

EAST GOSCOTE ELECTRICS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2019

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EAST GOSCOTE ELECTRICS LIMITED

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EAST GOSCOTE ELECTRICS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2019

The directors present their report and the financial statements for the year ended 30 April 2019.

Directors

The directors who served during the year were:

R A Jelley
R S Jelley
G S Jelley
J I Bestwick (appointed 13 December 2018)
B J Doherty (resigned 30 September 2018)

R S Jelley and G S Jelley retire by rotation and, being eligible, offer themselves for re-election.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

The directors confirm that:

- so far as the directors are aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

EAST GOSCOTE ELECTRICS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2019**

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Small Companies Note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



J I Bestwick
Director

Date: 21 October 2019



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST GOSCOTE ELECTRICS LIMITED

Opinion

We have audited the financial statements of East Goscote Electrics Limited (the 'Company') for the year ended 30 April 2019, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2019 and of its loss 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST GOSCOTE ELECTRICS LIMITED
(CONTINUED)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirements to prepare a strategic report.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST GOSCOTE ELECTRICS LIMITED (CONTINUED)

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Grant Thornton UK LLP".

Thomas Copson
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Leicester

21 October 2019

EAST GOSCOTE ELECTRICS LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 30 APRIL 2019**

	Note	2019 £	2018 £
Turnover	4	2,197,371	1,971,532
Cost of sales		(1,838,429)	(1,521,831)
Gross profit		358,942	449,701
Administrative expenses		(400,131)	(360,181)
Operating (loss)/profit	5	(41,189)	89,520
Tax on (loss)/profit	7	7,768	(16,861)
(Loss)/profit after tax		(33,421)	72,659
Retained earnings at the beginning of the year		2,016,839	1,944,180
(Loss)/profit for the year		(33,421)	72,659
Retained earnings at the end of the year		1,983,418	2,016,839

There was no other comprehensive income for 2019 (2018: Nil).

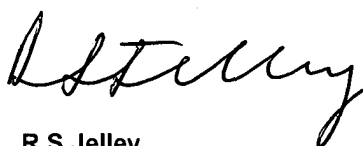
The notes on pages 8 to 16 form part of these financial statements.

EAST GOSCOTE ELECTRICS LIMITED
REGISTERED NUMBER:01216610

BALANCE SHEET
AS AT 30 APRIL 2019

	Note	2019 £	2018 £
Current assets			
Stocks	8	66,914	145,972
Debtors: amounts falling due within one year	9	535,242	163,825
Cash at bank and in hand	10	1,680,296	2,057,690
		<u>2,282,452</u>	<u>2,367,487</u>
Creditors: amounts falling due within one year	11	(298,934)	(350,548)
Net current assets		<u>1,983,518</u>	<u>2,016,939</u>
Net assets		<u><u>1,983,518</u></u>	<u><u>2,016,939</u></u>
Capital and reserves			
Called up share capital	12	100	100
Profit and loss account	13	1,983,418	2,016,839
		<u><u>1,983,518</u></u>	<u><u>2,016,939</u></u>

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



R S Jelley
Director

Date: 21 October 2019



J I Bestwick
Director

Date: 21 October 2019

The notes on pages 8 to 16 form part of these financial statements.

EAST GOSCOTE ELECTRICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2019

1. General information

East Goscote Electrics Limited is a company limited by shares. It is incorporated in England and its registered office is 370 Loughborough Road, Leicester, LE4 5PR.

The principal activity of the Company is electrical contracting.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Jelson Holdings Limited as at 30 April 2019 and these financial statements may be obtained from Companies House.

2.3 Going concern

The directors have prepared the financial statements on the basis that the Company is a going concern. In forming that conclusion, the directors have considered current trading, forecast trading to October 2020 and the availability of finance (either intra-group or from third parties).

EAST GOSCOTE ELECTRICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2019

2. Accounting policies (continued)

2.4 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.

For work done these conditions are satisfied on the completion of the work.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Income and Retained Earnings.

2.6 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.

2.7 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.

2.8 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.

EAST GOSCOTE ELECTRICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2019

2. Accounting policies (continued)

2.9 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

Group pension plan

The Group operates a defined benefit pension scheme.

Where the risks of a defined benefit plan are shared between entities under common control, the net defined benefit cost is recognised in the financial statements of the Group entity which is legally responsible for the plan and all other Group entities recognise a cost equal to their contribution payable for the period.

As the scheme is closed to future service accrual any payments made to that scheme are in respect of finance costs and actuarial gains and losses and are dealt with solely in the financial statements of Jelson Holdings Limited.

EAST GOSCOTE ELECTRICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2019

2. Accounting policies (continued)

2.11 Taxation

Tax is recognised in the Statement of Income and Retained Earnings, 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Certain of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation uncertainty is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

Judgements in applying accounting policies:

The directors must judge whether all of the conditions required for turnover to be recognised in profit and loss of the financial year, as set out in note 2.4 above, have been met.

Sources of estimation uncertainty:

The directors estimate the recoverable value of debtors and stocks, see notes 8 and 9.

