

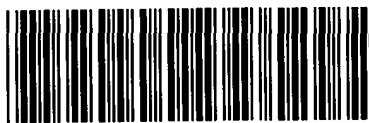
RING
STONES

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH
2016



FRIDAY



A5H4PP4Y

A24

07/10/2016

#225

COMPANIES HOUSE



CONTENTS

PAGE

Partnership Information

1

Members' Report

2 - 3

Independent Auditor's Report to the Members

4

Statement of Comprehensive Income

5

Statement of Financial Position

6

Statement of Cash Flows

7

Notes to the Financial Statements

8 - 14

PARTNERSHIP INFORMATION

Designated members

The designated members during the period ended 31 March 2016 were:

Calico JV Limited
Herbert T Forrest Limited (resigned 28 August 2015)
Hobstones Homes Limited (appointed 25 February 2016)

Management Board

The members of the board who held office during the year ended 31 March 2016 were:

Anthony Duerden
Ed Barber
Tracy Woods
Helen Thompson
Lee McCarren (resigned 28 August 2015)
Andrew Falconer (resigned 28 August 2015)
Matthew Farrimond (resigned 28 August 2015)

Executive Officers

Managing Director
Mark Cutler (resigned 11 July 2016)

Registered Office Centenary Court
Croft Street
Burnley
BB11 2ED

Registered Number Registration No: OC377235

External Auditor Beever and Struthers
St Georges House
215 Chester Road
Manchester
M15 4JE

Solicitors Forbes Solicitors
73 Northgate
Blackburn
BB2 1AA

Bankers National Westminster Bank
6th Floor,
1 Spinningfields Square
Manchester
M3 3AP

MEMBERS' REPORT

The Management Board ('the Board') presents its report and the audited financial statements of Ring Stones Maintenance and Construction LLP ('Ring Stones') for the year to 31 March 2016.

Management Board and executive officers

The present board members and the executive officer of the partnership together with details of the changes which have occurred up to the date of approval of this report by the Board are set out on page 1. The senior officer acts as an executive within the authority delegated by the Board.

Principal activities

Ring Stones Maintenance and Construction LLP was incorporated on 26 July 2012 and started trading on 1 September 2012. The company is currently part way through its fourth year of trading, the principal activity being the provision of building maintenance and construction services.

Review of the Business

Calico Homes recognised that securing a strong reliable supply chain which would help regenerate Burnley, bringing local sustainable employment and apprenticeships, was a key to its success. As a result, following an EU Compliant process, Herbert T Forrest Limited ("HTF") was chosen as a partner to help it realise its ambitions. During the year, it was recognised by both JV partners, that it would be best if Ring Stones progressed under the sole ownership of Calico Group and following which HTFs JV membership was purchased by Calico Group in August 2015.

The level of business remains buoyant, and the period-end financial position is considered to be good.

The members anticipate that the present level of activity will be maintained for the foreseeable future, and hope to see a further increase in the volume of sales before the next period-end.

Principal risks and uncertainties

A significant level of our activity is generated from Registered Providers of Housing which could be impacted by legislation or changes in spending priorities resulting from Welfare reform. The partnership will continue to periodically assess the impact of new government initiatives and ensure these are considered in its future plans and forecasts.

The partnership may face pricing competition from smaller organisations, so ensuring that it remains price competitive, by driving out operational efficiencies and providing high quality services is essential in order to mitigate this risk.

Key performance indicators

The business uses a number of key performance indicators (KPI's) to measure its financial performance of its operations. These KPIs include turnover and margin performance of contracts against budgets, profitability and cash flow performance. In addition to financial performance the business operates a suite of operational KPI's regarding resident satisfaction, environmental and waste utilisation, employee and training indicators along with the monitoring of Health & Safety and quality bench marks.

Results for the period ended 31 March 2016 and allocation to members

The profit for the year ended 31 March 2016 before members' remuneration was £287,000 (2015: restated £541,000). During the year, there were profits distributed to Herbert T Forrest Limited of £113,000 (2015: £282,000), covering the period to their resignation on 28 August 2015. The remaining profits £174,000 (2015: £293,000) were allocated to Calico JV Limited.

