

**SHEPPERTON BUILDERS LIMITED**

Report and Financial Statements

30 April 2014



Company number  
00509553

**SHEPPERTON BUILDERS LIMITED**  
Contents

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	<b>Page</b>
Company information	1
Report of the directors	2 – 3
Independent auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 – 12
The following pages do not form part of the financial statements:	
Detailed profit and loss account	14
Notes to the detailed profit and loss account	15

## **SHEPPERTON BUILDERS LIMITED**

Company information

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### **Directors**

G K Davis  
G P Braddick

### **Registered office**

Carriage Court  
24 Circus Mews  
Bath BA1 2PW

### **Bankers**

Co-operative Bank Plc  
42 Greengate Street  
Stafford ST16 2BU

### **Auditors**

Nexia Smith & Williamson  
Chartered Accountants  
Registered Auditors  
Portwall Place  
Portwall Lane  
Bristol  
BS1 6NA

## **SHEPPERTON BUILDERS LIMITED**

### Report of the Directors

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The directors present their report and the audited financial statements of the company for the year ended 30 April 2014.

#### **Principal activities**

The principal activities of Shepperton Builders Limited are the construction and development of land and buildings, building and property maintenance.

#### **Business review and future developments**

During the year the company has been developing houses and looking for future development opportunities.

#### **Financial Risk Management**

The outlook for the general economy is recovering and particularly the house building industry.

#### **Results and dividends**

The profit on ordinary activities after taxation amounted to £70,446 (2013: loss of £73,831). The directors do not recommend the payment of a dividend.

#### **Directors**

The directors of the company are set out on page 1.

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

The directors are responsible for preparing the Directors' Report and 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 have given a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards; and
- 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 proper 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 for the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to the auditors**

In so far as each of the directors are aware:

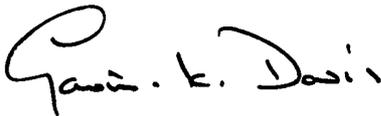
- there is no relevant available information of which the company's auditors were unaware; and
- the directors have taken all steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the company's auditors were aware of that information.

This confirmation is given and should be interpreted in accordance with s418 of the Companies Act 2006.

**Auditors**

A resolution to re-appoint the auditors Nexia Smith & Williamson Audit Limited, which trades as Nexia Smith & Williamson for the ensuing year will be proposed at the annual general meeting.

**The report of the directors was approved by the Board on 17<sup>th</sup> September 2014 and signed on its behalf by:**



**Gavin K Davis**  
Director

**SHEPPERTON BUILDERS LIMITED  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHEPPERTON BUILDERS LIMITED**

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We have audited the financial statements of Shepperton Builders Limited for the year ended 30 April 2014 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 16. 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 auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, 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 Financial Reporting Council's (FRC'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 FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**Opinion of financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2014 and its profit for the year;
- 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 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.

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

We have nothing to report in respect on the following matter 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Ian Cooper  
Senior Statutory Auditor, for and on behalf of  
**Nexia Smith & Williamson**  
Statutory Auditors  
Chartered Accountants  
Portwall Place  
Portwall Lane  
Bristol  
BS1 6NA  
Date: 17<sup>th</sup> September 2014

**SHEPPERTON BUILDERS LIMITED**

Profit and loss account for the year ended 30 April 2014

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	<b>Note</b>	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
<b>Turnover</b>	2	2,478,158	749,557
Cost of sales		<u>(1,903,277)</u>	<u>(623,599)</u>
<b>Gross profit</b>		574,881	125,958
Other operating income		100,225	8,660
Administrative expenses		<u>(379,283)</u>	<u>(181,001)</u>
<b>Operating profit/(loss)</b>	3	95,373	(63,703)
Interest payable		<u>(11,946)</u>	<u>(10,271)</u>
<b>Profit/(loss) on ordinary activities before taxation</b>		83,427	(73,974)
Tax on profit/(loss) on ordinary activities	4	<u>(12,981)</u>	143
<b>Profit/(loss) on ordinary activities after taxation</b>	12,13	<u>70,446</u>	<u>(73,831)</u>

All of the above relates to the company's continuing activities.

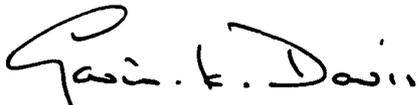
There are no gains or losses other than the result for the year.

The notes on pages 7 to 12 form part of these accounts.

