

**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**



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**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	Jim Bennett Stephen Bennett Michael Pigott Paul McGee Paul Bruton
<b>Company secretary</b>	Jim Bennett
<b>Registered number</b>	09512844
<b>Registered office</b>	2nd Floor 49-51 Central Street London England EC1V 8AB
<b>Independent auditors</b>	RBK Business Advisers Chartered Accountants and Statutory Audit Firm RBK House Irishtown Athlone Co. Westmeath
<b>Bankers</b>	Natwest Po Box 282 216 Bishopsgate Liverpool Street London EC2M 4QB
<b>Solicitors</b>	A&L Goodbody 6th Floor 42-46 Fountain Street Belfast BT1 5EF

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## **BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020**

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#### **Business Review**

The company continues to achieve growth by its investment in modern business practices and management techniques to ensure that it remains at the cutting edge of the construction industry. It continues to build on its reputation by focusing firmly on growing the ability of the business to deliver in new and innovative ways. The company's ambition and goals for the future is to deliver quality projects and value for money to our clients.

In overall terms, turnover has increased to £71,632,239 (2019: £69,732,332) during the year and the directors are uncertain about the impact that COVID-19 will have on the company's turnover in future years. The directors have no plans to change the activities and operations of the company in the foreseeable future.

#### **Principal Risks and Uncertainties**

Management and the board regularly review risks facing the company. The directors consider that there are appropriate policies and procedures in place to mitigate the effects of these risks.

##### **Commercial Risk**

The company's sales are exposed to changes in general economic conditions in the United Kingdom. The company has considered the risks prevalent and is in a position to change the emphasis of sales markets in response to changes in economic conditions.

##### **Financial Risk**

The company makes limited uses of financial instruments throughout its business and is therefore not exposed directly by interest rate risks.

##### **Currency Risk**

The company's activities in the UK are conducted primarily in sterling; this results in low levels of currency transaction risk, variances affecting operational activities in this regard are reflected in operating costs or in cost of sales in the profit and loss account in the year in which they arise. The company manages its cash flows, where practical and cost effective, to partially hedge the foreign currency exposure.

##### **Liquidity and Cash Flow Risk**

The company's policy is to ensure that sufficient resources are available either from cash balances and cash flows from trading activities to ensure all obligations can be met when they fall due. To achieve this the company ensures that it limits the maturity of cash balances and actively manages its cash resources.

##### **Credit Risk**

Customers who wish to trade on credit terms are subject to strict verification procedures in advance of credit being awarded and are continually being monitored.

##### **Health and Safety of Employees**

The well-being of the company's employees is safeguarded through strict adherence to health and safety standards. Health and safety legislation imposes certain requirements on employers and the company has taken the necessary action to ensure compliance with the legislation, including the adoption of a Safety statement.

##### **Environmental Matters**

The company will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The company has complied with all applicable legislation and regulations.

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**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020**

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**Financial key performance indicators**


The Directors, who are the key management, use financial measures such as profitability, turnover and level of secured workload to monitor performance as these are considered to be the main drivers of the company's continued success. Turnover and profitability are measured on the same basis as that seen in the profit and loss account.

Focus on these measures ensures the company delivers successful projects through the quality of its people, its control processes and the support of its clients.

This report was approved by the board and signed on its behalf:



**Jim Bennett**  
Director



**Stephen Bennett**  
Director

Date: 9 September 2020

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## **BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020**

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The directors present their report and the financial statements for the year ended 31 March 2020.

#### **Principal activity**

The principal activity of the company is construction.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £140,158 (2019 - loss £19,641).

The directors have not declared a dividend for the year (2019: £NIL).

#### **Directors**

The directors who served during the year were:

Jim Bennett  
Stephen Bennett  
Michael Pigott  
Paul McGee  
Paul Bruton

#### **Future developments**

The directors do not expect any change in the activities of the company in the foreseeable future.

#### **Financial instruments**

Details of financial instruments are provided in the Strategic Report.

#### **Matters covered in the strategic report**

The company has elected to include information on future developments as per schedule 7 of the "Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008" in the Strategic Report, as the directors consider those matters to be of strategic importance to the company.

