

Financial Statements

R & D Construction Limited

For the year ended 31 March 2013



Registered number: 03020347

Company Information

Directors	Mr R S Pratt Mr D Thorrold Mr A D Rosten Mr W J Hayes
Company secretary	Mr A D Rosten
Registered number	03020347
Registered office	Summer Road Walsham Le Willows Bury St Edmunds Suffolk IP31 3AJ
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Crown House Crown Street Ipswich Suffolk IP1 3HS

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Directors' Report

For the year ended 31 March 2013

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

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). 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 of the company and of the 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 judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

Principal activities and business review

The principal activity of the company during the year was that of groundworks, electrical infrastructure and civil engineering contractors.

The directors are pleased to present their report, which represents a fourth consecutive year of improved profitability, and sees a return to turnover levels not reached since before the recession took hold in mid-2008.

Stability provided by the strong performance in the prior year together with our on-going commitment to safety, training and development have all contributed to this year's excellent performance.

On 24 July 2012 Mr Wayne Hayes was appointed as Director and Chairman of the company. Wayne has a wealth of experience in the electrical supply industry (including renewables), which has enabled the company to make substantial progress in the year in the supply of infrastructure services to the electrical and renewables markets.

During the year the company has re-branded, with the launch of a new website as well as a new trading logo and company identity. This change has been a very positive one and it brings the public face of the company into line with the strong advances made in safety, management and procedural systems.

Strategy

The Strategy of the business is to deliver a high quality service to our clients through a team of experienced, well-motivated and well-trained staff. We continue to see the benefits of achieving this strategy through the reward of repeat business from long standing clients as well as developing valuable relationships with new contacts.

Directors' Report

For the year ended 31 March 2013

The principal financial strategy of the business is unchanged, and is to maintain maximum flexibility in our working capital, control overheads and direct costs and achieve a consistent cashflow through a varied and stable customer base. Minimising credit risk through robust credit control procedures remains a key part of our strategy.

Our supply chain continues to make a substantial contribution to the quality and consistency of our performance, which has resulted in the appointment of a key account manager during the year, who will ensure these vital relationships continue to develop.

Financial review

There have been some signs of a tentative recovery in the wider marketplace during the year, however, the construction market remains very challenging, not least due to ever present pressure on prices and funding options for commercial clients remaining few and far between.

However, the ongoing drive to improve safety, management, and quality procedures, together with securing valuable work in the electrical infrastructure market has enabled the company to achieve a 30% increase in sales in the year, whilst only seeing a slight dilution of the average gross margin achieved to 18.8% from 19.8% in 2012.

Future developments

It is clear that there is some way to go before construction businesses can see the end of this long recessionary period.

However, we have taken the view that we must continue to develop and improve our systems, our flexibility, and our workforce to ensure that we are well prepared. The on-going stability that we have gained from a further good year of results provides the base on which we can have the confidence and capacity to grow further when the time is right.

Whilst we do not expect to see a further 30% rise in sales in the forthcoming year the directors do expect to maintain this level not only at sales level but also by maintaining bottom line profitability.

Financial risk management objectives and policies

The principal risks to which the company is exposed are trade credit risk and the general risks associated with managing working capital during such cash pressured times.

Our approach to credit control and financial risk remain robust and consistent. There have been no bad debt costs arising during or after the year under review. The principal objective is always to ensure that we control working capital and cashflows as our key priority to ensure that we can maintain quality of service and guarantee a long term future for our staff, customers and suppliers alike.

Results

The profit for the year, after taxation, amounted to £245,035 (2012 - £134,003)

Directors' Report

For the year ended 31 March 2013

Directors

The directors who served during the year were

Mr R S Pratt

Mr D Thorrold

Mr A D Rosten

Mr W J Hayes (appointed 24 July 2012)

Mr R Mayes (appointed 6 August 2012 & resigned 13 February 2013)

Political and charitable contributions

During the year the company made charitable donations of £2,134 (2012 - £1,151)

Acquisition of own shares

During the year, 13,720 £0.01 Ordinary A shares (2012 - 360 £1 Ordinary B shares) were purchased by the company for consideration of £7,174 (2012 - £360). This represented 7.4% (2012 - 26.5%) of called up share capital.

