

Registered number: 05445994

**F3CONSTRUCT LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**



# **F3CONSTRUCT LIMITED**

## **CONTENTS**

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	<b>Page</b>
<b>Balance Sheet</b>	<b>1</b>
<b>Notes to the Financial Statements</b>	<b>2 - 9</b>

**F3CONSTRUCT LIMITED****BALANCE SHEET  
AS AT 31 DECEMBER 2019**

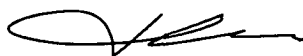
	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	5	26,662	38,534
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	4,124,684	5,058,569
Cash at bank and in hand		554,500	357,572
		<u>4,679,184</u>	<u>5,416,141</u>
Creditors: amounts falling due within one year	7	(1,161,545)	(2,314,158)
<b>Net current assets</b>		<u>3,517,639</u>	<u>3,101,983</u>
<b>Total assets less current liabilities</b>		<u>3,544,301</u>	<u>3,140,517</u>
Creditors: amounts falling due after more than one year	8	(1,872)	(68,005)
<b>Net assets</b>		<u><u>3,542,429</u></u>	<u><u>3,072,512</u></u>
<b>Capital and reserves</b>			
Called up share capital	10	100	100
Profit and loss account		3,542,329	3,072,412
		<u><u>3,542,429</u></u>	<u><u>3,072,512</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and in accordance with Section 1A of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
 .....  
**T Maton**  
 Director

Date: 17th December 2020

The notes on pages 2 to 9 form part of these financial statements.

# **F3CONSTRUCT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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### **1. General information**

F3Construct Limited is a private company limited by shares and registered in England and Wales. The company's registered number is 05445994 and the company's registered office is Unit 3 Maidenbower Business Park, Three Bridges, West Sussex, RH10 7NN.

The financial statements are presented in Sterling (£).

### **2. Accounting policies**

#### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

#### **2.2 Going concern**

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### **2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

# **F3CONSTRUCT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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

#### **2.4 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2018 to continue to be charged over the period to the first market rent review rather than the term of the lease.

#### **2.5 Leased assets: the Company as lessee**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### **2.6 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

#### **2.7 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### **2.8 Pensions**

##### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

# F3CONSTRUCT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

#### 2.9 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

#### 2.10 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Fixtures and fittings	-	20% reducing balance
Office equipment	-	20% reducing balance

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

#### 2.11 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### 2.12 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

# **F3CONSTRUCT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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

#### **2.13 Financial instruments**

The Company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

The Company's policies for its major classes of financial assets and financial liabilities are set out below.

#### **Financial assets**

Basic financial assets, including trade and other debtors, cash and bank balances, intercompany working capital balance, and intercompany financing are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

#### **Financial liabilities**

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

#### **Impairment of financial assets**

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

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

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

# F3CONSTRUCT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets and financial liabilities**

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

#### **Offsetting of financial assets and financial liabilities**

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

### 3. Other operating income

	2019 £	2018 £
Management charges receivable	305,000	1,055,000

### 4. Employees

The average monthly number of employees, including directors, during the year was 4 (2018 - 9).



# F3CONSTRUCT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 5. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2019	45,268	102,936	148,204
Disposals	-	(35,506)	(35,506)
At 31 December 2019	45,268	67,430	112,698
<b>Depreciation</b>			
At 1 January 2019	32,600	77,070	109,670
Charge for the year on owned assets	2,533	4,132	6,665
Disposals	-	(30,299)	(30,299)
At 31 December 2019	35,133	50,903	86,036
<b>Net book value</b>			
At 31 December 2019	10,135	16,527	26,662
At 31 December 2018	12,668	25,866	38,534

### 6. Debtors

	2019 £	2018 £
Trade debtors	268,831	387,855
Amounts owed by group undertakings	1,136,903	909,806
Amounts owed by joint ventures and associated undertakings	-	426,192
Other debtors	83,459	131,168
Prepayments and accrued income	2,635,491	3,203,548
	4,124,684	5,058,569

# F3CONSTRUCT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	52,551	277,565
Amounts owed to group undertakings	59,084	1,587,462
Corporation tax	112,171	125,542
Other taxation and social security	96,329	7,565
Obligations under finance lease and hire purchase contracts	66,134	66,134
Other creditors	58,208	12,225
Accruals and deferred income	717,068	237,665
	<u>1,161,545</u>	<u>2,314,158</u>

Hire purchase contracts are secured over the assets to which they relate.

### 8. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Net obligations under finance leases and hire purchase contracts	<u>1,872</u>	<u>68,005</u>

Hire purchase contracts are secured over the assets to which they relate.

### 9. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2019 £	2018 £
Within one year	66,134	66,134
Between 1-5 years	1,872	68,005
	<u>68,006</u>	<u>134,139</u>

# F3CONSTRUCT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 10. Share capital

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
100 (2018 - 100) Ordinary shares of £1.00 each	100	100

### 11. Related party transactions

The company has taken advantage of the exemption available under Section 1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertakings of the group.

### 12. Post balance sheet events

On 30 January 2020 the World Health Organisation declared Coronavirus (COVID-19) a public health emergency. There are no comparable recent events which may provide guidance as to the effect of the spread of COVID-19 and a potential pandemic, and, as a result, the ultimate impact of the COVID-19 outbreak or similar health epidemic is highly uncertain and subject to change.

### 13. Parent company

The immediate and ultimate parent undertaking and smallest and largest group to consolidate these financial statements is F3Group Limited, a company registered in England & Wales, registered number 07992841. Copies of F3Group Limited's consolidated financial statements are publicly available and can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

### 14. Guarantees

F3Construct Limited is party to a cross-guarantee with its parent company, F3Group Limited, in respect of a loan held within F3Group Limited.

### 15. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2019 was unqualified.

The audit report was signed on 18/12/2020 by Richard Behan (Senior Statutory Auditor) on behalf of Blick Rothenberg Audit LLP.