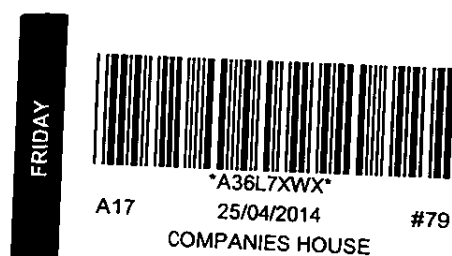


Reg. - tra

Company Registration No 00782078 (England and Wales)

**J HARPER AND SONS (LEOMINSTER) LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**



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# **J HARPER AND SONS (LEOMINSTER) LIMITED**

## **COMPANY INFORMATION**

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|                          |   |
|--------------------------|---|
| <b>Directors</b>         | Mr P Mondon<br>Miss V Overton<br>Mr A Rees<br>Mr M Harvey   |
| <b>Secretary</b>         | Miss V Overton  |
| <b>Company number</b>    | 00782078  |
| <b>Registered office</b> | Beeches Road<br>Rowley Regis<br>Warley<br>B65 0BB   |
| <b>Auditors</b>          | CK Audit<br>No 4 Castle Court 2<br>Castlegate Way<br>Dudley<br>West Midlands<br>DY1 4RH           |
| <b>Business address</b>  | Southern Avenue<br>Leominster<br>Herefordshire<br>HR6 0QF   |
| <b>Bankers</b>           | HSBC Bank Plc<br>31 Church Street<br>Kidderminster<br>Worcestershire<br>West Midlands<br>DY10 2AY |

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# **J HARPER AND SONS (LEOMINSTER) LIMITED**

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# **J HARPER AND SONS (LEOMINSTER) LIMITED**

## **STRATEGIC REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2013**

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The directors present the strategic report and financial statements for the year ended 31 December 2013

### **Review of the business**

The Directors are pleased to report continuing profitability and increased activity in 2013 despite the challenging economic environment and has delivered a solid set of accounts for the year ended 31st December 2013

The year to 31st December 2013 has been busy for the company in bidding for work in a competitive market. We have responded well to the challenges this difficult market has presented and our continued success is due to the hard work of our committed and professional staff allowing us to remain well positioned in today's changing environment.

With our order books at a level of £11m we have entered the new financial year in a good position with 70% of the targeted revenue for 2014 secured and tender enquiry levels remain high.

The company continues to focus on seeking to eliminate workplace injuries, to protect our environment and to increase awareness of occupational health and well-being. All our employees are committed to working towards creating and maintaining a sustainable built environment and it is through their effort and commitment that we remain a strong business.

We continue to deliver our projects safely, to programme, to budget and to the highest quality at fair and market competitive prices. With our broad and flexible capability we are able to adapt to changing markets and will continue delivering all construction types of all sizes under all procurement routes.

The business continually sets Key Performance Indicators against which we measure, analyse and adapt our working practices including client satisfaction, staff turnover, sickness and absenteeism, training, equality and diversity, qualifications and skills, and health and safety.

Our aim is to ensure the longevity of our company through repeat and referral business achieved by customer satisfaction in all areas including timeliness, attention to detail and service minded attitudes. We will continue to maintain the highest level of professionalism, integrity, honesty and fairness in all our relationships with our suppliers, subcontractors, professional associates and customers.

The current trading environment will continue to be challenging with ongoing public sector spending cuts affecting levels of construction however our ongoing strategy is to ensure that the operating costs are correlated to the appropriate available workload and to maximise the efficiency and profitability of the company for the future. On this basis, the Directors remain positive about continuing to operate profitably during 2014.

The management of the business and the execution of the group's strategy are subject to a number of risks. The key business risks and uncertainties affecting the group are considered to relate to the strong competition within the sector and the general outlook for the UK and the regional economies. Risks are reviewed by the directors' and appropriate processes are put into place to monitor and mitigate them.

In the opinion of the directors the financial position of the company is satisfactory at the balance sheet date.



