

Company Registration No. 02343739 (England and Wales)

JOHN TURNER CONSTRUCTION GROUP LTD
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

JOHN TURNER CONSTRUCTION GROUP LTD

COMPANY INFORMATION

Directors John J Clarke - Chairman / Managing Director
Nigel A Sharp - Operations Director
Pauline M Clarke - Non-Executive Director
Michael T Davies, FCCA - Financial Director

Secretary Michael T Davies, FCCA

Company number 02343739

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JOHN TURNER CONSTRUCTION GROUP LTD

CONTENTS

	Page
Chairman's statement	1
Strategic report	2
Directors' report	3 - 6
Independent auditor's report	7 - 9
Group statement of comprehensive income	10
Group balance sheet	11
Company balance sheet	12
Group statement of changes in equity	13
Company statement of changes in equity	14
Group statement of cash flows	15
Notes to the financial statements	16 - 34

JOHN TURNER CONSTRUCTION GROUP LTD

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

The year ending 31 March 2022 was a positive year for the Group with increases in both turnover & profit. Turnover reached £80.9m with pre-tax profit at £2.3m. Our balance sheet remained strong with key performance measures all improving. Cash now stands at £12.6m and we continue to have no bank or other financial borrowings. Our careful and cautious financial controls and cash reserves, have been major factors in overcoming the unusual challenges faced by our industry over the past few years. These results are something we can all be proud of, bearing in mind the testing circumstances that prevailed previously.

Our ability to win work in most sectors of the industry and on projects within a wide range of values, stood us in good stead throughout the year.

Health & Education continue to form a major part of our activities, with projects awarded for the Northern Care Alliance, Blackpool Victoria Hospital and Wirral University Teaching Hospital NHS Foundation Trust. New education clients included Burnley College, Kendal College & Hugh Baird College, whom we successfully worked for throughout the year.

We were also awarded some high profile projects for private sector clients namely at Europa Boulevard in Warrington for Harlex Property and also the Vita Group in Middleton.

Our maintenance company, Wright Build, had a record year for both turnover and profit. They are well respected for the quality of their work and the excellent relationships they have built up over many years in this sector.

All our ISO accreditations were successfully audited and renewed in the year. We achieved a 17th Gold Medal in a row from RoSPA and received the prestigious Order of Distinction. This was again a tremendous result by everyone.

We are actively engaged in maximising our social value in the areas in which we work. This involves providing work experience, employing apprentices and generally promoting interaction and communication with the local residents, where possible. The work of our employee lead charity group (TLC) raised much needed funds for worthy causes such as over £3,000 for C-R-Y, MND Association and Thriving Spaces.

We continued to invest in our business throughout the year in the ongoing promotion of our successful Career Development Programme and the offer of Apprenticeships.

In the year to 31 March 2023 we have over £85m of Group turnover currently secured and over £39m secured for the year to 31 March 2024. The level of opportunities we have received to tender or negotiate for clients has always been high and this situation continues to date. We attribute our good reputation and the overall stability of the Group to this welcome trend.

We must always be cautious with the current economic turmoil in the country at present, but I look forward to the future of the business with confidence.

John J Clarke

Chairman

12 December 2022

JOHN TURNER CONSTRUCTION GROUP LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present the strategic report for the year ended 31 March 2022.

Review of the Business

The principal activity of the Group throughout the year continued to be as a building contractor.

The Group has returned a good performance in the challenging and competitive market. Turnover of £80.9m was achieved (2021: £66.8m) with gross margins of 9.1%. Retained earnings remained healthy with the Group's net asset total now £8.0m.

The Group Balance Sheet remains strong with key performance measures all improving. Cash has increased by 2.6% to £12.56m and net current assets at £9.4m. The Group continues to have no bank or other financial borrowings.

The Cottam development, which the Group is associated with, had planning delays due to the Covid-19 pandemic but negotiations are progressing with both a potential key anchor tenant and further house builders.

Developments and future outlook

The directors of the Group continue to look ahead and, despite the potential of further economic disruption, view the future with confidence. For the year to 31st March 2023, over £85m of Group turnover is currently secured, with also over £39m already secured for the year to 31st March 2024.

Principal risks and uncertainties

In addition to general risks and uncertainties, the world continues to face unprecedented disruption. Our continued commitment to health and safety coupled with an ability to adapt has allowed us to quickly adopt new construction site protocols and working practices within our offices to create safe working environments. Despite the relaxation of the national social distancing rule, we have maintained our Covid-19 secure protocols. This vigilant and agile approach has resulted in a high percentage of continued operations and successful delivery of projects for our clients.

Our continuing financial strength enables the Group to successfully manage the enhanced key risks and uncertainties facing the sector, in particular the supply chain. By ensuring that both sub-contractors and suppliers are paid on a timely basis, it keeps us as the main contractor of choice.

Going Concern

The directors have prepared detailed profit and cash flow projections for a period of 12 months from the date of signing these accounts, which demonstrate that the Group will remain profitable.

