

O&H Construction Limited

Report and Financial Statements

Year Ended

29 February 2016

Company Number 01851382

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O&H Construction Limited

Company Information

Directors	D S Gabbay E A Shahmoon R A Shahmoon
Company secretary	C Hanouka
Registered number	01851382
Registered office	25-28 Old Burlington Street London W1S 3AN
Independent auditors	BDO LLP 55 Baker Street London W1U 7EU

O&H Construction Limited

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O&H Construction Limited

Directors' Report For the Year Ended 29 February 2016

The directors present their report and the financial statements for the year ended 29 February 2016.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Principal activity

The company's principal activity is that of building contracts.

Results and dividends

The loss for the year, after taxation, amounted to £73,899 (2015 - loss £180,780).

Directors

The directors who served during the year were:

D S Gabbay
E A Shahmoon
R A Shahmoon

O&H Construction Limited

Directors' Report (continued) For the Year Ended 29 February 2016

Disclosure of information to auditors

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 auditors are 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 relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this director's report advantage has been taken of the small companies' exemption.

This report was approved by the board on 10 October 2016 and signed on its behalf.



E A Shahmoon
Director

O&H Construction Limited

Independent Auditors' Report to the Members of O&H Construction Limited

We have audited the financial statements of O&H Construction Limited for the year ended 29 February 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity 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 auditors

As explained more fully in the statement of directors' responsibilities, 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.

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 29 February 2016 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.

Opinion on other matters 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.

O&H Construction Limited

Independent Auditors' Report to the Members of O&H 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; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

Paul Bailey (Senior statutory auditor)
for and on behalf of BDO LLP, Statutory auditor
London
United Kingdom

10 October 2016

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

O&H Construction Limited

Statement of Comprehensive Income For the Year Ended 29 February 2016

	Note	2016 £	2015 £
Turnover	3	1,812,878	2,096,029
Cost of sales		(1,823,834)	(2,139,477)
Gross loss		<u>(10,956)</u>	<u>(43,448)</u>
Administrative expenses		(64,198)	(137,332)
Operating loss and loss before taxation	4	<u>(75,154)</u>	<u>(180,780)</u>
Tax on loss	6	1,255	-
Loss after taxation for the financial year		<u>(73,899)</u>	<u>(180,780)</u>
Other comprehensive income for the year			
Other comprehensive income		-	-
		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>(73,899)</u>	<u>(180,780)</u>

All amounts relate to continuing activities.

The notes on pages 8 to 14 form part of these financial statements.

O&H Construction Limited

Registered number:01851382

Statement of Financial Position As at 29 February 2016

			29 February 2016 £	28 February 2015 £
	Note			
Fixed assets				
Tangible assets	7		-	-
Current assets				
Debtors: amounts falling due within one year	8	664,278	446,184	
Cash at bank and in hand		-	110,200	
		<u>664,278</u>	<u>556,384</u>	
Creditors: amounts falling due within one year	9	(1,693,524)	(1,511,731)	
Net current liabilities			<u>(1,029,246)</u>	<u>(955,347)</u>
Net liabilities			<u>(1,029,246)</u>	<u>(955,347)</u>
Capital and reserves				
Called up share capital	11	10,000	10,000	
Profit and loss account	12	(1,039,246)	(965,347)	
		<u>(1,029,246)</u>	<u>(955,347)</u>	

The company's financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 October 2016.



E A Shahmoon
Director

The notes on pages 8 to 14 form part of these financial statements.

O&H Construction Limited

Statement of Changes in Equity For the Year Ended 29 February 2016

	Share capital £	Retained earnings £	Total equity £
At 1 March 2015	10,000	(965,347)	(955,347)
Comprehensive income for the year			
Loss for the year	-	(73,899)	(73,899)
Total comprehensive income for the year	-	(73,899)	(73,899)
At 29 February 2016	10,000	(1,039,246)	(1,029,246)

Statement of Changes in Equity For the Year Ended 28 February 2015

	Share capital £	Retained earnings £	Total equity £
At 1 March 2014	10,000	(784,567)	(774,567)
Comprehensive income for the year			
Loss for the year	-	(180,780)	(180,780)
Total comprehensive income for the year	-	(180,780)	(180,780)
At 28 February 2015	10,000	(965,347)	(955,347)

The notes on pages 8 to 14 form part of these financial statements.

O&H Construction Limited

Notes to the Financial Statements For the Year Ended 29 February 2016

1. Accounting policies

1.1 Basis of preparation of financial statements

O&H Construction Limited is a company limited by shares, incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the directors' report.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The company adopted FRS 102 on 1 March 2014. Information on the impact of first-time adoption of FRS 102 is given in note 16.

The functional currency is sterling and the figures are presented in round pounds.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Financial reporting standard 102 - reduced disclosure exemptions

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

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of O&H Holdings Limited as at 29 February 2016 and these financial statements may be obtained from Companies House.

1.3 Turnover

Turnover represents sales at invoiced and accrued amounts less value added tax or local taxes on sales, where the company has earned the right to receive consideration at the reporting date. Turnover is recognised on an accruals basis.