Provision of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on

6 JUNE 2013

and signed on its behalf



Mr W J Hayes
Director

Independent Auditor's Report to the Members of R & D Construction Limited

We have audited the financial statements of R & D Construction Limited for the year ended 31 March 2013, which comprise the Profit and loss account, the Balance sheet, the 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 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, the directors are 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of R & D Construction Limited

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, 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

Grant Thornton UK LLP

Paul Brown (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Cambridge
Date

6 June 2013

Profit and Loss Account

For the year ended 31 March 2013

	Note	2013 £	2012 £
Turnover	1,2	9,189,075	7,065,752
Cost of sales		<u>(7,459,653)</u>	<u>(5,666,237)</u>
Gross profit		1,729,422	1,399,515
Administrative expenses		<u>(1,635,352)</u>	<u>(1,449,992)</u>
Other operating income	3	<u>184,285</u>	<u>186,223</u>
Operating profit	4	278,355	135,746
Interest receivable and similar income		-	36
Interest payable and similar charges	7	<u>(1,648)</u>	<u>(524)</u>
Profit on ordinary activities before taxation		276,707	135,258
Tax on profit on ordinary activities	8	<u>(31,672)</u>	<u>(1,255)</u>
Profit for the financial year	17	<u>245,035</u>	<u>134,003</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2013 or 2012 other than those included in the Profit and loss account

The notes on pages 9 to 19 form part of these financial statements

Balance Sheet

As at 31 March 2013

	Note	£	2013 £	2012 £
Fixed assets				
Tangible assets	9		153,032	126,404
Current assets				
Stocks	10	95,069		64,711
Debtors	11	2,659,821		1,775,116
Cash at bank		112,616		213,910
		<u>2,867,506</u>		<u>2,053,737</u>
Creditors: amounts falling due within one year	12	<u>(1,723,514)</u>		<u>(1,155,520)</u>
Net current assets			<u>1,143,992</u>	<u>898,217</u>
Total assets less current liabilities			<u>1,297,024</u>	<u>1,024,621</u>
Creditors: amounts falling due after more than one year	13		(25,222)	(1,869)
Provisions for liabilities				
Deferred tax	14		<u>(11,189)</u>	<u>-</u>
Net assets			<u><u>1,260,613</u></u>	<u><u>1,022,752</u></u>
Capital and reserves				
Called up share capital	16		1,706	1,843
Share premium account	17		42,157	42,157
Capital redemption reserve	17		497	360
Profit and loss account	17		<u>1,216,253</u>	<u>978,392</u>
Shareholders' funds	18		<u><u>1,260,613</u></u>	<u><u>1,022,752</u></u>

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



Mr R S Pratt
Director

6 JUNE
2013

The notes on pages 9 to 19 form part of these financial statements

Cash Flow Statement

For the year ended 31 March 2013

	Note	2013 £	2012 £
Net cash flow from operating activities	19	(41,254)	22,486
Returns on investments and servicing of finance	20	(1,648)	(488)
Capital expenditure and financial investment	20	(40,472)	(23,200)
Cash outflow before financing		(83,374)	(1,202)
Financing	20	(17,920)	37,034
(Decrease)/Increase in cash in the year		(101,294)	35,832

Reconciliation of Net Cash Flow to Movement in Net Funds

For the year ended 31 March 2013

	2013 £	2012 £
(Decrease)/Increase in cash in the year	(101,294)	35,832
Cash outflow from decrease in debt and lease financing	10,746	5,606
	-	-
Change in net debt resulting from cash flows	(90,548)	41,438
New hire purchase agreements	(35,055)	-
Movement in net debt in the year	(125,603)	41,438
Net funds at 1 April 2012	206,435	164,997
Net funds at 31 March 2013	80,832	206,435