The Group monitors its cash flow as part of its daily control procedures. The Directors consider the cash position and future requirements on a regular basis and ensure that appropriate facilities are available.

The directors have assumed that all current available support will continue and, accordingly, consider it appropriate that the accounts are prepared on the going concern basis. These accounts do not include any adjustments that may be required should the going concern basis of preparation not be appropriate.

Judgements and Key Areas of Estimation Uncertainty

The directors have considered the impact of the current economic conditions on the business which has occurred since the balance sheet date. They believe that the Group will have sufficient cash and facilities available for it to trade through any uncertainty and until the industry returns to business as usual. The Directors believe that commercial facilities will be readily available if and when required to enable the Group to continue to trade as a going concern for at least 12 months from signing these accounts.

On behalf of the board

Michael T Davies, FCCA - Finance Director

Director

12 December 2022

JOHN TURNER CONSTRUCTION GROUP LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present their annual report and financial statements for the year ended 31 March 2022.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

John J Clarke - Chairman / Managing Director
Nigel A Sharp - Operations Director
Julian D Haigh, BSc, MRICS - Commercial Director (Resigned 21 September 2021)
Pauline M Clarke - Non-Executive Director
Michael T Davies, FCCA - Financial Director

Results and dividends

The results for the year are set out on page 11.

Ordinary dividends were paid amounting to £2,384,548 (2021: £1,264,000). The directors do not recommend payment of a further dividend.

Auditor

The auditor, Azets Audit Services, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible 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 Group and Company, and of the profit or loss of the Group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

JOHN TURNER CONSTRUCTION GROUP LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

Mission statement

The aim of the Group is to provide a professional building service which best meets the needs of our clients.

Through working closely with our clients and their agents, we will aim to find solutions to meet and exceed their requirements.

We shall address resourcefully all types of projects and apply the highest standards of workmanship and integrity in their performance.

In all our activities we shall respect and if possible enhance the environment. The service shall be delivered by:

- employing a competent committed workforce who understand clearly and contribute to the aims of the Group;
- emphasising the highest quality of management, financial strength, and stringent control throughout our operations to provide security for the benefit of clients, shareholders and employees;
- treating respectfully all our business relationships to obtain the benefits of the business;
- rewarding merit by recognition within the Group.

Financial risk management objectives and policies

The Group holds or issues financial instruments in order to achieve three main objectives, being:

- (a) to finance its operations;
- (b) to manage its exposure to interest and currency risks arising from its operations and from its sources of finance; and
- (c) for trading purposes.

In addition, various financial instruments (e.g. trade debtors and trade creditors) arise directly from the Group's operations.

Transactions in financial instruments result in the company assuming or transferring to another party one or more of the financial risks described below.

Credit risk

The investment of cash surpluses is made through banks which must fulfil credit rating criteria approved by the Board. The Group has no borrowings.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are reviewed on a regular basis and provision is made for doubtful debts when necessary.

Liquidity risk

The Group manages its cash in order to maximise interest income, whilst ensuring the Group has sufficient liquid resources to meet the operating needs of the business.

JOHN TURNER CONSTRUCTION GROUP LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Employee involvement

During the year, the policy of providing employees with information about the company has been continued through the company's newsletter in which employees have also been encouraged to present their suggestions and views on the company's performance. Regular meetings are held between management and employees to allow a free flow of information and ideas.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the group continues and that the appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Energy and carbon report

JTCG has committed to reducing its impact on the environment, including on climate change. This commitment has been shown by the company's ongoing accreditation to the ISO 14001 (environmental) and ISO 50001 (energy) international standards.

Over recent years the company has implemented a number of energy efficiency measures as part of our ISO 50001 commitment to continual improvement. This commitment has seen the installation of smart meters to our head offices and an energy efficiency campaign throughout our offices and construction sites. The replacement of our LEV system with an energy efficient "soft start" system with variable flow rates was a significant capital expenditure in the name of increasing the energy efficiency of the company. Our energy management system is externally audited each year to ensure that the company is making all reasonable efforts towards continual improvement.

As part of the ISO 50001 accreditation the company measures energy usage, sets energy performance indicators (EnPIs), sets annual targets against significant usage areas and identifies opportunities for improvement.

The energy efficiency measures which have been implemented in the reporting period include:

- Phasing out of "traditional" lighting technologies, such as sodium, fluorescent and incandescent lamps by replacing these lamps with high efficiency LED lighting
- Ongoing removal of aging plant with more energy efficient replacements
- Replacing company owned vehicles with more energy efficient models

JOHN TURNER CONSTRUCTION GROUP LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The table below shows the company's total energy use in kWh and the emissions arising as a result of that energy usage in kg of CO₂e.