#### **Disclosure of information to auditors**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **Post balance sheet events**

In early 2020, the existence of a new Coronavirus, known as COVID-19, was confirmed and since this time COVID-19 has spread across the world causing disruption to businesses and economic activity. The company considers the emergence and spread of COVID-19 to be a non-adjusting post balance sheet event. Given the inherent uncertainties, it is not practicable at this time to determine the impact of COVID-19 on the company or to provide a quantitative estimate of this impact.

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**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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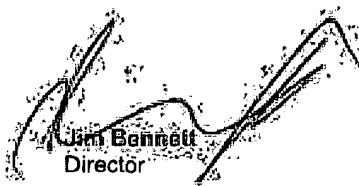
**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020**

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**Auditors**

The auditors, RBK Business Advisers, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



**Jim Bennett**  
Director



**Stephen Bennett**  
Director

Date: 9 September 2020

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**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2020**

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The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments 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 financial statements;
- 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 to 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.



**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**Opinion**

We have audited the financial statements of Bennett Management Contractors (GB) Limited (the 'company') for the year ended 31 March 2020, which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 company's affairs as at 31 March 2020 and of its 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

**Other information**

The 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 auditors' 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

**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED (CONTINUED)**

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

We have nothing to report in this regard.

**Opinion 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 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.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of directors**

As explained more fully in the director's responsibilities statement on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BENNETT MANAGEMENT CONTRACTORS  
(GB) LIMITED (CONTINUED)**

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**Auditors' 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 auditors' 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BENNETT MANAGEMENT CONTRACTORS  
(GB) LIMITED (CONTINUED)**

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**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the company's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members for our audit work, for this report, or for the opinions we have formed.

**Cathal Melia (Senior Statutory Auditor)****for and on behalf of****RBK Business Advisers**

Chartered Accountants and Statutory Audit Firm

RBK House

Irishtown

Athlone

Co. Westmeath

9 September 2020

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**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2020**

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	Note	2020 £	2019 £
Turnover	4	71,632,239	69,732,332
Cost of sales		(71,087,815)	(69,401,661)
<b>Gross profit</b>		<b>544,424</b>	<b>330,671</b>
Administrative expenses		(389,219)	(345,002)
<b>Operating profit/(loss)</b>	5	<b>155,205</b>	<b>(14,331)</b>
Tax	8	(15,047)	(5,310)
<b>Profit/(loss) for the financial year</b>		<b>140,158</b>	<b>(19,641)</b>

The notes on pages 16 to 26 form part of these financial statements.

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**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2020**

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	Note	2020 £	2019 £
Profit/(loss) for the financial year		140,158	(19,641)
		<hr/>	<hr/>
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive income for the year		140,158	(19,641)
		<hr/>	<hr/>

The notes on pages 16 to 26 form part of these financial statements.

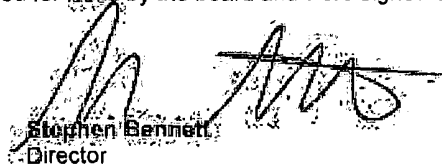
**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**  
**REGISTERED NUMBER:09512844**

**BALANCE SHEET**  
**AS AT 31 MARCH 2020**

	Note	2020 £	2019 £
<b>Current assets</b>			
Stock	9	8,899,593	15,454,964
Debtors: amounts falling due within one year	10	269,107	7,147,120
Cash at bank and in hand	11	23,941,861	4,126,553
		<u>33,110,561</u>	<u>26,728,637</u>
Creditors: amounts falling due within one year	12	(32,747,480)	(26,505,714)
<b>Net current assets</b>		<u>363,081</u>	<u>222,923</u>
<b>Total assets less current liabilities</b>		<u>363,081</u>	<u>222,923</u>
<b>Net assets</b>		<u>363,081</u>	<u>222,923</u>
<b>Capital and reserves</b>			
Called up share capital	14	1	1
Profit and loss account	15	363,080	222,922
		<u>363,081</u>	<u>222,923</u>

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

  
 Ian Bennett  
 Director

  
 Stephen Bennett  
 Director

Date: 9 September 2020

The notes on pages 16 to 26 form part of these financial statements.

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**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2020**

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2019	1	222,922	222,923
<b>Comprehensive income for the year</b>			
Profit for the year	-	140,158	140,158
<b>Total comprehensive income for the year</b>	-	140,158	140,158
<b>Total transactions with owners</b>	-	-	-
<b>At 31 March 2020</b>	1	363,080	363,081

The notes on pages 16 to 26 form part of these financial statements.



