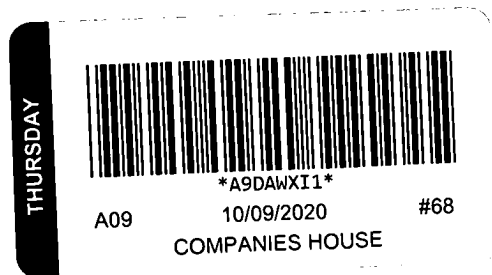


**COMPANY REGISTRATION NUMBER: 04397031**

**Value Construction Limited**  
**Financial Statements**  
**For the year ended**  
**31 December 2019**



# Value Construction Limited

## Financial Statements

Year ended 31 December 2019

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# Value Construction Limited

## Director's Report

Year ended 31 December 2019

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The director presents his report and the audited financial statements of the company for the year ended 31 December 2019.

### Director

The director who served the company during the year and up to the date of signing was as follows:

Mr P Hickey

### Auditor

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

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

Deloitte LLP have expressed their willingness to continue in office as auditor of the company and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

### Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 31 July 2020 and signed on behalf of the board by:



Mr P Hickey  
Director

Registered office:  
Foundation House  
Clarendon Road  
Wallington  
Surrey  
United Kingdom  
SM6 8QX

# Value Construction Limited

## Director's Responsibilities Statement

Year ended 31 December 2019

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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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

# Value Construction Limited

## Independent Auditor's Report to the Member of Value Construction Limited

Year ended 31 December 2019

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### Opinion

In our opinion the financial statements of Value Construction Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of income and retained earnings;
- the statement of financial position; and;
- the related notes 1 to 12.

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).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

# Value Construction Limited

## Independent Auditor's Report to the Member of Value Construction Limited (*continued*)

Year ended 31 December 2019

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### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

### Opinions on other matters prescribed by the Companies Act 2006

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

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

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

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and the 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; and
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

# Value Construction Limited

## Independent Auditor's Report to the Member of Value Construction Limited (*continued*)

Year ended 31 December 2019

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### Responsibilities of the director

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and the 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; and
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors reports and take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

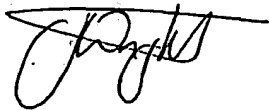
### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the company's member, 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 member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.



James Wright (Senior Statutory Auditor)

For and on behalf of  
Deloitte LLP - Statutory Auditor  
Chartered accountants & statutory auditor  
Crawley  
United Kingdom  
12 August 2020

# Value Construction Limited

## Statement of Income and Retained Earnings

Year ended 31 December 2019

	Note	2019 £	2018 £
Turnover		86,400	86,400
Gross profit		<u>86,400</u>	<u>86,400</u>
Administrative expenses		(24,631)	(24,487)
Operating profit		<u>61,769</u>	<u>61,913</u>
Gain on financial assets at fair value through profit or loss		–	85,591
Other interest receivable and similar income	6	151	64
Interest payable and similar expenses	7	(101)	–
Profit before taxation		<u>61,819</u>	<u>147,568</u>
Tax on profit		(11,765)	(11,776)
Profit for the financial year and total comprehensive income		<u>50,054</u>	<u>135,792</u>
Dividends paid and payable		–	(48,000)
Retained earnings at the start of the year		<u>705,563</u>	<u>617,771</u>
Retained earnings at the end of the year		<u>755,617</u>	<u>705,563</u>

All the activities of the company are from continuing operations.

The notes on pages 8 to 13 form part of these financial statements.



# Value Construction Limited

## Statement of Financial Position

31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	8	694,900	694,900
Current assets			
Cash at bank and in hand		87,268	40,312
Creditors: amounts falling due within one year	9	(26,550)	(29,648)
Net current assets		60,718	10,664
Total assets less current liabilities		755,618	705,564
Net assets		755,618	705,564
Capital and reserves			
Called up share capital		1	1
Profit and loss account		755,617	705,563
Shareholder funds		755,618	705,564

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

These financial statements were approved by the board of directors and authorised for issue on 31 July 2020, and are signed on behalf of the board by:



Mr P Hickey  
Director

Company registration number: 04397031

The notes on pages 8 to 13 form part of these financial statements.

# Value Construction Limited

## Notes to the Financial Statements

Year ended 31 December 2019

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### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Foundation House, Clarendon Road, Wallington, Surrey, SM6 8QX, United Kingdom.

### 2. Statement of compliance

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

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

The directors have considered the cash position of the company as at the year end and its anticipated level of future trading activity for a period of 12 months after the date of signing the financial statements. As the company's main source of income is ultimately through Foundation Developments Limited, a company within the same consolidated group and under common control, this review has incorporated a review of the current resources and future trading activity of Foundation Developments Limited and the wider group's ability and intention to continue to trade with it and support it.