Mr A Rees  
Director  
14 April 2014

# **J HARPER AND SONS (LEOMINSTER) LIMITED**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2013**

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The directors present their report and financial statements for the year ended 31 December 2013

### **Principal activities**

The principal activity of the company continues to be the provision of building contractor services delivering all construction types, including but not restricted to, commercial, industrial, leisure and retail, health, education, refurbishment, public buildings, affordable and private housing of all sizes under all procurement routes

### **Results and dividends**

The results for the year are set out on page 6

### **Directors**

The following directors have held office since 1 January 2013

Mr P Mondon  
Miss V Overton  
Mr A Rees  
Mr M Harvey

### **Auditors**

The auditors, CK Audit, are deemed to be reappointed under section 487(2) of the Companies Act 2006

### **Statement of directors' responsibilities**

The directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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 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

# **J HARPER AND SONS (LEOMINSTER) LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

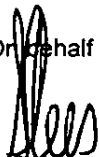
***FOR THE YEAR ENDED 31 DECEMBER 2013***

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### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Mr A Rees

Director

14 April 2014

# **J HARPER AND SONS (LEOMINSTER) LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF J HARPER AND SONS (LEOMINSTER) LIMITED**

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We have audited the financial statements of J Harper and Sons (Leominster) Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. 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).

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 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 as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **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 December 2013 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **J HARPER AND SONS (LEOMINSTER) LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE MEMBERS OF J HARPER AND SONS (LEOMINSTER) LIMITED**

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#### **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 directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



**Wendy Davies (Senior Statutory Auditor)**

**for and on behalf of CK Audit**

14 April 2014

**Chartered Accountants  
Statutory Auditor**

No 4 Castle Court 2  
Castlegate Way  
Dudley  
West Midlands  
DY1 4RH



# **J HARPER AND SONS (LEOMINSTER) LIMITED**

## **PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2013**

|   | Notes | 2013<br>£    | 2012<br>£   |
|---|-------|--------------|-------------|
| Turnover                                      | 2     | 13,582,199   | 8,438,086   |
| Cost of sales                                 |       | (12,342,716) | (7,294,128) |
| Gross profit                                  |       | 1,239,483    | 1,143,958   |
| Administrative expenses                       |       | (1,195,881)  | (1,131,116) |
| Other operating income                        |       | 5,856        | 3,001       |
| Operating profit                              | 3     | 49,458       | 15,843      |
| Other interest receivable and similar income  | 4     | 2,189        | 1,866       |
| Interest payable and similar charges          | 5     | (6,634)      | (1,429)     |
| Profit on ordinary activities before taxation |       | 45,013       | 16,280      |
| Tax on profit on ordinary activities          | 6     | -            | (5,589)     |
| Profit for the year                           | 12    | 45,013       | 10,691      |

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

There are no recognised gains and losses other than those passing through the profit and loss account

# J HARPER AND SONS (LEOMINSTER) LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2013

|  | Notes | 2013<br>£   | £         | 2012<br>£   | £         |
|--|-------|-------------|-----------|-------------|-----------|
| <b>Fixed assets</b>                                  |       |             |           |             |           |
| Tangible assets                                      | 7     |             | 27,664    |             | 39,250    |
| <b>Current assets</b>                                |       |             |           |             |           |
| Debtors amounts falling due within one year          | 8     | 1,717,545   |           | 1,544,147   |           |
| Debtors amounts falling due after more than one year | 8     | 2,533,654   |           | 2,672,344   |           |
| Cash at bank and in hand                             |       | 1,310,154   |           | 932,787     |           |
|  |       | 5,561,353   |           | 5,149,278   |           |
| <b>Creditors amounts falling due within one year</b> | 9     | (2,752,439) |           | (2,396,963) |           |
| <b>Net current assets</b>                            |       |             | 2,808,914 |             | 2,752,315 |
| <b>Total assets less current liabilities</b>         |       |             | 2,836,578 |             | 2,791,565 |
| <b>Capital and reserves</b>                          |       |             |           |             |           |
| Called up share capital                              | 11    |             | 2,000     |             | 2,000     |
| Profit and loss account                              | 12    |             | 2,834,578 |             | 2,789,565 |
| <b>Shareholders' funds</b>                           | 13    |             | 2,836,578 |             | 2,791,565 |