The notes on pages 9 to 19 form part of these financial statements

Notes to the Financial Statements

For the year ended 31 March 2013

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The company continued to trade profitably during the year and the balance sheet at 31 March 2013 shows shareholders' funds of £1,260,613. Based on the level of confirmed and expected contracts the directors expect the company to continue to trade profitably and have sufficient funds to meet liabilities as they fall due for the foreseeable future. On this basis the directors consider it appropriate for the financial statements to be prepared on a going concern basis.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Equipment	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures & fittings	-	over the period of the lease

1.4 Leasing and hire purchase

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

1.5 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

1.6 Stocks

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

Notes to the Financial Statements

For the year ended 31 March 2013

1. Accounting Policies (continued)

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.8 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity

2. Turnover

The whole of the turnover is attributable to the one principal activity of the company

All turnover arose within the United Kingdom

3. Other operating income

	2013 £	2012 £
Management charge receivable	163,618	170,943
Rental income	20,667	15,280
	<u>184,285</u>	<u>186,223</u>

Notes to the Financial Statements

For the year ended 31 March 2013

4. Operating profit

The operating profit is stated after charging

	2013 £	2012 £
Depreciation of tangible fixed assets		
- owned by the company	40,296	36,155
- held under finance leases	7,290	3,708
Auditor's remuneration	7,000	6,600
Operating lease rentals		
- plant and machinery	9,152	9,285
- other operating leases	27,500	27,500

The company has entered into a liability limitation agreement with Grant Thornton UK LLP, the statutory auditor, in respect of the statutory audit for the year ended 31 March 2013. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements, and was approved by the shareholders on 3 June 2013.

5. Staff costs

Staff costs, including directors' remuneration, were as follows

	2013 £	2012 £
Wages and salaries	2,300,906	1,947,250
Social security costs	243,899	184,933
	<u>2,544,805</u>	<u>2,132,183</u>

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

	2013 No.	2012 No.
Direct labour staff	54	53
Administrative staff and directors	19	14
	<u>73</u>	<u>67</u>

6. Directors' remuneration

	2013 £	2012 £
Emoluments	317,108	96,836

The highest paid director received remuneration of £93,223 (2012 - £71,703)

Notes to the Financial Statements

For the year ended 31 March 2013

7. Interest payable

	2013	2012
	£	£
On finance leases and hire purchase contracts	1,648	524

8. Taxation

	2013	2012
	£	£
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	21,738	1,255
Adjustments in respect of prior periods	(1,255)	-
Total current tax	20,483	1,255
Deferred tax (see note 14)		
Origination and reversal of timing differences	11,189	-
Tax on profit on ordinary activities	31,672	1,255

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 20% (2012 - 20%) The differences are explained below

	2013	2012
	£	£
Profit on ordinary activities before tax	276,707	135,258
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2012 - 20%)	55,341	27,052
Effects of:		
Expenses not deductible for tax purposes	1,201	5,156
Depreciation in excess of capital allowances	1,154	2,019
Utilisation of tax losses	(35,958)	(32,972)
Adjustments to tax charge in respect of prior periods	(1,255)	-
Current tax charge for the year (see note above)	20,483	1,255

