

Barker & Bence Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2019

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Barker & Bence Limited

Contents

Directors' Report	1 to 2
Statement of Directors' Responsibilities	3
Independent Auditor's Report	4 to 5
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8 to 12

Barker & Bence Limited

Directors' Report for the Year Ended 31 December 2019

The Directors present their report and the financial statements for the year ended 31 December 2019.

The Directors' Report has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006, which also provides an exemption from the preparation of a Strategic Report.

Directors of the Company

The Directors who held office during the year were as follows:

K Cowdrey

D L Montgomery (appointed 1 January 2019)

S Lea (appointed 7 January 2019)

M Deller (appointed 7 January 2019)

R J Lees (resigned 7 January 2019)

The Articles of Association of the Company contain an indemnity in favour of all the Directors of the Company that, subject to law, indemnifies the Directors out of the assets of the Company against any liability incurred by them in defending any proceedings in which judgement is given in their favour (or otherwise disposed of without any finding or admission of any material breach of duty on their part).

Principal activity

The principal activity of the Company is the holding of a one-third investment interest in a trading partnership, Mersey Sand Suppliers.

Significant events

On 1 July 2019 the business and assets of the partnership known as Mersey Sand Suppliers were sold to Mersey Sand Suppliers Limited (previously Norwest Holdings Limited). As a result of this sale, there is no ongoing activity in the partnership in which the Company has a one-third investment. The Directors are currently reviewing the future options available to the Company following this transfer. In the meantime there is no expectation of any ongoing trading activity within the Company.

Going concern

The Directors have considered going concern in preparing these financial statements.

The Company is non-trading and its only liabilities are with related parties. The Company has received a parental support letter from each of its shareholders confirming that they will continue to support the Company in meeting its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

Having received these support letters and considered the current and forecast financial position of the shareholders and their willingness and ability to provide financial support to the Company as needed, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Post balance sheet events

On 11 March 2020, the World Health Organisation declared an international public health emergency as a result of the outbreak of the coronavirus (COVID-19). Following this announcement, the UK government announced a series of temporary support measures for business owing to the economic disruption caused by the pandemic. The Company has utilised such measures where appropriate.

Given the nature of the entity and the ongoing activities there has been no substantial impact on the company, as it is no longer a trading entity. However the Company will continue to monitor its assessment of the economic environment and in particular the impact of the COVID-19 pandemic and its consequential management actions, to determine whether it has an impact on the Company.

Barker & Bence Limited

Directors' Report for the Year Ended 31 December 2019 (continued)

Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Auditors

Ernst & Young LLP will resign as auditors of the Company following the completion of the Company's accounts for the year ended 31 December 2019 and will therefore cease to hold office. The Company intend to appoint Deloitte LLP as the Company's auditors in accordance with section 485 of the Companies Act 2006.

Small companies provision statement

This report has been prepared in accordance with Financial Reporting Standard 102 Section 1A and the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

16-Dec-2020

Approved by the Board on and signed on its behalf by:

DocuSigned by:

Mark Deller

.....SCE2B7381657467.....

M Deller

Director

Barker & Bence Limited

Statement of Directors' Responsibilities

The Directors acknowledge their responsibilities for preparing the Annual 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 apply them consistently;
- make judgements 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; 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 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.

Independent Auditor's Report to the Members of Barker & Bence Limited

Opinion

We have audited the financial statements of Barker & Bence Limited (the 'company') for the year ended 31 December 2019, which comprise the Profit and Loss Account, 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 FRS 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 31 December 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.

Emphasis of matter – Effects of COVID-19

We draw attention to notes 2 and 11 of the financial statements which describe the economic and social consequences the Company is facing as a result of COVID-19. Our opinion is not modified in this respect.

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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for other information. 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.

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.

Opinion on other matter 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.

Independent Auditor's Report to the Members of Barker & Bence Limited (continued)

Matters on which we are required to report by exception

In the light of our 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.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, 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.

DocuSigned by:

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Adam Gittens (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor

1 Colmore Square
Birmingham
B4 6HQ

16-Dec-2020
Date:.....

Barker & Bence Limited**Profit and Loss Account for the Year Ended 31 December 2019**

	Note	2019 £	2018 £
Administrative expenses		<u>(90)</u>	<u>-</u>
Operating loss		(90)	-
Amounts written off investments		<u>(31,300)</u>	<u>-</u>
Loss before tax		(31,390)	-
Taxation		<u>-</u>	<u>-</u>
Loss for the financial year		<u><u>(31,390)</u></u>	<u><u>-</u></u>

The above results were derived from continuing operations.

The Company has no recognised gains or losses for the year other than the results above.

The notes on pages 8 to 12 form an integral part of these financial statements.

Barker & Bence Limited**(Registration number: 00615650)
Balance Sheet as at 31 December 2019**

	Note	2019 £	2018 £
Fixed assets			
Investments	5	52,075	83,375
Current assets			
Debtors	6	1,287,658	1,287,658
Cash at bank and in hand		-	73,120
		1,287,658	1,360,778
Creditors: Amounts falling due within one year	7	(1,377,442)	(1,450,472)
Net current liabilities		(89,784)	(89,694)
Net liabilities		(37,709)	(6,319)
Capital and reserves			
Called up share capital	8	980	980
Profit and loss account		(38,689)	(7,299)
Total equity		(37,709)	(6,319)

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A and the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

16-Dec-2020

Approved and authorised by the Board on and signed on its behalf by:

DocuSigned by:

Mark Deller

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M Deller
Director

The notes on pages 8 to 12 form an integral part of these financial statements.

