

COMPANY REGISTRATION NUMBER: 01469747

Balsham (Buildings) Limited
Financial statements
31 December 2019



Balsham (Buildings) Limited

Financial statements

Year ended 31 December 2019

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Balsham (Buildings) Limited

Officers and professional advisers

The board of directors

J R Thurlow
P H Addinall
M Glasby
M J Harris
T Rutterford
J G Thurlow

Company secretary

P H Addinall

Registered office

1-2 Rosemary House
Lanwades Business Park
Kennett
Newmarket
Suffolk
CB8 7PN

Auditor

Lovewell Blake LLP
Chartered accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

Balsham (Buildings) Limited

Directors' report

Year ended 31 December 2019

The directors present their report and the financial statements of the company for the year ended 31 December 2019.

Principal activities

The principal activity of the company during the year was the design and erection of agricultural and industrial buildings.

Directors

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

J R Thurlow
P H Addinall
M Glasby
M J Harris
T Rutterford
J G Thurlow

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 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;
- 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Balsham (Buildings) Limited

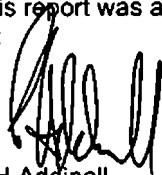
Directors' report *(continued)*

Year ended 31 December 2019

Small company provisions

This report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

This report was approved by the board of directors on 28th Oct '20 and signed on behalf of the board by:



P H Addinall
Director

Balsham (Buildings) Limited

Independent auditor's report to the members of Balsham (Buildings) Limited

Year ended 31 December 2019

Opinion

We have audited the financial statements of Balsham (Buildings) Limited (the 'company') for the year ended 31 December 2019 which comprise the income statement, statement of financial position and the related notes, 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;
- 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 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 the 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.

Balsham (Buildings) Limited

Independent auditor's report to the members of Balsham (Buildings) Limited (continued)

Year ended 31 December 2019

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.

Matters on which we are required to report by exception

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.

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 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 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, 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.

Balsham (Buildings) Limited

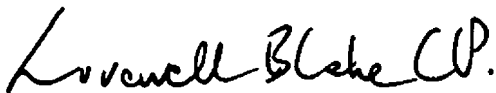
Independent auditor's report to the members of Balsham (Buildings) Limited (continued)

Year ended 31 December 2019

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.



Tobias Wilson BA (Hons) FCA (Senior Statutory Auditor)

For and on behalf of
Lovewell Blake LLP
Chartered accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

13 November 2020

Balsham (Buildings) Limited

Income statement

Year ended 31 December 2019

	2019 £000	2018 £000
Turnover	4,816	7,944
Cost of sales	(3,524)	(6,624)
Gross profit	1,292	1,320
Administrative expenses	(1,319)	(1,220)
Operating (loss)/profit	(27)	100
(Loss)/profit before taxation	(27)	100
Tax on (loss)/profit	(2)	(33)
(Loss)/profit for the financial year	(29)	67

All the activities of the company are from continuing operations.

The notes on pages 9 to 15 form part of these financial statements.

Balsham (Buildings) Limited

Statement of financial position

31 December 2019

	Note	£000	2019 £000	2018 £000
Fixed assets				
Tangible assets	7		30	7
Current assets				
Stocks	8	25		26
Debtors	9	1,366		1,431
Cash at bank and in hand		101		153
		<u>1,492</u>		<u>1,610</u>
Creditors: Amounts falling due within one year	11	<u>(781)</u>		<u>(844)</u>
Net current assets			<u>711</u>	<u>766</u>
Total assets less current liabilities			<u>741</u>	<u>773</u>
Net assets			<u>741</u>	<u>773</u>
Capital and reserves				
Called up share capital			74	74
Profit and loss account			<u>667</u>	<u>699</u>
Shareholders funds			<u>741</u>	<u>773</u>

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

These financial statements were approved by the board of directors and authorised for issue on

28.10.2020, and are signed on behalf of the board by:


J R Thurlow
Director

Company registration number: 01469747

The notes on pages 9 to 15 form part of these financial statements.

Balsham (Buildings) Limited

Notes to the financial statements

Year ended 31 December 2019

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 1-2 Rosemary House, Lanwades Business Park, Kennett, Newmarket, CB8 7PN, Suffolk.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, Section 1A, the Financial Reporting Standard applicable in the United Kingdom 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 judgment in applying the Company's accounting policies.

Going concern

After reviewing the company's forecast and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. While there has inevitably been some disruption to delivery of contracts, because of COVID-19, the order book for the latter part of 2020 and into 2021 is considered to be strong. While some of this reflects the catching-up of delays experienced between March and June 2020, the volume of tender requests now being received is at a high level. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below:

A key judgement taken by management is in determining the value of work carried out at the year end on long term contracts. Profit is only taken if the final outcome can be assessed with reasonable certainty, while losses are provided for when they are first foreseen. The other key judgement is therefore estimating the costs to complete on each on-going contract. Amounts recoverable on contracts are included in debtors (note 9).