Notes to the Financial Statements

For the year ended 31 March 2013

9. Tangible fixed assets

	Equipment £	Motor vehicles £	Fixtures & fittings £	Total £
Cost				
At 1 April 2012	147,221	-	135,040	282,261
Additions	48,461	27,066	-	75,527
Disposals	(14,788)	-	-	(14,788)
At 31 March 2013	<u>180,894</u>	<u>27,066</u>	<u>135,040</u>	<u>343,000</u>
Depreciation				
At 1 April 2012	95,559	-	60,298	155,857
Charge for the year	19,501	3,236	24,849	47,586
On disposals	(13,475)	-	-	(13,475)
At 31 March 2013	<u>101,585</u>	<u>3,236</u>	<u>85,147</u>	<u>189,968</u>
Net book value				
At 31 March 2013	<u>79,309</u>	<u>23,830</u>	<u>49,893</u>	<u>153,032</u>
At 31 March 2012	<u>51,662</u>	<u>-</u>	<u>74,742</u>	<u>126,404</u>

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

	2013 £	2012 £
Equipment	23,551	11,123
Motor vehicles	17,500	-
	<u>41,051</u>	<u>11,123</u>

10. Stocks

	2013 £	2012 £
Raw materials	<u>95,069</u>	<u>64,711</u>

Notes to the Financial Statements

For the year ended 31 March 2013

11. Debtors

	2013 £	2012 £
Due after more than one year		
Amounts recoverable on long term contracts	81,818	113,747
Due within one year		
Trade debtors	695,393	540,148
Other debtors	509,863	318,192
Prepayments and accrued income	22,660	15,483
Amounts recoverable on long term contracts	1,350,087	787,546
	<u>2,659,821</u>	<u>1,775,116</u>

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

	2013 £	2012 £
Net obligations under finance leases and hire purchase contracts	13,842	5,606
Trade creditors	1,305,691	810,173
Corporation tax	21,738	1,255
Social security and other taxes	69,582	53,503
Directors current accounts	-	192
Other creditors	23,140	20,749
Accruals and deferred income	289,521	264,042
	<u>1,723,514</u>	<u>1,155,520</u>

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

	2013 £	2012 £
Net obligations under finance leases and hire purchase contracts	17,942	1,869
Trade creditors	7,280	-
	<u>25,222</u>	<u>1,869</u>

Notes to the Financial Statements

For the year ended 31 March 2013

13. Creditors:**Amounts falling due after more than one year (continued)**

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	2013	2012
	£	£
Between one and five years	17,942	1,869

Hire purchase liabilities are secured on the underlying assets

14. Deferred taxation

	2013	2012
	£	£
At beginning of year	-	-
Charge for year	11,189	-
At end of year	11,189	-

The provision for deferred taxation is made up as follows

	2013	2012
	£	£
Accelerated capital allowances	11,189	-

15. Deferred taxation

The elements of deferred taxation, which result in a balance of £nil (2012 - £nil) at the year end, together with details of other amounts not provided for, as follows

	2013 Provided £	2013 Unprovided £	2012 Provided £	2012 Unprovided £
Fixed asset timing differences	11,189	-	12,196	-
Tax losses available	-	-	(12,196)	(26,418)
Total	11,189	-	-	(26,418)

The above has been calculated using a tax rate of 20% (2012 - 20%) There are approximately £nil (2012 - £193,000) of tax losses available to offset against future trading profits

Notes to the Financial Statements

For the year ended 31 March 2013

16. Share capital

	2013 £	2012 £
Allotted, called up and fully paid		
158,810 (2012 - 172,530) Ordinary A shares of £0.01 each	1,588	1,725
11,760 (2012 - 11,760) Ordinary B shares of £0.01 each	118	118
	<u>1,706</u>	<u>1,843</u>

The A and B shares shall rank pari passu in all respects save that the B shares shall not entitle the holders thereof to receive notice of, or attend and vote at any meeting of the Company

During the year, 13,720 £0.01 Ordinary A shares were purchased by the company out of the profit and loss reserve for consideration of £7,174. These shares were then cancelled, creating a credit of £137 to the capital redemption reserve.