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**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2019**

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2018	1	242,563	242,564
<b>Comprehensive income for the year</b>			
Loss for the year	-	(19,641)	(19,641)
<b>Total comprehensive income for the year</b>	-	(19,641)	(19,641)
<b>Total transactions with owners</b>	-	-	-
<b>At 31 March 2019</b>	<b>1</b>	<b>222,922</b>	<b>222,923</b>

The notes on pages 16 to 26 form part of these financial statements.

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## **BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

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#### **1. General information**

Bennett Management Contractors (GB) Limited is a private company limited by shares (registered under Companies Act 2006), incorporated in the United Kingdom. The Registered Office is 49-51 Central Street, London, United Kingdom, which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Strategic Report and Director's Report.

#### **2. Accounting policies**

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

The financial statements have been prepared on the going concern basis and under the historical cost convention unless otherwise specified within these accounting policies and in accordance with 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 (see note 3).

The following principal accounting policies have been applied:

##### **2.2 Disclosure exemptions**

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

- the requirements of Section 7 Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures 33.7.

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**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. Accounting policies (continued)**

**2.3 Foreign currency translation**

**Functional and presentation currency**

The company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the profit and loss account within 'other operating income'.

**2.4 Revenue**

Turnover on construction services is measured at the fair value of the consideration receivable and ascertained in a manner appropriate to the stage of completion and the anticipated final value of the contract.

All turnover is stated net of trade discounts and VAT.

**2.5 Work in progress/construction contracts**

Turnover and profit on construction is ascertained in a manner appropriate to the stage of completion of the contract, and credit taken for profit earned when the outcome of work under the contract can be assessed with reasonable certainty. Stage of completion is measured by completing surveys of work done. All foreseeable losses are provided in full.

Work in progress represent the value of surveyed work of these projects at the balance sheet date.

**2.6 Operating leases: the company as lessee**

Rentals paid under operating leases are charged to the profit and loss account 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.

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## **BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

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

### **2.7 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 the profit and loss account 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.

### **2.8 Taxation**

Tax is recognised in the profit and loss account, 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.

### **2.9 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### **2.10 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.

### **2.11 Creditors**

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

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

### **2.12 Financial instruments**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash

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## BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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#### 2. Accounting policies (continued)

##### 2.12 Financial instruments (continued)

flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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

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

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

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.

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the

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## BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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#### 2. Accounting policies (continued)

##### 2.12 Financial instruments (continued)

asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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

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.

##### 2.13 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.

#### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

The directors consider the accounting estimates and assumptions below to be its critical accounting estimates and judgements:

##### Provisions for liabilities

A provision is recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. Provisions are not recognised for future operating losses.

##### Construction Contract/Work in progress

Recognition of turnover and profit on construction contracts requires management judgement regarding the anticipated final outcome of individual contracts taking into account expected future costs and the proportion of works completed at the balance sheet date. Management undertakes detailed reviews on a monthly basis in order to exercise judgement over the outcome of each contract and the associated risks and opportunities. Profit is recognised when the outcome of work under the contract can be assessed with reasonable certainty.

The value of work completed at the balance sheet date is assessed by external valuations. Regular management reviews of contract progress include a comparison of internal valuations on each element of work in progress to the applications for payment made by supply chain partners and to external valuations completed on behalf of customers.

The age, nature and recoverability of all debtors and amounts recoverable on construction contracts are reviewed regularly by management and provisions made where appropriate.

Consistent procedures and management tools are in place to ensure that estimates are applied and results determined on a consistent basis.

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**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**4. Turnover**

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Sales - UK	71,632,239	69,732,332
	<u>71,632,239</u>	<u>69,732,332</u>

Analysis of turnover by country of destination:

	2020 £	2019 £
United Kingdom	71,632,239	69,732,332
	<u>71,632,239</u>	<u>69,732,332</u>

**5. Operating profit/(loss)**

The operating profit/(loss) is stated after charging:

	2020 £	2019 £
Exchange differences	104,764	(12,032)
	<u>104,764</u>	<u>(12,032)</u>

**6. Auditors' remuneration**

Fees payable to the company's auditor for the audit of the company's annual financial statements totalled £13,500 (2019 - £13,500).

Auditors remuneration for audit and other services was paid by a connected group company.