**SHEPPERTON BUILDERS LIMITED**  
Balance sheet at 30 April 2014

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Tangible assets	6	1,076	1,435
		<u>1,076</u>	<u>1,435</u>
<b>Current assets</b>			
Stocks	7	3,828,485	4,550,474
Debtors	8	3,550,601	3,937,029
Cash at bank and in hand		582,385	412
		<u>7,961,471</u>	<u>8,487,915</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>(4,450,746)</u>	<u>(5,047,995)</u>
<b>Net current assets</b>		<u>3,510,725</u>	<u>3,439,920</u>
<b>Net assets</b>		<u>3,511,801</u>	<u>3,441,355</u>
<b>Capital and reserves</b>			
Called up share capital	11	1,600,000	1,600,000
Profit and loss account	12	1,911,801	1,841,355
<b>Equity Shareholders' funds</b>	13	<u>3,511,801</u>	<u>3,441,355</u>

The financial statements were approved by the Board on 17<sup>th</sup> September 2014 and signed on its behalf by:



**GAVIN K DAVIS**  
Director

Company registration number:00509553

The notes on pages 7 to 12 form part of these accounts.

## **SHEPPERTON BUILDERS LIMITED**

Notes to the financial statements

30 April 2014

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### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention.

#### **Turnover**

Turnover represents sales at invoiced amounts less value added tax.

#### **Depreciation**

Depreciation is provided on the cost or net book value of tangible fixed assets so as to write them down to their estimated residual values over their expected useful lives using the reducing balance method.

The principal annual rate used for office equipment is 25% reducing balance.

#### **Stocks and work-in-progress**

Stocks and work-in-progress have been valued at the lower of cost and net realisable value. Net realisable value is based on the estimated selling price less any further costs expected to be incurred to completion.

Stocks include capitalised interest, and all overheads other than those relating to general administration of the business.

#### **Deferred Taxation**

Deferred tax is recognised on a full provision basis in respect of all timing differences which have originated, but not reversed at the balance sheet date. Timing differences represent the accumulated difference between the company's taxable profit and its financial profit. The provision is not discounted. A deferred tax asset is recognised only when the directors believe it is more likely than not that it will be realised in the foreseeable future.

#### **Cash flow statement**

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 from presenting a cash flow statement as it is a wholly owned subsidiary of Shepperton Group Limited which prepares consolidated financial statements, which are publicly available.

#### **Operating Leases**

Rental costs under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

**SHEPPERTON BUILDERS LIMITED**

Notes to the financial statements

30 April 2014

**2. TURNOVER**

Turnover is wholly attributable to the principal activity of the company and arises solely in the United Kingdom.

**3. PROFIT/(LOSS) ON ORDINARY ACTIVITIES**

This is stated after charging:

	2014 £	2013 £
Auditors' remuneration	6,876	4,694
Depreciation	359	478
Operating lease rentals - other assets	11,126	3,404

**4. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2014 £	2013 £
The taxation charge is made up as follows:		
Corporation tax provision at 23% (2013: 24%)	12,981	-
	<u>12,981</u>	<u>-</u>

**Factors affecting tax rate for period**

The tax rate for the period is lower than the standard rate of corporation tax in the UK of 23%, (2013: 24%). The differences are explained below.

	2014 %	2013 %
Standard rate of corporation tax in United Kingdom	23.00%	23.00%
Effects of:		
Expenses not deductible	0.4%	-
Difference between capital allowance and depreciation	0.06%	(0.08%)
Small company rate relief	(0.1%)	-
Marginal relief	(1.6%)	-
Group relief not paid for	(6.2%)	(15.66%)
Losses carried forward	-	(8.26%)
Current tax rate for the period	<u>15.56%</u>	<u>0.00%</u>

**SHEPPERTON BUILDERS LIMITED**

Notes to the financial statements

30 April 2014

**5. EMPLOYEES**

During the year three members of staff were employed by the company (2013:three). One member of staff is paid through Shepperton Group Limited the company's parent undertaking. These costs are recharged to the company. The other two members of staff are paid directly by Shepperton Builders Limited.

Staff costs in respect of these employees were:

	2014 £	2013 £
Wages and salaries	91,707	91,707
Social security costs	11,594	11,594
	<u>103,301</u>	<u>103,301</u>

The directors of the company did not receive any remuneration for their service as directors (2013: £nil).

The emoluments of the directors for services rendered in connection with the company are paid by Shepperton Group Limited, the company's parent undertaking.