O&H Construction Limited

Notes to the Financial Statements For the Year Ended 29 February 2016

1. Accounting policies (continued)

1.4 Tangible fixed assets

Tangible fixed assets are held under the cost model and 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.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the Statement of Comprehensive Income during the period in which they are incurred.

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

Depreciation is provided on the following basis:

Plant and machinery	- 33% straight line
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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 are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

1.5 Debtors

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

1.6 Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

1.7 Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

1.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

O&H Construction Limited

Notes to the Financial Statements For the Year Ended 29 February 2016

1. Accounting policies (continued)

1.9 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 change 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 tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

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.

1.10 Going concern

The financial statements have been prepared on a going concern basis which is dependent on the continued support of the ultimate parent company, O&H Holdings Limited. The directors of O&H Holdings Limited have confirmed that the company will continue to provide such support for the foreseeable future.

O&H Construction Limited

Notes to the Financial Statements For the Year Ended 29 February 2016

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

In preparing these financial statements, the directors have made the following judgements:

Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

Tangible fixed assets (see note 7)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

3. Analysis of turnover

All turnover arose within the United Kingdom.

4. Operating loss

Audit and taxation are borne by fellow subsidiaries.

5. Employees

The company has no employees (2015 - Nil) other than the directors, who did not receive any remuneration (2015 - £Nil).

6. Taxation

	2016	2015
Deferred tax		
Origination and reversal of timing differences	(1,255)	-
Total deferred tax	<u>(1,255)</u>	<u>-</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

O&H Construction Limited

Notes to the Financial Statements For the Year Ended 29 February 2016

7. Tangible fixed assets

	Plant and machinery £
Cost	
At 1 March 2015	27,000
At 29 February 2016	<u>27,000</u>
Depreciation	
At 1 March 2015	27,000
At 29 February 2016	<u>27,000</u>
Net book value	
At 29 February 2016	<u>-</u>
At 28 February 2015	<u>-</u>

8. Debtors

	29 February 2016 £	28 February 2015 £
Trade debtors	-	2,182
Other debtors	31,714	9,696
Prepayments and accrued income	631,309	434,306
Deferred taxation	1,255	-
	<u>664,278</u>	<u>446,184</u>

O&H Construction Limited

Notes to the Financial Statements For the Year Ended 29 February 2016

9. Creditors: Amounts falling due within one year

	29 February 2016 £	28 February 2015 £
Bank overdrafts	33,195	-
Trade creditors	254,609	182,401
Amounts owed to group undertakings	1,404,747	1,328,379
Other creditors	973	951
	<u>1,693,524</u>	<u>1,511,731</u>

There are no formal arrangements in place for the repayment of amounts owed to group undertakings. The directors have revisited these arrangements as a result of the FRS 102 conversion and consequently the comparatives have been reclassified as within one year on the basis of the substance of these arrangements. Interest is not charged on these balances.

10. Deferred taxation

	Deferred taxation £
Charged to the profit or loss	1,255
	<u>1,255</u>
At 29 February 2016	

The deferred tax asset is made up as follows:

	29 February 2016 £	28 February 2015 £
Fixed asset timing differences	<u>1,255</u>	<u>-</u>

11. Share capital

	29 February 2016 £	28 February 2015 £
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

O&H Construction Limited

Notes to the Financial Statements For the Year Ended 29 February 2016

12. Reserves

Profit and loss account

Profit and loss account represents cumulative profits or losses, net of dividends paid.

Share Capital

Called up share capital reserve represents the nominal value of the shares issued.

13. Contingent liabilities

A composite accounting system of arrangement is in place between Barclays Bank Plc and O&H Holdings No.2 Limited, O&H Construction Limited, O&H Properties Limited and O&H Hampton Limited to secure overdraft facilities to the group.

The overdraft facility has a gross limit of £7,000,000 and a net limit of £5,000,000 and is repayable on written demand by the bank at any time.

Security for the facility is provided by an unlimited cross guarantee from O&H Properties Limited and fixed-charge and floating-charge debentures from companies who are parties to the composite accounting system of arrangement.

14. Related party transactions

During the year, sales to D S Gabbay, for building supplies, furnishings and administration fees amounted to £1,361,253 (2015 - £197,578).

During the year, sales to C Hanouka, secretary of the company, for building supplies, furnishings and administration fees amounted to £Nil (2015 - £3,572). Included within trade debtors is an amount of £Nil (2015 - £2,182) in relation to sales at the year end.

Sales to A Gabbay of which D S Gabbay is a connected party during the year ended 29 February 2016 were £237,633 (2015 - £1,823,007).

Included in accrued income in respect of the above are amounts owed by D S Gabbay, and A Gabbay of £624,919 (2015 - £229,253) and £Nil (2015 - £165,770) respectively.

15. Controlling party

At 29 February 2016 the company's ultimate parent company was O&H Holdings Limited which is the parent of the largest group which the company is a member. O&H Holdings No.2 Limited is the parent of the smallest group of which the company is a member.

Copies of the consolidated financial statements of O&H Holdings Limited are available from Companies House.

16. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.