Balsham (Buildings) Limited

Notes to the financial statements *(continued)*

Year ended 31 December 2019

3. Accounting policies *(continued)*

Revenue recognition

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 recognition policy

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.

All other sales are recognised on completion of the work being performed.

Amounts received in advance of work carried out are included with payments on account within creditors and amounts receivable at the year end are included within debtors as amounts recoverable on long term contracts.

Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, 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 reporting 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 Statement of financial position 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 reporting date.

Balsham (Buildings) Limited

Notes to the financial statements *(continued)*

Year ended 31 December 2019

3. Accounting policies *(continued)*

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Plant and machinery	- 3 to 10 years
Fixtures and fittings	- 3 to 10 years
Motor vehicles	- 3 to 8 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

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 reporting 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 profit or loss.

Long-term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as the proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts is recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Debtors

Short term debtors are measured at transaction price, less any impairment.

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.

Balsham (Buildings) Limited

Notes to the financial statements *(continued)*

Year ended 31 December 2019

3. Accounting policies *(continued)*

Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the statement of financial position date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Creditors

Short term creditors are measured at the transaction price.

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 payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

Balsham (Buildings) Limited

Notes to the financial statements *(continued)*

Year ended 31 December 2019

Multi-employer pension plan

The Company is a member of a multi-employer plan. Where it is not possible for the Company to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

4. Auditor's remuneration

	2019 £000	2018 £000
Fees payable for the audit of the financial statements	9	8

5. Employee numbers

The average number of employees during the year was 22 (2018: 21).

6. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2019 £000	2018 £000
Remuneration	208	201
Company contributions to defined contribution pension plans	25	24
	233	225

During the year retirement benefits were accruing to 2 directors (2018 - 2) in respect of defined benefit pension schemes.

During the year retirement benefits were accruing to 3 directors (2018 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £101,000 (2018 - £98,000). The value of the company's contributions paid to a defined contribution scheme in respect of the highest paid director amounted to £9,000 (2018 - £8,000).

Balsham (Buildings) Limited

Notes to the financial statements (continued)

Year ended 31 December 2019

7. Tangible assets

	Plant and machinery £000	Fixtures and fittings £000	Motor vehicles £000	Total £000
Cost				
At 1 January 2019	23	38	169	230
Additions	–	10	24	34
Disposals	(1)	–	(18)	(19)
At 31 December 2019	22	48	175	245
Depreciation				
At 1 January 2019	22	34	167	223
Charge for the year	–	2	7	9
Disposals	–	–	(17)	(17)
At 31 December 2019	22	36	157	215
Carrying amount				
At 31 December 2019	–	12	18	30
At 31 December 2018	1	4	1	6

8. Stocks

	2019 £000	2018 £000
Raw materials and consumables	25	26

9. Debtors

	2019 £000	2018 £000
Trade debtors	565	445
Amounts owed by customers on construction contracts	745	873
Deferred tax asset	9	13
Other debtors	47	100
	1,366	1,431

10. Cash and cash equivalents

	2019 £000	2018 £000
Cash at bank and in hand	101	153

11. Creditors: Amounts falling due within one year

	2019 £000	2018 £000
Trade creditors	539	627
Accruals and deferred income	51	57
Corporation tax	–	25
Social security and other taxes	174	120
Other creditors	17	15
	781	844

Balsham (Buildings) Limited

Notes to the financial statements (continued)

Year ended 31 December 2019

12. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2019	2018
	£000	£000
Included in debtors (note 9)	9	13

The deferred tax account consists of the tax effect of timing differences in respect of:

	2019	2018
	£000	£000
Deferred tax - Fixed asset timing differences	6	10
Deferred tax - Other timing differences	3	3
	9	13

13. Pension commitments

The company is a participating employer of both the defined contribution and defined benefit schemes jointly operated by the group and other companies under common control. The assets of the schemes are held in separate trustee administered funds.

The defined benefit pension scheme was closed to new members in 1994 and to future accrual on 6 April 2016. Contributions of £32,000 per month are made to account for the funding requirements. The company's share of the contributions has been made on this basis.

As disclosed in the accounting policies, the company is unable to identify its share of the underlying assets and liabilities of the joint scheme and consequently accounts for the pension costs as though the scheme is a defined contribution scheme.

The pension cost of the defined contribution scheme represents the contributions payable for the year.

The total pension charge for both schemes for the year to the nearest thousand was £137,000 (2018 - £142,000).

14. Related party transactions

During the year the company entered into the following transactions with related parties:

	Transaction value		Balance owed by/(owed to)	
	2019	2018	2019	2018
	£000	£000	£000	£000
Thurlow Nunn Standen Limited	1,718	1,428	485	46

In addition to the above transactions, the company paid a management charge of £14,000 (2018 - £14,000) to George Thurlow & Sons (Holdings) Limited.

15. Controlling party

The company's ultimate parent company was Balsham Holdings Limited, which was under the control of Mr J G Thurlow, a director, and members of his close family, throughout the year.