Emissions Source	Operational Area	2021/22 Energy (kWh)	2021/22 Emissions (kgCO ₂ e)	2020/21 Energy (kWh)	2020/21 Emissions (kgCO ₂ e)
Emissions from burning natural gas, namely for heating	Combustion of natural gas	17,075	3,038	13,506	2,403
Emissions from burning fuel, DERV & gas oil through company owned and rented fleet, "grey fleet" and plant including generating of electricity	Combustion of fuels	1,885,505	457,182	1,454,417	349,872
Indirect emissions of purchased electricity	Electricity	819,786	174,065	1,230,702	261,315
Total		2,722,366	634,285	2,698,625	613,590

Intensity Ratio

Emissions	2021/22	2020/21
Kgs CO ₂ e per £100,000 turnover	865	923

To allow the company to provide comparative figures each year and improve target setting the intensity ratio is calculated to provide a year-to-year "normalising factor". The intensity ratio we have decided upon is Kilograms of CO₂ equivalent per £100,000 turnover. This normalising factor considers the company's turnover, allowing for variations in the company's growth and productivity.

On behalf of the board

Michael T Davies, FCCA - Finance Director
Director

12 December 2022

JOHN TURNER CONSTRUCTION GROUP LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JOHN TURNER CONSTRUCTION GROUP LTD

Opinion

We have audited the financial statements of John Turner Construction Group Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 group's and the parent company's affairs as at 31 March 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 group and parent 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

JOHN TURNER CONSTRUCTION GROUP LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF JOHN TURNER CONSTRUCTION GROUP LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

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 parent 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 parent 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

JOHN TURNER CONSTRUCTION GROUP LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF JOHN TURNER CONSTRUCTION GROUP LTD

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the company's shareholder, 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 shareholder 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 shareholders, for our audit work, for this report, or for the opinions we have formed.

Lee Van Houplines (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

12 December 2022

Chartered Accountants
Statutory Auditor

Ship Canal House
98 King Street
Manchester
M2 4WU

JOHN TURNER CONSTRUCTION GROUP LTD

GROUP STATEMENT OF TOTAL COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Turnover	3	80,899,749	66,808,596
Cost of sales		(73,479,160)	(62,003,067)
Gross profit		7,420,589	4,805,529
Distribution costs		(434,103)	(298,824)
Administrative expenses		(4,761,948)	(4,309,946)
Other operating income		28,060	1,015,839
Operating profit	5	2,252,598	1,212,598
Interest receivable and similar income	8	19,597	24,664
Profit before taxation		2,272,195	1,237,262
Taxation	9	(640,542)	(217,353)
Profit for the financial year		1,631,653	1,019,909
Other comprehensive income			
Actuarial gain/(loss) on defined benefit pension scheme		206,000	(172,000)
Movement in pension surplus reserve		(277,000)	101,000
Movement on deferred tax relating to pension surplus		17,750	17,750
Total comprehensive income for the year		1,578,403	966,659

Total comprehensive income for the year is all attributable to the owners of the parent company.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

JOHN TURNER CONSTRUCTION GROUP LTD

GROUP BALANCE SHEET

AS AT 31 MARCH 2022

		2022	2021
	Notes	£	£
Fixed assets			
Tangible assets	12	1,127,187	951,038
Investment properties	13	200,000	200,000
		<u>1,327,187</u>	<u>1,151,038</u>
Current assets			
Stocks	16	150,632	159,343
Debtors	17	18,415,790	14,638,908
Cash at bank and in hand		12,559,934	12,242,038
		<u>31,126,356</u>	<u>27,040,289</u>
Creditors: amounts falling due within one year	18	<u>(21,736,993)</u>	<u>(17,673,856)</u>
Net current assets		<u>9,389,363</u>	<u>9,366,433</u>
Total assets less current liabilities		<u>10,716,550</u>	<u>10,517,471</u>
Creditors: amounts falling due after more than one year	19	<u>(1,260,385)</u>	<u>(1,305,377)</u>
Provisions for liabilities	20	<u>(1,448,038)</u>	<u>(397,822)</u>
Net assets		<u>8,008,127</u>	<u>8,814,272</u>
Capital and reserves			
Called up share capital	22	50,000	50,000
Revaluation reserve		130,762	130,762
Profit and loss reserves		7,827,365	8,633,510
Total equity		<u>8,008,127</u>	<u>8,814,272</u>

The financial statements were approved by the board of directors and authorised for issue on 12 December 2022 and are signed on its behalf by:

John J Clarke
Chairman

JOHN TURNER CONSTRUCTION GROUP LTD

COMPANY BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12	899,527		748,550	
Investment properties	13	200,000		200,000	
Investments	14	784,617		784,617	
		<u>1,884,144</u>		<u>1,733,167</u>	
Current assets					
Stocks	16	24,010		22,253	
Debtors	17	16,978,103		13,774,570	
Cash at bank and in hand		11,293,576		11,054,097	
		<u>28,295,689</u>		<u>24,850,920</u>	
Creditors: amounts falling due within one year	18	(21,136,635)		(17,436,273)	
Net current assets		<u>7,159,054</u>		<u>7,414,647</u>	
Total assets less current liabilities		<u>9,043,198</u>		<u>9,147,814</u>	
Creditors: amounts falling due after more than one year	19	(1,260,385)		(1,305,377)	
Provisions for liabilities					
Provisions	20	1,146,067		260,319	
Deferred tax liability	21	250,875		94,725	
		<u>(1,396,942)</u>		<u>(355,044)</u>	
Net assets		<u>6,385,871</u>		<u>7,487,393</u>	
Capital and reserves					
Called up share capital	22	50,000		50,000	
Other reserves		130,762		130,762	
Profit and loss reserves		6,205,109		7,306,631	
Total equity		<u>6,385,871</u>		<u>7,487,393</u>	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £1,382,963 (2021: £778,161).

The financial statements were approved by the board of directors and authorised for issue on 12 December 2022 and are signed on its behalf by:

John J Clarke - Chairman / Managing Director
Director

Company Registration No. 02343739

JOHN TURNER CONSTRUCTION GROUP LTD

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

		Share capital	Other reserves	Profit and loss reserves	Total
	Notes	£	£	£	£
Balance at 1 April 2020		50,000	130,762	8,930,851	9,111,613
Year ended 31 March 2021:					
Profit for the year		-	-	1,019,909	1,019,909
Other comprehensive income:					
Actuarial losses on defined benefit plans		-	-	(172,000)	(172,000)
Movement on pension surplus reserve		-	-	101,000	101,000
Deferred tax on defined benefit pension scheme		-	-	17,750	17,750
Total comprehensive income for the year		-	-	966,659	966,659
Dividends	10	-	-	(1,264,000)	(1,264,000)
Balance at 31 March 2021		50,000	130,762	8,633,510	8,814,272
Year ended 31 March 2022:					
Profit for the year		-	-	1,631,653	1,631,653
Other comprehensive income:					
Actuarial gains on defined benefit plans		-	-	206,000	206,000
Movement on pension surplus reserve		-	-	(277,000)	(277,000)
Deferred tax on defined benefit pension scheme		-	-	17,750	17,750
Total comprehensive income for the year		-	-	1,578,403	1,578,403
Dividends	10	-	-	(2,384,548)	(2,384,548)
Balance at 31 March 2022		50,000	130,762	7,827,365	8,008,127

JOHN TURNER CONSTRUCTION GROUP LTD

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

		Share capital	Revaluation reserve	Profit and loss reserves	Total
	Notes	£	£	£	£
Balance at 1 April 2020		50,000	130,762	7,845,720	8,026,482
Year ended 31 March 2021:					
Profit for the year		-	-	778,161	778,161
Other comprehensive income:					
Actuarial losses on defined benefit plans		-	-	(172,000)	(172,000)
Movement on pension surplus reserve		-	-	101,000	101,000
Deferred tax on defined benefit pension scheme		-	-	17,750	17,750
Total comprehensive income for the year		-	-	724,911	724,911
Dividends	10	-	-	(1,264,000)	(1,264,000)
Balance at 31 March 2021		50,000	130,762	7,306,631	7,487,393
Year ended 31 March 2022:					
Profit for the year		-	-	1,336,276	1,336,276
Other comprehensive income:					
Actuarial gains on defined benefit plans		-	-	206,000	206,000
Movement on pension surplus reserve		-	-	(277,000)	(277,000)
Deferred tax on defined benefit pension scheme		-	-	17,750	17,750
Total comprehensive income for the year		-	-	1,283,026	1,283,026
Dividends	10	-	-	(2,384,548)	(2,384,548)
Balance at 31 March 2022		50,000	130,762	6,205,109	6,385,871

JOHN TURNER CONSTRUCTION GROUP LTD

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

		2022		2021	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	27	3,262,262		2,700,945	
Income taxes paid		(265,086)		(78,052)	
Net cash inflow from operating activities		2,997,176		2,622,893	
Investing activities					
Purchase of tangible fixed assets		(394,554)		(128,059)	
Proceeds on disposal of tangible fixed assets		80,225		16,154	
Interest received		19,597		24,664	
Net cash used in investing activities		(294,732)		(87,241)	
Financing activities					
Dividends paid to equity shareholders		(2,384,548)		(1,264,000)	
Net cash used in financing activities		(2,384,548)		(1,264,000)	
Net increase in cash and cash equivalents		317,896		1,271,652	
Cash and cash equivalents at beginning of year		12,242,038		10,970,386	
Cash and cash equivalents at end of year		12,559,934		12,242,038	

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

John Turner Construction Group Ltd ("the Company") is a limited company domiciled and incorporated in England and Wales. The registered office is 2 Preston Road, Grimsargh, Preston, Lancashire, United Kingdom, PR2 5SD.

The Group consists of John Turner Construction Group Ltd and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Basis of consolidation

The consolidated financial statements present the results of the Group and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

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 that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Subcontractor costs are accounted for on the basis of certified invoices received. Turnover 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 during the year in which they are first foreseen.