Member's drawings

The profits to the designated members will be paid when sufficient cash reserves are available to the business to ensure its continued operations without recourse to other forms of funding.

MEMBERS' REPORT (CONTINUED)

Designated members

The designated members during the period ended 31 March 2016 were:

Calico JV Limited

HT Forrest Limited (resigned 28 August 2015)

Hobstones Limited (appointed 25 February 2016)

The development and implementation of policies, strategy, direction and management is the responsibility of the Management Board set out on page 1.

Statement as to disclosure of information to auditor

The members on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Members have confirmed that they have taken all the steps that they ought to have taken as members in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Members' responsibilities in the preparation of the report and financial statements

The members are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the 2008 Regulations) require the members to prepare financial statements for each financial period. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing those financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Limited Liability Partnership will continue in business.

Under the 2008 Regulations the members are responsible for keeping adequate accounting records that are sufficient to show and explain the Limited Liability Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Limited Liability Partnership and to enable them to ensure that the financial statements comply with the requirements of those Regulations. They are also responsible for safeguarding the assets of the Limited Liability Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are responsible for the maintenance and integrity of the corporate and financial information included on the Limited Liability Partnership's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

These responsibilities are exercised by the designated members of the Limited Liability Partnership.

Auditor

Beever and Struthers, Chartered Accountants and Statutory Auditor, have indicated their willingness to continue in office. A resolution to reappoint them as auditors will be proposed at the forthcoming annual general meeting.

Approved by the LLP members on 14 September 2016



.....
Tracy Woods
On behalf of Designated Member
Calico JV Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RING STONES MAINTENANCE AND CONSTRUCTION LLP

We have audited the financial statements of Ring Stones Maintenance and Construction Limited for the year ended 31 March 2016 which comprises the statement of comprehensive income, statement of financial position, reconciliation of members' interest and the related notes set out on pages 8 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) UK GAAP, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of Members and auditor

As explained more fully in the Members' Responsibilities Statement set out on page 3, the Members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's ("FRC's") Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK GAAP; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Members' Report for the financial year ended 31 March 2016 for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the Members were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

Beever and Struthers
Maria Hallows (Senior Statutory Auditor)

For and on behalf of BEEVER AND STRUTHERS
Chartered Accountants and Statutory Auditor
St George's House
215-219 Chester Road
Manchester
M15 4JE

Date 14. 9. 16

Statement of Comprehensive Income

	Note	For the year ended 31 March 2016 £'000	Restated For the period ended 31 March 2015 £'000
Turnover		7,712	9,248
Cost of Sales		(6,437)	(7,956)
Gross Profit		1,275	1,292
Operating costs in relation to trading		(975)	(745)
Operating Profit	3	300	547
Interest payable and similar charges		(13)	(6)
Profit for the year / period before taxation and members remuneration and profit share.		287	541
Members remuneration charges as an expense	4	(287)	(575)
Retained profit/(loss) for the year / period available for division among members		-	(34)

All amounts relate to continuing activities. There were no recognised gains and losses other than those included in the profit and loss account.

The notes on page 8 to 14 form part of these accounts.

Statement of Financial Position

	Note	31 March 2016 £'000	Restated 31 March 2015 £'000
Fixed Assets			
Intangible assets	7	63	32
Tangible fixed assets	8	38	48
		<u>101</u>	<u>80</u>
Current Assets			
Debtors	9	1,137	1,352
Cash at bank and in hand		245	240
		<u>1,382</u>	<u>1,592</u>
Creditors: Amounts falling due within one year	10	<u>(1,483)</u>	<u>(1,569)</u>
Net Current Assets / (liabilities)		(101)	23
Total assets less current liabilities		<u>-</u>	<u>103</u>
Creditors: Amounts falling due after more than one year	11	-	-
Net assets attributable to members		<u>-</u>	<u>103</u>
Represented by:			
Total members interests			
Amounts due from members	15	-	-
Loans and other debts due to members	15	-	103
Members other interests	15	-	-
		<u>-</u>	<u>103</u>

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 (as applied by the Limited Liability Partnerships (accounts and audits) (application of the Companies Act 2006) regulations 2008) applicable to LLP's subject to the small LLP regime.