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**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**7. Employees**

Staff costs were as follows:

	2020 £	2019 £
Wages and salaries	4,496,804	4,684,524
Social security costs	561,176	565,599
Cost of defined contribution scheme	198,892	163,925
	<u>5,256,872</u>	<u>5,414,048</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Direct Labour	50	60
Administration	4	4
	<u>54</u>	<u>64</u>

No director was paid during the year from the company. All directors are remunerated by another group company.

**8. Taxation**

	2020 £	2019 £
<b>Corporation tax</b>		
Current tax on profits for the year	15,047	5,310
	<u>15,047</u>	<u>5,310</u>
<b>Total current tax</b>	<u>15,047</u>	<u>5,310</u>
<b>Deferred tax</b>		
<b>Total deferred tax</b>	<u>-</u>	<u>-</u>
<b>Taxation on profit on ordinary activities</b>	<u>15,047</u>	<u>5,310</u>



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**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**8. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit/(loss) on ordinary activities before tax	155,205	(14,331)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	29,489	(2,723)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(14,442)	8,033
<b>Total tax charge for the year</b>	<b>15,047</b>	<b>5,310</b>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

**9. Stock**

	2020 £	2019 £
Work in progress	8,899,593	15,454,964
	<b>8,899,593</b>	<b>15,454,964</b>

**10. Debtors**

	2020 £	2019 £
Amounts owed by group undertakings	-	7,147,120
Other debtors	269,107	-
	<b>269,107</b>	<b>7,147,120</b>

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**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**11. Cash and cash equivalents**

	2020 £	2019 £
Cash at bank and in hand	23,941,861	4,126,553
	<u>23,941,861</u>	<u>4,126,553</u>

**12. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors and provisions	9,347,333	25,344,838
Amounts owed to group undertakings	1,019,681	-
Corporation tax	15,047	5,311
Other taxation and social security	122,987	998,458
Other creditors	22,907	21,323
Accruals	22,219,525	135,784
	<u>32,747,480</u>	<u>26,505,714</u>

Amounts owed to group undertakings are interest free and repayable on demand.

**13. Financial instruments**

	2020 £	2019 £
<b>Financial assets</b>		
Financial assets measured at amortised cost	<u>24,210,968</u>	<u>11,273,673</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>32,609,446</u>	<u>25,501,945</u>

Financial assets measured at amortised cost comprise of amounts owed by group undertakings, other debtors and cash and bank.

Financial liabilities measured at amortised cost comprise of trade and other creditors, amounts owed to group undertakings and accruals.

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**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**14. Share capital**

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
1 (2019 - 1) Ordinary Shares share of £1.00	1	1
	<u>1</u>	<u>1</u>

**15. Reserves**

**Profit & loss account**

The profits and loss account represents cumulative gains and losses recognised in the profit and loss account, net of transfers to/from other reserves and dividend paid.

**16. Prior year adjustment**

Comparative amounts within the profit and loss have been regrouped on a basis consistent with current year presentation.

**17. Capital commitments**

There were no capital commitments at the year end.

**18. Related party transactions**

The company has availed of the exemption contained in FRS 102 Related Party Transactions in respect of transactions with fellow group undertakings which are wholly owned subsidiaries and where the consolidated financial statements in which the subsidiary is included are publicly available. The financial statements of the Parent undertaking are available for inspection at its Registered Office.

**19. Post balance sheet events**

In early 2020, the existence of a new Coronavirus, known as COVID-19, was confirmed and since this time COVID-19 has spread across the world causing disruption to businesses and economic activity. The company considers the emergence and spread of COVID-19 to be a non-adjusting post balance sheet event. Given the inherent uncertainties, it is not practicable at this time to determine the impact of COVID-19 on the company or to provide a quantitative estimate of this impact.

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**BENNETT MANAGEMENT CONTRACTORS (GB) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**20. Controlling party**

The company's ultimate parent undertaking is Strassen Malta Limited, a company incorporated in Malta. The registered office of Strassen Malta Limited is 93, Mill street, Hal Qormi QRM 3102, Malta.

**Directors and secretary's shareholders interests**

The director's and secretary's interests in the issued share capital of the ultimate parent undertaking are as follows:

	Ordinary shares of €1 each 31/3/20	Ordinary shares of €1 each 1/4/19
Jim Bennett	47,250	47,250
Stephen Bennett	47,250	47,250
	<u>94,500</u>	<u>94,500</u>

No other director held any direct interests in the company or the parent company.