Costs incurred in the early stages of contracts or where progress contract values are individually insignificant are held on the balance sheet as work in progress; related sales invoices are treated as deferred income.

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any 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 recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	40-50 years
Leasehold improvements	15% reducing balance
Plant and machinery	2-10 years and 25 years
Motor vehicles	4-8 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.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the Statement of Comprehensive Income.

The group took advantage of the arrangements under FRS102 which allows the retention of the carrying value of the revalued freehold land and buildings before the transition date of 1 April 2014 to be deemed cost. All additions since this date are stated at cost.

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.8 Fixed asset investments

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Investments in subsidiaries are valued at the cost less provision for impairment.

1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

1.10 Stocks

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

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Long term work in progress is valued at direct cost. Gross margins on long term contracts are taken when the outcome of a contract can be reasonably foreseen, as a proportion of the estimated profit on the contract which is appropriate to the work carried out in the period. A prudent view is taken of credit for claims made by the Group until agreed. Provision is made for anticipated losses on contracts and claims against the Group as soon as these are identified.

1.11 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.

1.12 Financial instruments

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's statement of financial position when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price. Financial assets classified as receivable within one year are not amortised.

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies are initially recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.13 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Provisions

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement Of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

1.16 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.17 Retirement benefits

The Group operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 5 April 2020. From 31 July 2004 the accrual of benefits for this defined benefit pension scheme ceased.

A defined contribution scheme has been put in place by John Turner Construction Group Ltd as an alternative to the defined benefit scheme and a further defined contribution scheme for the benefit of a director. Wright Build Limited operates two defined contribution schemes. Both companies operate auto enrolment schemes. Defined contribution scheme contributions are charged to the Statement of Comprehensive Income as they become payable in accordance with the rules of the scheme.

In relation to the defined benefit scheme, the service cost of the pension provision relating to the period, together with the cost of any benefits relating to past service, is charged to the Statement of Comprehensive Income. A charge equal to the increase in the present value of the scheme liabilities and a credit equivalent to the company's long-term expected return on assets (based on the market value of the scheme assets at the start of the period), are included in the Statement of Comprehensive Income.

The difference between the market value of the assets of the scheme and the present value of the accrued pension liabilities is shown as an asset or liability in the balance sheet. Deferred tax assets on the pension liability are recognised to the extent that they are considered recoverable. Any difference between the expected return on assets and that actually achieved is recognised in the Statement of Comprehensive Income along with differences which are from experience, gains and losses and changes of assumptions.

1.18 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.19 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.20 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.21 Dividends

Equity dividends are recognised when they become legally payable.

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 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 about the carrying amount of assets and liabilities that are not readily apparent from other sources. 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 underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Provision for loss making contracts

Where losses on contracts are expected, an appropriate provision is recognised immediately within the Statement of Comprehensive Income.

3 Turnover and other revenue

Turnover

The whole of the turnover is attributable to the group's principal activities.

All turnover arose within the United Kingdom.

4 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	32,500	28,862
Audit of the financial statements of the company's subsidiaries	7,500	8,543
	<u>40,000</u>	<u>37,405</u>

5 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Government grants	(13,060)	(1,015,839)
Depreciation of owned tangible fixed assets	204,474	192,753
Profit on disposal of tangible fixed assets	(66,294)	(8,641)
Operating lease charges	<u>106,782</u>	<u>58,558</u>

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Employees

The average monthly number of persons (including directors) employed by the Group during the year was:

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
Construction and service	135	146	76	84
Administration and supervision	38	38	32	33
Management	75	68	73	68
Total	248	252	181	185

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	9,903,451	9,317,952	7,376,172	7,264,573
Social security costs	798,005	686,445	586,709	507,209
Pension costs	456,567	367,228	388,915	310,280
	11,158,023	10,371,625	8,351,796	8,082,062

7 Directors' and Key Management Personnel remuneration

	2022 £	2021 £
Remuneration for qualifying services	456,743	440,377
Company pension contributions to defined contribution schemes	33,648	51,814
	490,391	492,191

The number of directors and key management personnel for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2021 - 3).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2022 £	2021 £
Remuneration for qualifying services	178,023	127,874
Company pension contributions to defined contribution schemes	11,747	15,326

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Interest receivable and similar income

	2022	2021
	£	£
Interest income		
Interest on bank deposits	14,668	24,664
Other interest income	4,929	-
	<u>19,597</u>	<u>24,664</u>
Total income	<u>19,597</u>	<u>24,664</u>