**6. TANGIBLE FIXED ASSETS**

	<b>Office Equipment</b>
	<b>£</b>
<b>Cost</b>	
At 1 May 2013	5,345
At 30 April 2014	<u>5,345</u>
<b>Depreciation</b>	
At 1 May 2013	3,910
Charge for the year	359
At 30 April 2014	<u>4,269</u>
<b>Net book value</b>	
At 30 April 2014	<u>1,076</u>
At 30 April 2013	<u>1,435</u>

**SHEPPERTON BUILDERS LIMITED**

Notes to the financial statements

30 April 2014

**7. STOCKS**

	2014 £	2013 £
Land	2,214,511	2,776,591
Work in progress	1,613,974	1,773,883
	<u>3,828,485</u>	<u>4,550,474</u>

The stock properties held for resale include capitalised interest paid during the year amounting to £67,207 (2013: £69,907).

**8. DEBTORS**

	2014 £	2013 £
<b>Amounts falling due within one year</b>		
Trade debtors	3,525	964
Amounts due from related undertaking	3,034,782	3,044,424
Amounts due from fellow group undertaking	460,000	464,690
VAT debtor	35,576	34,523
Prepayments and accrued income	16,718	392,428
	<u>3,550,601</u>	<u>3,937,029</u>

While the amounts due from related parties are due within one year, directors anticipate payment after more than one year.

**9. CREDITORS: (AMOUNTS FALLING DUE WITHIN ONE YEAR)**

	2014 £	2013 £
Trade creditors	53,270	96,042
Bank loan and overdraft	2,872,565	3,569,264
Other taxes and social security	1,889	2,785
Amounts due to fellow group undertaking	1,360,774	1,179,369
Amounts due to related undertaking	32,074	104,735
Other creditors	2,265	1,000
Accruals and deferred income	127,909	94,800
	<u>4,450,746</u>	<u>5,047,995</u>

The company is party to a cross-guarantee with group companies securing the bank borrowings of the group (see note 14).

The bank loan and overdraft are secured by fixed charges over the company's freehold land and properties and a floating charge over the company's other assets. Bank loans are repayable on demand or on the sale of the development property to which they relate, and attract interest between 2.25% and 2.75% above bank base rate.

**10. DEFERRED TAXATION**

	2014 Unprovided £	2013 Unprovided £
Capital allowances	55	101
Losses carried forward	-	(5,853)
	<u>55</u>	<u>(5,752)</u>

Calculations are based on a corporation tax rate of 23% (2013: 24%).

**SHEPPERTON BUILDERS LIMITED**

Notes to the financial statements

30 April 2014

**11. SHARE CAPITAL**

	2014 £	2013 £
Allotted, issued and fully paid: 1,600,000 ordinary shares of £1 each	<u>1,600,000</u>	<u>1,600,000</u>

**12. RESERVES**

	Profit and loss account £
At 1 May 2013	1,841,355
Profit for the year	<u>70,446</u>
At 30 April 2014	<u>1,911,801</u>

**13. RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS**

	2014 £	2013 £
Opening equity shareholders' funds	3,441,355	3,515,186
Profit/(loss) for the financial year	<u>70,446</u>	<u>(73,831)</u>
Closing equity shareholders funds	<u>3,511,801</u>	<u>3,441,355</u>

**14. CONTINGENT LIABILITIES**

The company is party to cross guarantees given in respect of certain bank borrowings of group companies which at 30 April 2014 amounted to £nil (2013: £nil), and which are secured by a floating charge over the assets of all group companies and a fixed charge over certain freehold properties in various group companies.

**15. RELATED PARTY TRANSACTIONS**

The immediate controlling party of Shepperton Builders Limited is its parent undertaking, Shepperton Group Limited.

The ultimate controlling party is Shepperton Ventures Limited which is controlled by G K Davis.

The company has taken advantage of the exemption from providing details of related party transactions with group companies as they are incorporated within the financial statements of its parent undertaking, Shepperton Group Limited. Copies of that company's financial statements can be obtained from its registered office at Carriage Court, 24 Circus Mews, Bath, BA1 2PW.

At 30 April 2014 there are amounts due from the ultimate parent company Shepperton Ventures Limited of £3,044,424 (2013: £3,034,782), in relation to the demerger of Shepperton Properties Limited. This debt is secured on the shares held in Shepperton Properties Limited. At 30 April 2014 an amount of £32,074 (2013: £104,735) was due to Shepperton Properties Limited, a company controlled by Shepperton Ventures Limited.