The directors acknowledge that the current economic environment results in an increased level of uncertainty over the level of future activity and consequent demand for the company's products.

The parent company, Hickey Group Limited, finances its operations and the group through cash balances. The Group has no overdraft facilities or long-term borrowings. With the outbreak of Covid-19, the Group has reviewed its forecasts and projections to understand the impact on future trading and cash flow. Adjustments to forecasts were made to reduce turnover in line with new working practices to ensure that sites provide a safe working environment and to only include contracts that were already awarded. With the threat of a second wave the forecasts included stress testing with reduced margins, construction contracts being delayed, construction contracts being cancelled and internal Group loan repayments being delayed, interest and rent holidays. The forecasts predict that despite reduced income and margins the significant levels of cash within the Group, at over £18m at the end of June 2020, allied with a low fixed cost base would be sufficient to allow the Group to continue trading for at least 12 months from the date of signing the financial statements.

Based on the forecasts the directors have a reasonable expectation that the Group, and therefore this company, have adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

# Value Construction Limited

## Notes to the Financial Statements (*continued*)

Year ended 31 December 2019

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### 3. Accounting policies (*continued*)

#### Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Hickey Group Limited which can be obtained from Companies House. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.
- (e) No strategic report has been prepared for the company under Part 15 of the Companies Act 2006 and Section 1A of FRS 102

#### Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

#### Corporation tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

# Value Construction Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

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### 3. Accounting policies *(continued)*

#### Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

#### Investment policy

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

#### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

# Value Construction Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

### Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There were no critical judgements nor key sources of estimation uncertainty in these financial statements.

#### 4. Auditor's remuneration

	2019	2018
	£	£
Fees payable for the audit of the financial statements	<u>4,128</u>	<u>4,800</u>

#### 5. Employee numbers

The average number of persons employed was nil (2018: 0).

The company did not pay any remuneration to the directors. The directors are remunerated elsewhere within the group.

#### 6. Other interest receivable and similar income

	2019	2018
	£	£
Interest on cash and cash equivalents	<u>151</u>	<u>64</u>

#### 7. Interest payable and similar expenses

	2019	2018
	£	£
Other interest payable	<u>101</u>	<u>—</u>

#### 8. Tangible assets

	Investment property £
Cost or valuation	
At 1 January 2019 and 31 December 2019	<u>694,900</u>
Depreciation	
At 1 January 2019 and 31 December 2019	<u>—</u>
Carrying amount	
At 31 December 2019	<u>694,900</u>
At 31 December 2018	<u>694,900</u>

# Value Construction Limited

## Notes to the Financial Statements (continued)

Year ended 31 December 2019

### 8. Tangible assets (continued)

#### Tangible assets held at valuation

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Leasehold property £
At 31 December 2019	
Aggregate cost	609,309
Aggregate depreciation	—
Carrying value	<u>609,309</u>
At 31 December 2018	
Aggregate cost	609,309
Aggregate depreciation	—
Carrying value	<u>609,309</u>

### 9. Creditors: amounts falling due within one year

	2019 £	2018 £
Amounts owed to group undertakings and undertakings in which the company has a participating interest	—	15,000
Corporation tax	23,542	11,778
Other creditors	<u>3,008</u>	<u>2,870</u>
	<u>26,550</u>	<u>29,648</u>

### 10. Related party transactions

The company is a wholly-owned member of Hickey Group Limited whose registered office address is Foundation House, Clarendon Road, Wallington, Surrey, SM6 8QX. The company's financial statements are consolidated into the financial statements of Hickey Group Limited. As such, advantage has been taken of the exemption available under paragraph 33.1A of FRS 102.

### 11. Controlling party

The immediate and ultimate parent company and controlling party is Hickey Group Limited, a company registered in England and Wales. Consolidated financial statements are prepared by the ultimate parent company and this is the smallest and largest company which consolidates these financial statements. Copies of group financial statements, which include the results of Value Construction Limited, are available from the registered office shown on page 1. The ultimate controlling party is Mr P Hickey.

# Value Construction Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

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### 12. Subsequent events

The directors continue to monitor the effect of the Covid-19 outbreak generally recognized as occurring in the UK after January 2020. The financial effect of the event is difficult to quantify. It is hoped the financial effect will be limited due to the timely measures taken to continue trading. The Group have reviewed their forecasts and projections to understand the impact on future trading and cash flow. Whilst there is uncertainty in the current economic climate, the Group is well placed to continue trade within its current cash levels. This is a non-adjusting subsequent event therefore the assets and liabilities have been measured based on events and conditions at the balance sheet date.