9 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	450,501	235,484
Adjustments in respect of prior periods	(593)	(5,880)
	<u>449,908</u>	<u>229,604</u>
Total current tax	<u>449,908</u>	<u>229,604</u>
Deferred tax		
Origination and reversal of timing differences	190,634	20,617
Other adjustments	-	(32,868)
	<u>190,634</u>	<u>(12,251)</u>
Total deferred tax	<u>190,634</u>	<u>(12,251)</u>
Total tax charge	<u>640,542</u>	<u>217,353</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
Profit before taxation	<u>2,272,195</u>	<u>1,237,262</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	431,717	235,080
Tax effect of expenses that are not deductible in determining taxable profit	96,472	1,036
Adjustments in respect of prior years	(590)	(5,880)
Effect of change in corporation tax rate	72,473	-
Other non-reversing timing differences	39,140	(31,191)
Other permanent differences	-	558
Deferred tax relating to defined benefit pension scheme	17,750	17,750
Super deduction allowance	(16,420)	-
	<u>640,542</u>	<u>217,353</u>
Taxation charge	<u>640,542</u>	<u>217,353</u>

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Taxation

(Continued)

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2022 £	2021 £
Deferred tax arising on:		
Actuarial differences recognised as other comprehensive income	(17,750)	(17,750)

10 Dividends

	2022 £	2021 £
Equity dividends paid	2,384,548	1,264,000

11 Intangible fixed assets

Group	Goodwill
	£
Cost	
At 1 April 2021 and 31 March 2022	455,170
Amortisation and impairment	
At 1 April 2021 and 31 March 2022	455,170
Carrying amount	
At 31 March 2022	-
At 31 March 2021	-
Company	Goodwill
	£
Cost	
At 1 April 2021 and 31 March 2022	167,452
Amortisation and impairment	
At 1 April 2021 and 31 March 2022	167,452
Carrying amount	
At 31 March 2022	-
At 31 March 2021	-

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Tangible fixed assets

Group	Freehold property £	Leasehold improvements £	Plant and machinery £	Motor vehicles £	Total £
Cost					
At 1 April 2021	550,000	129,599	1,597,628	989,931	3,267,158
Additions	-	-	118,809	275,745	394,554
Disposals	-	-	-	(211,904)	(211,904)
At 31 March 2022	550,000	129,599	1,716,437	1,053,772	3,449,808
Depreciation and impairment					
At 1 April 2021	89,709	115,455	1,378,015	732,941	2,316,120
Depreciation charged in the year	12,816	2,121	74,773	114,764	204,474
Eliminated in respect of disposals	-	-	-	(197,973)	(197,973)
At 31 March 2022	102,525	117,576	1,452,788	649,732	2,322,621
Carrying amount					
At 31 March 2022	447,475	12,023	263,649	404,040	1,127,187
At 31 March 2021	460,291	14,144	219,613	256,990	951,038
Company		Freehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost					
At 1 April 2021		550,000	1,404,374	691,646	2,646,020
Additions		-	111,437	189,080	300,517
Disposals		-	-	(180,078)	(180,078)
At 31 March 2022		550,000	1,515,811	700,648	2,766,459
Depreciation and impairment					
At 1 April 2021		89,709	1,227,121	580,640	1,897,470
Depreciation charged in the year		12,816	67,993	62,974	143,783
Eliminated in respect of disposals		-	-	(174,321)	(174,321)
At 31 March 2022		102,525	1,295,114	469,293	1,866,932
Carrying amount					
At 31 March 2022		447,475	220,697	231,355	899,527
At 31 March 2021		460,291	177,253	111,006	748,550

FRS 102 prescribes that the Group may take the open market value of the freehold land and property at the transition date as the 'deemed cost' of the freehold land and property with the uplift being a non distributable reserve to be held up until eventual disposal, as per FRS 102 Section 35.10d.

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Investment property

	Group 2022 £	Company 2022 £
Fair value		
At 1 April 2021 and 31 March 2022	200,000	200,000

Investment property comprises of a freehold property which has been transferred from work in progress during the year. The fair value of the investment property has been arrived at on the basis of a valuation carried out using external market data. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

The valuation held at year end is the same as the historical cost of £200,000.

14 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	15	-	-	784,617	784,617

Movements in fixed asset investments

Company	Shares in subsidiaries £
Cost or valuation	
At 1 April 2021 and 31 March 2022	784,617
Carrying amount	
At 31 March 2022	784,617
At 31 March 2021	784,617

15 Subsidiaries

The company owned 100% of the ordinary share capital of the following subsidiaries at 31 March 2022:

Name of undertaking	Country of incorporation	Nature of business
TL Electrical Services (2002) Limited	United Kingdom	Dormant
Wright Build Holdings Limited	United Kingdom	Non-trading holding company
Wright Build Limited *	United Kingdom	Maintenance and building contractors

* Held indirectly via Wright Build Holdings Limited.

The registered office of all subsidiaries is 2 Preston Road, Grimsargh, Preston, Lancashire, PR2 5SD.