Approval

Approved by the members of the Limited Liability Partnership on 14 September 2016 and signed on its behalf by:



.....
Tracy Woods
On behalf of Designated Member
Calico JV Limited

Statement of Cash Flows

	Note	31 March 2016 £'000	Restated 31 March 2015 £'000
Cash flows from operating activities			
Operating profit		300	547
Members' remuneration charged as an expense		(390)	(575)
Amortisation of intangible assets	7	16	9
Depreciation of tangible assets	8	34	27
Decrease in stocks		-	77
Decrease/(Increase) in debtors		215	(454)
(Decrease)/Increase in creditors		(86)	347
Net cash generated from operating activities		<u>89</u>	<u>(22)</u>
Cash flows from investing activities			
Purchases of tangible assets	8	(24)	(39)
Purchases of intangible assets	7	(47)	(41)
Net cash used in investing activities		<u>(71)</u>	<u>(80)</u>
Cash flows from financing activities			
Interest paid		(13)	(6)
Net cash used in financing activities		<u>(13)</u>	<u>(6)</u>
Net increase/(decrease) in cash and cash equivalents		5	(108)
Cash and cash equivalents at the beginning of the year		240	348
Cash and cash equivalents at end of year		<u>245</u>	<u>240</u>

The notes on page 8 to 14 form part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

1. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the requirements of the Statement of Recommended practice 'Accounting by Limited Liability Partnerships issued in July 2014 (SORP 2014).

2. Accounting Policies

Ring Stones Maintenance and Construction LLP is a limited liability partnership incorporated in England and Wales. The registered office is Centenary Court, Croft Street, Burnley, BB11 2ED.

Basis of accounting

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

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 18.

Going concern

The LLP's business activities, together with the factors likely to affect its future development, performance and position are set out in the Members Report on pages 2 to 3. In addition, notes on pages 8 to 14 of the financial statements include the LLP's objectives, policies and processes for managing its capital. The LLP has sufficient financial resources, and access to overdraft funds, together with long-term contracts, with other companies in the Calico Group. These contracts are supported and managed through a blend of directly employed staff and sustainable local and regional subcontractors providing specialist or ad-hoc services.

Goods and materials are sourced from suppliers with strong financial standing with the ability to continue to source supplies on behalf of the LLP. As a consequence, the members believe that the company is well placed to manage its business risks successfully. The members have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover and revenue recognition

Turnover represents the fair value of services provided in the case of time charge work and the value of services provided as a proportion of the total value of

the contract in the case of fixed fee contracts. Turnover is net of value added tax. Provision is made in full for estimated losses if the costs of fulfilling the contract exceed the recoverable amount. Turnover is only recognised to the extent that it is probable that it will be recoverable.

Amounts recoverable on long term contracts which are included in debtors are stated at the net sales value of the work done less amounts received as progress payments on account.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the period, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Amounts recoverable on contracts

This represents work done based on estimated amounts recoverable less any amounts billed on account.

Members' remuneration

The Members shall procure that at least 100% of the LLP's profits shall, in each financial period of the LLP, be distributed to Members in their Relevant Percentages as set out in the signed members' agreement and split between the designated members. At 31 March 2016, the relevant percentages are 100% (2015: 51%) to Calico JV Limited, 0% (2015: 49%) to Herbert T Forrest Limited and 0% (2015: 0%) to Hobstones Homes Limited. Any profit share which has not been distributed is included as a liability under loans and debts due to other members.

Intangible fixed assets

Intangible assets are measured at cost less accumulated amortisation and any impairment losses.

Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the software so that it will be available for use.
- The ability to use the software
- The availability of adequate resources to complete the development.
- The ability to measure reliably the expenditure attributable to the software during its development.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method.

The principal annual rates used are:

- Software development costs 20-33%

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost less estimated residual value over their expected useful lives, using straight-line method. The principal annual rates used are:

Furniture, fixtures & fittings	10-33%
Plant & tools	20-33%
Computers & office equipment	20-33%

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income statement.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Taxation

Taxation on LLP profits is the liability of the members. Consequently neither partnership taxation nor related deferred taxation is accounted for in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	For the year ended 31 March 2016	For the 15 month period ended 31 March 2015
3. Operating Profit	£'000	£'000
Operating Profit is stated after charging:		
Operating Leases		
Land and Buildings	31	27
Other	44	115
Auditors Remuneration		
Audit	5	7
Other services	1	2
Amortisation of intangible fixed assets	16	8
Depreciation of tangible fixed assets	34	28

	For the year ended 31 March 2016	For the 15 month period ended 31 March 2015
4. Members Remuneration	£'000	£'000
Calico JV Limited	174	293
Herbert T Forrest Limited	113	282
	<u>287</u>	<u>575</u>

The members shall procure that 100% of the LLP's profits shall, in each financial period of the LLP, be distributed to members in their relevant percentages.

	For the year ended 31 March 2016	For the 15 month period ended 31 March 2015
5. Employees	£'000	£'000
Average monthly number of employees:		
Administration	9	6
Direct Labour	55	38
	<u>64</u>	<u>44</u>
Employee Costs		
Wages and salaries (gross)	1,706	1,344
Social security costs	159	125
Pension costs	2	1
	<u>1,867</u>	<u>1,470</u>

6. Board members and executive officers

None of the board members received emoluments. The emoluments of the executive officer and Managing Director, Mark Cutler, were £110,000 (2015: £55,000).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. Intangible assets

	Computer Software and Licences £'000
Cost	
At 1 April 2015	42
Additions	47
Disposals	-
At 31 March 2016	89
Amortisation	
At 1 April 2015	10
Charge for the period	16
Disposals	-
At 31 March 2016	26
Net Book Value	
At 31 March 2016	63
At 31 March 2015	32

8. Tangible Fixed Assets

	Furniture, Fixtures and Fittings £'000	Plant and Tooling £'000	Computers and Office Equipment £'000	Vehicles £'000	Restated Total £'000
Cost					
At 1 April 2015	11	54	13	13	91
Additions	14	1	9	-	24
Disposals	-	-	-	-	-
At 31 March 2016	25	55	22	13	115
Depreciation					
At 1 April 2015	5	31	4	3	43
Charge for the period	8	20	3	3	34
Disposals	-	-	0	-	0
At 31 March 2016	13	51	7	6	77
Net Book Value					
At 31 March 2016	12	4	15	7	38
At 31 March 2015	6	23	9	10	48

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. Debtors	31 March 2016 £'000	Restated 31 March 2015 £'000
Trade debtors	115	34
Provision for bad debt	(19)	(8)
Amounts recoverable on contracts	319	53
Amounts owed from group undertakings	433	1,179
Other debtors	252	-
Prepayments	37	94
	<u>1,137</u>	<u>1,352</u>

10. Creditors: Amounts falling due within one year	31 March 2016 £'000	Restated 31 March 2015 £'000
Trade creditors	649	327
Other tax and social security	77	-
Accruals and deferred income	383	1,119
Amounts due to members for work undertaken	-	-
Amounts owed to group undertakings	374	123
	<u>1,483</u>	<u>1,569</u>

11. Creditors: Amounts falling due after more than one year.

There were no amounts falling due after more than one year.

12. Pension scheme

The LLP participated in a defined contribution pension scheme with Building and Civil Engineering (B&CE) for the year ended 31 March 2016. There was one staff member enrolled in this scheme during this period. The company contributions were 2.6% of salary.

13. Capital Commitments and Contingent Liabilities

There are no capital commitments or contingent liabilities at 31 March 2016.