During the previous year, 360 £1 Ordinary B shares were purchased by the company out of the profit and loss reserve for consideration of £360. These shares were then cancelled, creating a credit of £360 to the capital redemption reserve. 1,000 £1 Ordinary A shares in issue were subdivided into 100,000 £0.01 Ordinary A shares. 72,530 £0.01 Ordinary A shares were allotted for consideration of £37,000. 11,760 £0.01 Ordinary B shares were allotted for consideration of £6,000.

17. Reserves

	Share premium account £	Capital redemption reserve £	Profit and loss account £
At 1 April 2012	42,157	360	978,392
Profit for the year	-	-	245,035
Purchase of own shares	-	-	(7,174)
Transfer on purchase of own shares	-	137	-
At 31 March 2013	<u>42,157</u>	<u>497</u>	<u>1,216,253</u>

18. Reconciliation of movement in shareholders' funds

	2013 £	2012 £
Opening shareholders' funds	1,022,752	846,109
Profit for the year	245,035	134,003
Shares issued during the year	-	843
Shares redeemed/cancelled during the year	(7,174)	(360)
Share premium on shares issued	-	42,157
Closing shareholders' funds	<u>1,260,613</u>	<u>1,022,752</u>

Notes to the Financial Statements

For the year ended 31 March 2013

19. Net cash flow from operating activities

	2013	2012
	£	£
Operating profit	278,355	135,746
Depreciation of tangible fixed assets	47,586	39,863
Loss on disposal of tangible fixed assets	1,313	1,479
(Increase)/decrease in stocks	(30,358)	25,917
Increase in debtors	(884,705)	(84,931)
Increase/(decrease) in creditors	546,555	(95,588)
Net cash (outflow)/inflow from operating activities	(41,254)	22,486

Notes to the Financial Statements

For the year ended 31 March 2013

20. Analysis of cash flows for headings netted in cash flow statement

	2013 £	2012 £
Returns on investments and servicing of finance		
Interest received	-	36
Hire purchase interest	(1,648)	(524)
Net cash outflow from returns on investments and servicing of finance	(1,648)	(488)
	2013 £	2012 £
Capital expenditure and financial investment		
Purchase of intangible fixed assets	-	(23,200)
Purchase of tangible fixed assets	(40,472)	-
Net cash outflow from capital expenditure	(40,472)	(23,200)
	2013 £	2012 £
Financing		
Issue of ordinary shares	-	43,000
Purchase of ordinary shares	(7,174)	(360)
Hire purchase repayments	(10,746)	(5,606)
Net cash (outflow)/inflow from financing	(17,920)	37,034

21. Analysis of changes in net funds

	1 April 2012 £	Cash flow £	Other non-cash changes £	31 March 2013 £
Cash at bank and in hand	213,910	(101,294)	-	112,616
Debt:				
Hire purchase agreements	(7,475)	10,746	(35,055)	(31,784)
Net funds	206,435	(90,548)	(35,055)	80,832

22. Major non-cash transactions

Other non-cash changes arose from the inception of hire purchase agreements

Notes to the Financial Statements

For the year ended 31 March 2013

23. Operating lease commitments

At 31 March 2013 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2013	2012	2013	2012
	£	£	£	£
Expiry date:				
Within 1 year	-	-	6,864	-
Between 2 and 5 years	27,500	27,500	9,204	22,112

24. Related party transactions

The directors consider there to be no controlling party of the company

During the year, the company had the following transactions with R & D Construction, a partnership in which directors Mr R S Pratt and Mr D Thorrold are partners

	2013	2012
	£	£
Materials and plant hire costs payable	(841,024)	(743,897)
Rent payable	(27,500)	(27,500)
Management charge payable	(85,514)	(129,008)
Management charge receivable	163,718	170,943

At the year end, a net amount of £427,494 (2012 - £253,447), within other debtors in Note 11, was owed by R & D Construction

During the year, 13,720 £0.01 Ordinary A shares were purchased from Mr R Mayes by the company for consideration of £7,174

At the year end, there was a directors current account balance outstanding of £nil (2012 - £192) owed to Mr R S Pratt