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Stocks

	Group 2022 £	2021 £	Company 2022 £	2021 £
Raw materials and consumables	24,010	22,253	24,010	22,253
Work in progress	21,819	53,258	-	-
Finished goods and goods for resale	104,803	83,832	-	-
	<u>150,632</u>	<u>159,343</u>	<u>24,010</u>	<u>22,253</u>

17 Debtors

	Group 2022 £	2021 £	Company 2022 £	2021 £
Amounts falling due within one year:				
Trade debtors	1,274,910	686,265	-	-
Gross amounts owed by contract customers	11,447,573	8,737,805	11,447,573	8,737,805
Amounts owed by group undertakings	3,087,854	3,078,254	3,087,854	3,078,254
Other debtors	471,884	495,654	476,110	485,482
Prepayments and accrued income	1,731,050	1,267,572	1,564,047	1,099,671
	<u>18,013,271</u>	<u>14,265,550</u>	<u>16,575,584</u>	<u>13,401,212</u>

Amounts falling due after more than one year:

Gross amounts owed by contract customers	<u>402,519</u>	<u>373,358</u>	<u>402,519</u>	<u>373,358</u>
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Total debtors	<u>18,415,790</u>	<u>14,638,908</u>	<u>16,978,103</u>	<u>13,774,570</u>
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18 Creditors: amounts falling due within one year

	Group 2022 £	2021 £	Company 2022 £	2021 £
Payments received on account	1,336,669	2,986,556	1,336,669	2,986,556
Trade creditors	10,603,961	7,671,206	10,034,248	7,310,927
Amounts owed to group undertakings	-	-	952,833	1,109,385
Corporation tax payable	307,501	114,263	239,936	59,594
Other taxation and social security	3,002,068	2,889,430	2,590,659	2,390,101
Other creditors	373,295	337,796	331,195	300,530
Accruals and deferred income	6,113,499	3,674,605	5,651,095	3,279,180
	<u>21,736,993</u>	<u>17,673,856</u>	<u>21,136,635</u>	<u>17,436,273</u>

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

19 Creditors: amounts falling due after more than one year

	Group 2022 £	2021 £	Company 2022 £	2021 £
Trade creditors	1,160,385	1,205,377	1,160,385	1,205,377
Amounts owed to group undertakings	100,000	100,000	100,000	100,000
	<u>1,260,385</u>	<u>1,305,377</u>	<u>1,260,385</u>	<u>1,305,377</u>

20 Provisions for liabilities

	Group 2022 £	2021 £	Company 2022 £	2021 £
Provisions for liabilities	1,146,067	260,319	1,146,067	260,319

Movements on provisions:

Group and Company	£
At 1 April 2021	260,319
Additional provisions in the year	1,034,335
Release of provisions in the year	(148,587)
At 31 March 2022	<u>1,146,067</u>

The provisions relate to events arising while work is in progress or post project completion.

21 Deferred taxation

Deferred tax assets and liabilities are offset where the Group or Company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Group	Liabilities 2022 £	Liabilities 2021 £
Accelerated capital allowances	145,416	68,513
Revaluations	38,459	29,229
Short term and other timing differences	118,096	39,761
	<u>301,971</u>	<u>137,503</u>

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

21 Deferred taxation (Continued)

	Liabilities 2022 £	Liabilities 2021 £
Company		
Accelerated capital allowances	94,320	25,735
Revaluations	38,459	29,229
Short term and other timing differences	118,096	39,761
	<u>250,875</u>	<u>94,725</u>
	Group 2022 £	Company 2022 £
Movements in the year:		
Liability at 1 April 2021	137,503	94,725
Charge to profit or loss	164,468	156,150
	<u>301,971</u>	<u>250,875</u>

22 Share capital

Group and company	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	50,000	50,000	50,000	50,000

23 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	456,567	367,228

The Group operates a defined contribution pension scheme for all qualifying employees and a further defined contribution scheme for the benefit of a Director. The assets of the schemes are held separately from those of the group in independently administered funds.

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 Retirement benefit schemes

(Continued)

Defined benefit schemes

The company operates a defined benefit pension scheme for the benefit of a director and certain employees, the assets of which are held in separately administered funds managed by Friends Provident Life and Pensions Limited and the defined benefit scheme trustees. Contributions to the scheme are determined with the advice of independent qualified actuaries on the basis of triennial valuations using the projected unit method. In the course of 2004/05 the accrual of the benefits under the scheme ceased.

The last full actuarial valuation was carried out as at 5 April 2020 and concluded that, subject to the company continuing to make contributions in accordance with the actuary's recommendations set out below, the resources of the scheme are likely in the normal course of events to meet in full liabilities of the scheme as they fall due.

The actuary recommended contributions of £74,000 per annum from 6 April 2020 to 4 April 2023 in order to clear the scheme's funding deficit by 5 April 2023 as anticipated in the scheme Recovery Plan arising from this actuarial valuation.