Barker & Bence Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

1 General information

The Company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Portland House
Bickenhill Lane
Solihull
Birmingham
B37 7BQ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies.

Going concern

The Directors have considered going concern in preparing these financial statements.

The Company is non-trading and its only liabilities are with related parties. The Company has received a parental support letter from each of its shareholders confirming that they will continue to support the Company in meeting its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

Having received these support letters and considered the current and forecast financial position of the shareholders and their willingness and ability to provide financial support to the Company as needed, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Barker & Bence Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

2 Accounting policies (continued)

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Investments

Fixed asset investments are shown at cost less provision for impairment.

Where an investment is held in the form of an associated entity, an investment or as a partner in a partnership, income is only recognised when received as a distribution from the respective entity.

Financial instruments

Recognition and measurement

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value.

Financial Assets

The Company's classes of financial assets are cash and other financial assets, and these are classified as 'loans and receivables'.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cashflows of the investment have been affected.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cashflows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Barker & Bence Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

2 Accounting policies (continued)

Financial liabilities and equity

The Company has financial liabilities that are classified as 'other financial liabilities', and these relate to borrowings from fellow subsidiary companies and trade and other payables.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

3 Staff numbers

No Director received any remuneration from the Company during the year as their services were incidental to their wider role (2018: nil). The Company did not have any employees during the year (2018: nil).

4 Auditors' remuneration

Audit fees of £2,250 are borne by a fellow associate company (2018: £2,250). There were no fees paid for non-audit services in the current or prior year.

5 Investments

Subsidiaries	£
Cost or valuation	
At 1 January 2019 and 31 December 2019	83,375
Provision	
At 1 January 2019	-
Provision	31,300
At 31 December 2019	31,300
Carrying amount	
At 31 December 2019	52,075
At 31 December 2018	83,375

Barker & Bence Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

5 Investments (continued)

The Company holds a one-third stake in Mersey Sand Suppliers whose principal place of business is East Bramley-Moore Dock, Liverpool, L3 0AR.

The Capital and Current Account of Mersey Sand Suppliers is shown below:

	2019 £	2018 £
Total capital account	<u>156,226</u>	<u>475,997</u>

During the year Mersey Sand Suppliers made a loss of £319,771 (2018: £82,336 loss). The investment has been written down to one-third of the remaining balance on the capital account of Mersey Sand Suppliers.

The Company also holds an investment of 33.3% in Norwest Holding Limited (previously Mersey Sand Suppliers Limited) which is registered at Cemex House, Evreux Way, Rugby, Warwickshire, England, CV21 2DT.

6 Debtors

	2019 £	2018 £
Amounts owed by fellow group companies	<u>1,287,658</u>	<u>1,287,658</u>
	<u>1,287,658</u>	<u>1,287,658</u>

All amounts are due within one year. Amounts owed by fellow group companies are due on demand and no interest is charged on these balances.

7 Creditors

Creditors: amounts falling due within one year

	2019 £	2018 £
Amounts owed to fellow group companies	1,290,000	1,290,000
Amounts owed to associated companies	<u>87,442</u>	<u>160,472</u>
	<u>1,377,442</u>	<u>1,450,472</u>

Amounts owed to fellow group companies and associated companies are due on demand and no interest is charged on these balances.

Barker & Bence Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

8 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>980</u>	<u>980</u>	<u>980</u>	<u>980</u>

9 Related party transactions

Summary of transactions with all joint ventures

At 31 December 2019 the Company had balances with associated companies of £87,442 (2018: £160,472).

10 Parent and ultimate parent undertaking

At the balance sheet date, the ultimate parent undertaking and controlling party of the Company is Mersey Sand Suppliers Limited (previously Norwest Holdings Limited). Mersey Sand Suppliers Limited's share capital is held equally by Tarmac Trading Limited and Cemex Investments Limited, and hence there is no ultimate controlling party of Mersey Sand Suppliers Limited. Both Tarmac Trading Limited and Cemex Investments Limited are incorporated in the United Kingdom. The immediate parent undertaking is Norwest Sand & Ballast Co. (1985). Copies of financial statements of Mersey Sand Suppliers Limited can be obtained from the Company Secretary, Portland House, Bickenhill Lane, Solihull, Birmingham B37 3BQ.

11 Post balance sheet events

On 11 March 2020, the World Health Organisation declared an international public health emergency as a result of the outbreak of the coronavirus (COVID-19). Following this announcement, the UK government announced a series of temporary support measures for business owing to the economic disruption caused by the pandemic. The Company has utilised such measures where appropriate.

Given the nature of the entity and the ongoing activities there has been no substantial impact on the company, as it is no longer a trading entity. However the Company will continue to monitor its assessment of the economic environment and in particular the impact of the COVID-19 pandemic and its consequential management actions, to determine whether it has an impact on the Company.