdown. This unprecedented action, together with the continued effect of the COVID-19 situation, was compounded by the effect of substantial price increases throughout the remainder of the year providing a risk of substantial losses on projects.

The company has successfully managed to minimise these losses throughout the year, partly by the award of two large care home projects during the lockdown period, which provided security and certainty throughout the year.

The company has had a good level of success throughout the period within the care home sector, recently having been awarded its fourth new build care home, being its largest project to date. The Board believes that this sector will see continued and consistent growth each year moving forward whilst the company also continues to be active across its other traditional sectors.

Despite the uncertainty of these times, the Board has continued to invest in its staff development and systems which underpin its future growth and focus. The Board remains confident upon achieving continued growth over the next few years with £12 million turnover already secured for the year ending 31 March 2023 before the close of 2021.

**Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 22 December 2021 and signed on behalf of the board by:

Mr S Tilley Mr P Holding

Director Director

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**Horizon Construction (East Anglia) Limited**

**Chartered accountants report to the board of directors on the preparation of the  
unaudited statutory financial statements of Horizon Construction (East Anglia) Limited**

**Year ended 31 March 2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Horizon Construction (East Anglia) Limited for the year ended 31 March 2021 which comprise the statement of financial position and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of Horizon Construction (East Anglia) Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Horizon Construction (East Anglia) Limited and state those matters that we have agreed to state to the board of directors of Horizon Construction (East Anglia) Limited as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Horizon Construction (East Anglia) Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that Horizon Construction (East Anglia) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Horizon Construction (East Anglia) Limited. You consider that Horizon Construction (East Anglia) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Horizon Construction (East Anglia) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Griffin Chapman

Chartered Accountants

4 & 5 The Cedars, Apex 12

Old Ipswich Road

Colchester

Essex

CO7 7QR

22 December 2021

**Horizon Construction (East Anglia) Limited****Statement of financial position****31 March 2021**

		2021		2020	
	Note	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	5	38,766		31,794	
Tangible assets	6	239,350		226,446	
Investments	7	40		40	
			278,156		258,280
<b>Current assets</b>					
Debtors	8	2,995,553		3,369,286	
Cash at bank and in hand		1,329,980		1,217,859	
		4,325,533		4,587,145	
<b>Creditors: amounts falling due within one year</b>	9	( 3,570,564)		( 3,893,756)	
<b>Net current assets</b>			754,969		693,389
<b>Total assets less current liabilities</b>			1,033,125		951,669
<b>Creditors: amounts falling due after more than one year</b>	10		( 244,345)		( 12,100)
<b>Provisions for liabilities</b>			( 17,998)		( 29,779)
<b>Net assets</b>			770,782		909,790
<b>Capital and reserves</b>					
Called up share capital	11		100		100
Profit and loss account			770,682		909,690
<b>Shareholders funds</b>			770,782		909,790

For the year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;

- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 22 December 2021 , and are signed on behalf of the board by:

Mr S Tilley Mr P Holding

Director Director

Company registration number: 03709881

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**Horizon Construction (East Anglia) Limited**

**Notes to the financial statements**

**Year ended 31 March 2021**

**1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Mulberry House, Stephenson Road, Severalls Industrial Park, Colchester, Essex, CO4 9QR.

The principal activity of the company continues to be that of general building and construction services.

**2. Statement of compliance**

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Going concern**

At the time of approving the financial statements, the directors believe the company has adequate resources to continue in operational existence for the next 12 months, therefore they continue to adopt the going concern basis of accounting in preparing the financial statements.

## **Turnover**

Turnover is measured at the fair value of the consideration received or receivable for construction services provided in the normal course of business, and is shown net of Value Added Tax and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When costs incurred in securing a contract are recognised as an expense in the period in which they are incurred, they are not included in contract costs if the contract is obtained in a subsequent period.

The "percentage of completion method" is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented in stocks, prepayments or other assets depending on their nature, and provided it is probable they will be recovered.

## **Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

**Intangible assets**

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at a revalued amount, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

**Amortisation**

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

Other intangible assets	-	10 % straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

**Tangible assets**

tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

**Depreciation**

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

Short leasehold property	-	10 %	straight line
Plant and machinery	-	20 %	straight line
Fittings fixtures and equipment	-	20 %	straight line
Motor vehicles	-	25 %	straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

**Fixed asset investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

**Impairment**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

### **Government grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

### **Financial instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

### **4. Employee numbers**

The average number of persons employed by the company during the year amounted to 40 (2020: 38 ).