	2022	2021
	%	%
<i>Key assumptions</i>		
Discount rate	2.73	2.03
Rate of increase in pension payments	3.55	3.30
Rate of increase in deferred pensions	3.15	2.70
Inflation assumptions	3.85	3.50
	<u> </u>	<u> </u>
	2022	2021
	£	£
<i>Amounts taken to other comprehensive income</i>		
Actual return on scheme assets	(169,000)	(253,000)
Less: calculated interest element	48,000	49,000
	<u> </u>	<u> </u>
Return on scheme assets excluding interest income	(121,000)	(204,000)
Actuarial changes related to obligations	(85,000)	376,000
Effect of changes in the amount of surplus that is not recoverable	277,000	(101,000)
	<u> </u>	<u> </u>
Total costs	71,000	71,000
	<u> </u>	<u> </u>

The amounts included in the balance sheet arising from obligations in respect of defined benefit plans are as follows:

	2022	2021
	£	£
Group and Company		
Present value of defined benefit obligations	2,284,000	2,452,000
Fair value of plan assets	(2,868,000)	(2,759,000)
	<u> </u>	<u> </u>
Deficit in scheme	(584,000)	(307,000)
	<u> </u>	<u> </u>
Restriction on scheme assets	584,000	307,000
	<u> </u>	<u> </u>
Total liability recognised	-	-
	<u> </u>	<u> </u>

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 Retirement benefit schemes

(Continued)

The company had no post employment benefits at 31 March 2022 or 1 April 2021.

	Group and Company 2022 £
<i>Movements in the present value of defined benefit obligations</i>	
Liabilities at 1 April 2021	2,452,000
Benefits paid	(131,000)
Actuarial gains and losses	(85,000)
Interest cost	48,000
At 31 March 2022	2,284,000

The defined benefit obligations arise from plans which are wholly or partly funded.

	Group and Company 2022 £
<i>Movements in the fair value of plan assets</i>	
Fair value of assets at 1 April 2021	2,759,000
Interest income	48,000
Return on plan assets (excluding amounts included in net interest)	121,000
Benefits paid	(131,000)
Contributions by the employer	71,000
At 31 March 2022	2,868,000

The actual return on plan assets was £169,000 (2021 - £253,000).

Fair value of plan assets at the reporting period end

	Group and Company 2022 £	2021 £
Equity instruments	1,205,000	928,000
Debt instruments	75,000	47,000
Cash	338,000	246,000
Other	92,000	-
With-Profits policy	1,158,000	1,538,000
	2,868,000	2,759,000

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

24 Operating lease commitments

Lessee

At the reporting end date the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Within one year	92,003	85,935	84,000	77,833
Between two and five years	309,470	279,957	294,000	260,000
In over five years	99,167	159,293	99,167	157,083
	<u>500,640</u>	<u>525,185</u>	<u>477,167</u>	<u>494,916</u>

25 Related party transactions

During the year, the group carried out development work on behalf of BXB Cottam Properties Limited, a company in which John J Clarke has a controlling interest. At the balance sheet date, accrued income and amounts due from BXB Cottam Properties Limited were £nil (2021: £nil) and £471,393 (2021: £471,393) respectively.

During the year, an amount of £69,996 (2021: £67,500) in relation to rent payable, was paid to Clarke JJ Redswan SIPP, a pension scheme in which John J Clarke is the main beneficiary.

During the year, the group made sales of £785 (2021: £1,692) to John J Clarke, a director of the company, in relation to the construction and refurbishment of property. An amount of £nil was outstanding from John J Clarke at the balance sheet date (2021: £nil).

The company has taken advantage of the exemption conferred by Section 33 Related Party Disclosures paragraph 33.7. not to disclose details of transactions with other members of the group.

The following amounts were outstanding with group companies that do not form part of these consolidated accounts at the reporting end date:

	2022 £	2021 £
John Turner Holdings Limited	9,600	-
John Turner Holdings 2020 Limited	3,078,254	3,078,254
John Turner Group Limited	<u>(100,000)</u>	<u>(100,000)</u>

JOHN TURNER CONSTRUCTION GROUP LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

26 Controlling party

The immediate holding company is John Turner Group Limited. The ultimate controlling company is John Turner Holdings Limited. There is no single controlling party by virtue of John Turner Holdings Limited's shareholding.

Copies of John Turner Holdings Limited consolidated financial statements, which include the company, are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

27 Cash generated from group operations

	2022 £	2021 £
Profit for the year after tax	1,631,653	1,019,909
Adjustments for:		
Taxation charged	640,542	217,353
Investment income	(19,597)	(24,664)
Gain on disposal of tangible fixed assets	(66,294)	(8,641)
Depreciation and impairment of tangible fixed assets	204,474	192,753
Pension scheme non-cash movement	(71,000)	(71,000)
Increase/(decrease) in provisions	885,748	(30,200)
Movements in working capital:		
Decrease in stocks	8,711	28,251
(Increase)/decrease in debtors	(3,776,882)	208,194
Increase in creditors	3,824,907	1,168,990
Cash generated from operations	3,262,262	2,700,945

28 Analysis of changes in net funds - group

	1 April 2021 £	Cash flows £	31 March 2022 £
Cash at bank and in hand	12,242,038	317,896	12,559,934

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.