14. Transactions with members

The members shall procure that at least 100% of the LLP's profits shall, in each financial period of the LLP, be distributed to Members via their relevant percentages.

Included in debtors is an amount owing to LLP of £100 (2015: £51) from Calico JV Ltd, £Nil (2015: £49) from Herbert T Forrest Limited and £1 (2015: £Nil) from Hobstones Homes Ltd for the members' initial capital.

15. Members' Interests	Loans and other debts due to/(from) members £'000
Amounts due to members at 1 April 2015	137
Repayment of debt	(137)
Members remuneration charged as an expense	(287)
Profits for the financial period available for division amongst the members	287
	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. Related Party Transactions

The members consider The Calico Group Limited ("Group") to be the ultimate parent entity (see note 16).

Sales and purchases of goods and services between related parties are at an arm's length basis at normal market prices. Any outstanding balances are unsecured and interest free.

Calico Homes Limited ("Homes"), a subsidiary of Group.

During the year, LLP sales to Homes were £5,536,000 (2015: £3,256,000) and Homes recharged office costs amounting to £126,000 (2015: £126,000).

At 31 March 2016, amounts owed to Homes £305,000 (2015: owed by £690,000).

Hobstones Homes Limited ("Hobstones"), a subsidiary of Group.

During the year, LLP sales to Hobstones were £2,071,000 (2015: £3,609,000).

At 31 March 2016, Hobstones owed the LLP £49,000 (2015: £373,000).

Calico JV Limited ("JV"), a subsidiary of Group.

During the year, LLP loaned JV £500,000 (2015: £Nil) to finance JV acquisition of remaining 49% interest of LLP.

At 31 March 2016, JV owed the LLP £348,000 (2015: LLP owed JV £32,000).

Calico Enterprise Limited ("Enterprise"), a subsidiary of Group.

During the year, LLP sales to Enterprise were £16,000 (2015: £Nil) and Enterprise sales to LLP were £188,000 (2015: £17,000).

At 31 March 2016, LLP owed Enterprise £55,000 (2015: £47,000).

Acorn Recovery Projects ("Acorn"), a subsidiary of Group

During the year, LLP sales to Acorn were £52,000 (2015: £22,000).

At 31 March 2016, Acorn owed LLP £21,000 (2015: £8,000).

17. Parent Undertaking

The immediate parent company is Calico JV Limited.

The ultimate parent undertaking is The Calico Group Limited, a Company registered in England and Wales.

Consolidated accounts which include the results of the LLP can be obtained from:

Company Secretary
The Calico Group Limited
Centenary Court
Croft Street
Burnley
BB11 2ED

No other accounts include the results of the LLP.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. First time adoption of FRS 102

These financial statements are the first financial statements prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The previous financial statements for the period ended 31 March 2015 were prepared in accordance with UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the members have amended certain accounting policies to comply with FRS 102.

Comparative figures have been restated to reflect the adjustments made.

Reconciliation of reserves

	Note	1 April 2014 £'000	31 March 2015 £'000
Members interests as reported under previous UK GAAP		263	137
Adjustment arising from transition to FRS 102			
Holiday pay accruals	A	(23)	(34)
		<u>240</u>	<u>103</u>
			2015 £'000
Surplus from Statement of Comprehensive Income as reported under previous UK GAAP			-
Adjustment arising from transition to FRS 102			
Holiday pay accrual			(34)
			<u>(34)</u>
Surplus form Statement of Comprehensive Income reported under FRS 102			

A) Holiday Pay Accrual

FRS 102 requires holiday pay to be accrued as a liability specifically and therefore as at 31 March 2016 a provision has been made of £29,000 (2015: £34,000) reflecting the value of holiday pay entitlement which had not been taken as at that date by employees.

B) Software Development Costs

Under previous UK GAAP, software costs were capitalised as Tangible Fixed Assets. Under FRS 102, software costs require reclassifying as intangible assets and recognised when they meet the recognition criteria.