## 5. Intangible assets

	Other intangible assets	Total
	£	£
<b>Cost</b>		
At 1 April 2020	33,878	33,878
Additions	10,400	10,400
<b>At 31 March 2021</b>	<b>44,278</b>	<b>44,278</b>
<b>Amortisation</b>		
At 1 April 2020	2,084	2,084
Charge for the year	3,428	3,428
<b>At 31 March 2021</b>	<b>5,512</b>	<b>5,512</b>
<b>Carrying amount</b>		
<b>At 31 March 2021</b>	<b>38,766</b>	<b>38,766</b>
At 31 March 2020	31,794	31,794

## 6. Tangible assets

	Short leasehold property	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2020	147,073	21,735	87,132	257,004	512,944
Additions	-	-	4,808	70,815	75,623
Disposals	-	-	( 12,950)	( 37,343)	( 50,293)
<b>At 31 March 2021</b>	<b>147,073</b>	<b>21,735</b>	<b>78,990</b>	<b>290,476</b>	<b>538,274</b>
<b>Depreciation</b>					
At 1 April 2020	35,083	17,588	41,916	191,911	286,498
Charge for the year	14,707	4,147	13,559	30,306	62,719
Disposals	-	-	( 12,950)	( 37,343)	( 50,293)
<b>At 31 March 2021</b>	<b>49,790</b>	<b>21,735</b>	<b>42,525</b>	<b>184,874</b>	<b>298,924</b>
<b>Carrying amount</b>					
<b>At 31 March 2021</b>	<b>97,283</b>	<b>-</b>	<b>36,465</b>	<b>105,602</b>	<b>239,350</b>
At 31 March 2020	111,990	4,147	45,216	65,093	226,446

**7. Investments**

	Shares in group undertakings and participating interests	<b>Total</b>
	£	£
<b>Cost</b>		
<b>At 1 April 2020 and 31 March 2021</b>	40	40
	<u>          </u>	<u>          </u>
<b>Impairment</b>		
<b>At 1 April 2020 and 31 March 2021</b>	-	-
	<u>          </u>	<u>          </u>
<b>Carrying amount</b>		
<b>At 31 March 2021</b>	40	40
	<u>          </u>	<u>          </u>
At 31 March 2020	40	40
	<u>          </u>	<u>          </u>

**8. Debtors**

	<b>2021</b>	<b>2020</b>
	£	£
Trade debtors	2,318,536	2,541,006
Amounts owed by group undertakings and connected entities	230,280	232,802
Other debtors	446,737	595,478
	<u>          </u>	<u>          </u>
	2,995,553	3,369,286
	<u>          </u>	<u>          </u>

The debtors above include the following amounts falling due after more than one year:

	<b>2021</b>	<b>2020</b>
	£	£
Other debtors	21,884	21,884
	<u>          </u>	<u>          </u>



**9. Creditors: amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank loans	34,306	17,891
Trade creditors	1,462,830	2,003,423
Taxation and social security	183,595	122,425
Other creditors	1,889,833	1,750,017
	<u>3,570,564</u>	<u>3,893,756</u>

Within other creditors are HP liabilities totalling £20,765 (2020: £17,529) which are secured against the asset they relate to. A debenture was created on 8 May 2019 in favour of Handelsbanken PLC over all monies due.

**10. Creditors: amounts falling due after more than one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank loans	218,750	3,073
Other creditors	25,595	9,027
	<u>244,345</u>	<u>12,100</u>

Within other creditors are HP liabilities totalling £25,595 (2020: £9,027) which are secured against the asset they relate to. A debenture was created on 8 May 2019 in favour of Handelsbanken PLC over all monies due.

**11. Called up share capital****Issued, called up and fully paid**

	<b>2021</b>		2020	
	<b>No</b>	<b>£</b>	<b>No</b>	<b>£</b>
Ordinary shares of £ 1.00 each	100	100	100	100
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**12. Directors advances, credits and guarantees**

During the year the directors entered into the following advances and credits with the company:				
<b>2021</b>				
		Balance brought forward	Advances / (credits) to the directors	Balance o/standing
		£	£	£
	Directors loan 3	40,161	8,170	48,331
	Directors loan 2	27,173	10,944	38,117
		<u>67,334</u>	<u>19,114</u>	<u>86,448</u>
<b>2020</b>				
		<b>Balance brought forward</b>	<b>Advances / (credits) to the directors</b>	<b>Balance o/standing</b>
		£	£	£
	Directors loan 3	( 4,139)	44,300	40,161
	Directors loan 2	423	26,750	27,173
		<u>( 3,716)</u>	<u>71,050</u>	<u>67,334</u>

The loans are repayable on demand and no interest is charged.