4. Analysis of turnover

The whole of the turnover is attributable to the one principal activity of the Company.

All turnover arose within the United Kingdom.

EAST GOSCOTE ELECTRICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019**

5. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2019	2018
	£	£
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	5,255	2,880

6. Employees

Staff costs were as follows:

	2019	2018
	£	£
Wages and salaries	928,873	778,262
Social security costs	91,228	81,334
Cost of defined contribution scheme	20,807	21,965
	1,040,908	881,561

The directors of the Company receive remuneration from Jelson Holdings Limited for services to the whole Group totalling £2,113,640 (2018: £2,141,156). It is not practicable to allocate amounts to individual companies within the Group. Details of retirement benefits and highest paid director are included in the financial statements of Jelson Holdings Limited.

The average monthly number of employees, including the directors, during the year was as follows:

	2019	2018
	No.	No.
Manual	22	18
Management and administration	9	10
	31	28

EAST GOSCOTE ELECTRICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019**

7. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	-	16,900
Adjustments in respect of previous periods	91	(39)
Group taxation relief	(7,859)	-
	<u>(7,768)</u>	<u>16,861</u>
Total current tax	<u>(7,768)</u>	<u>16,861</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower (2018 - *lower than*) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
(Loss)/profit on ordinary activities before tax	<u>(41,189)</u>	<u>89,520</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	(7,826)	17,009
Effects of:		
Adjustments to tax charge in respect of prior periods	91	(39)
Deferred tax not recognised	(33)	(109)
Total tax charge for the year	<u>(7,768)</u>	<u>16,861</u>

EAST GOSCOTE ELECTRICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019

8. Stocks

	2019 £	2018 £
Raw materials and consumables	42,664	56,167
Work in progress	24,250	89,805
	<u>66,914</u>	<u>145,972</u>

Stock recognised in cost of sales during the year as an expense was £762,194 (2018: £690,078).

Stock is stated after provision of £Nil (2018: £Nil).

9. Debtors

	2019 £	2018 £
Trade debtors	8,909	25,386
Amounts owed by group undertakings	511,155	125,571
Other debtors	13,672	9,539
Prepayments and accrued income	1,506	3,329
	<u>535,242</u>	<u>163,825</u>

Trade debtors are stated after provision of £Nil (2018: £Nil).

10. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>1,680,296</u>	<u>2,057,690</u>

EAST GOSCOTE ELECTRICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019**

11. Creditors: Amounts falling due within one year

	2019 £	2018 £
Payments on account	-	45,899
Trade creditors	178,433	140,263
Amounts owed to group undertakings	66,658	97,879
Corporation tax	-	16,900
Other taxation and social security	19,215	22,218
Other creditors	28,364	18,656
Accruals and deferred income	6,264	8,733
	<u>298,934</u>	<u>350,548</u>

12. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
100 (2018 - 100) Ordinary shares of £1 each	<u>100</u>	<u>100</u>

13. Reserves

Profit & loss account

The profit and loss account includes all current and prior period retained profits and losses.

14. Contingent liabilities

The Company has entered into the following agreements with its bankers to guarantee liabilities of other Group companies:

a) An unlimited cross guarantee.

b) The Company is party to a composite accounting system with its bankers whereby there is a full set-off between Group companies of all of its bank balances. At the year end the net overdraft and loan balance of other Group companies was £32,259,753 (2018: £47,273,809).

EAST GOSCOTE ELECTRICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2019

15. Pension commitments

The Company is party to Group pension schemes designed to provide retirement benefits, one of which was based on final salary for certain of its directors and employees. The scheme has an unrecognised surplus based on the projected unit method under FRS 102 of £6,915,000 before deferred tax at 30 April 2019 (2018: £5,491,000), and is closed to future service accrual. The full actuarial valuation does not indicate a deficit so no schedule of payments is in place at the year end.

The surplus under the scheme and disclosures required by FRS 102 are dealt with in the financial statements of Jelson Holdings Limited.

The pension cost charged to the profit and loss account relates entirely to the defined contribution schemes.

16. Related party transactions

Related party transactions comprise:

Transactions with those with control or significant influence over the Company:

During the year sales of £6,447 (2018: £5,543) were made to members of the family of R A Jelley. At 30 April 2019, the Company was owed £1,000 (2018: £800) from the family of R A Jelley.

Other related parties:

During the year sales of £11,682 (2018: £25,850) were made to J Jelley and Sons Limited, East Goscote Estates Limited and Nanpantan Properties Limited (companies under common control) and The Jelson Pension Scheme. At the year end the Company was owed £4,751 (2018: £16,570) by these entities.

17. Controlling party

The ultimate parent undertaking of this Company is its parent, Jelson Holdings Limited. The Company is included in the consolidated financial statements of that Group. The registered office of Jelson Holdings Limited is the same as the Company.

Jelson Holdings Limited is the Company's controlling related party. The ultimate controlling related parties of the Company are Mr R A Jelley and his family by virtue of their shareholdings in that company.