Approved by the Board and authorised for issue on 14 April 2014

Mr M Harvey  
Director

Company Registration No. 00782078

# **J HARPER AND SONS (LEOMINSTER) LIMITED**

## **CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2013**

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|  | £       | 2013<br>£ | £       | 2012<br>£ |
|--|---------|-----------|---------|-----------|
| <b>Net cash inflow/(outflow) from operating activities</b>                           |         | 387,401   |         | (14,209)  |
| <b>Returns on investments and servicing of finance</b>                               |         |           |         |           |
| Interest received  | 2,189   |           | 1,866   |           |
| Interest paid  | (6,634) |           | (1,429) |           |
|  |         |           |         |           |
| <b>Net cash (outflow)/inflow for returns on investments and servicing of finance</b> |         | (4,445)   |         | 437       |
| <b>Taxation</b>  |         | (5,589)   |         | (17,922)  |
|  |         |           |         |           |
| <b>Net cash inflow/(outflow) before management of liquid resources and financing</b> |         | 377,367   |         | (31,694)  |
|  |         |           |         |           |
| <b>Increase/(decrease) in cash in the year</b>                                       |         | 377,367   |         | (31,694)  |

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# J HARPER AND SONS (LEOMINSTER) LIMITED

## NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2013

| 1 | Reconciliation of operating profit to net cash (outflow)/inflow from operating activities | 2013           | 2012            |
|---|---|----------------|-----------------|
|   |   | £              | £               |
|   | Operating profit  | 49,458         | 15,843          |
|   | Depreciation of tangible assets   | 11,586         | 12,494          |
|   | Increase in debtors   | (34,708)       | (305,761)       |
|   | Increase in creditors within one year   | 361,065        | 263,215         |
|   | <b>Net cash inflow/(outflow) from operating activities</b>                                | <b>387,401</b> | <b>(14,209)</b> |

| 2 | Analysis of net funds    | 1 January 2013 | Cash flow      | Other non-cash changes | 31 December 2013 |
|---|--------------------------|----------------|----------------|------------------------|------------------|
|   |                          | £              | £              | £                      | £                |
|   | Net cash                 |                |                |                        |                  |
|   | Cash at bank and in hand | 932,787        | 377,367        | -                      | 1,310,154        |
|   | Bank deposits            | -              | -              | -                      | -                |
|   | <b>Net funds</b>         | <b>932,787</b> | <b>377,367</b> | <b>-</b>               | <b>1,310,154</b> |

| 3 | Reconciliation of net cash flow to movement in net funds | 2013             | 2012            |
|---|--|------------------|-----------------|
|   |  | £                | £               |
|   | Increase/(decrease) in cash in the year                  | 377,367          | (31,694)        |
|   | <b>Movement in net funds in the year</b>                 | <b>377,367</b>   | <b>(31,694)</b> |
|   | Opening net funds  | 932,787          | 964,481         |
|   | <b>Closing net funds</b>                                 | <b>1,310,154</b> | <b>932,787</b>  |

# **J HARPER AND SONS (LEOMINSTER) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2013**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

#### **1.2 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs to date bear to total expected costs for that contract

#### **1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

|                                |                      |
|--------------------------------|----------------------|
| Leasehold improvements         | 10% straight line    |
| Plant and machinery            | 25% reducing balance |
| Fixtures, fittings & equipment | 25% reducing balance |

#### **1.4 Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

#### **1.5 Long term contracts**

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account

#### **1.6 Pensions**

The company operates a defined contribution scheme. The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS17

#### **1.7 Deferred taxation**

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes

### **2 Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

# J HARPER AND SONS (LEOMINSTER) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

|          |  |              |              |
|----------|--|--------------|--------------|
| <b>3</b> | <b>Operating profit</b>  | <b>2013</b>  | <b>2012</b>  |
|          |  | <b>£</b>     | <b>£</b>     |
|          | Operating profit is stated after charging  |              |              |
|          | Depreciation of tangible assets  | 11,586       | 12,494       |
|          | Operating lease rentals  |              |              |
|          | - Motor vehicles   | 198,354      | 182,408      |
|          | - Other assets   | 46,500       | 46,500       |
|          | Fees payable to the company's auditor for the audit of the company's annual accounts and after crediting | 6,750        | 6,750        |
|          | Rents receivable   | 5,856        | 3,001        |
|          |  | <u>5,856</u> | <u>3,001</u> |

Fees paid to the company's auditor, CK Audit, for services other than the statutory audit of the company are not disclosed in J Harper & Sons (Leominster) Limited's accounts, since the consolidated accounts of J Harper & Sons (Leominster) Limited's accounts ultimate parent company, Harper Group Management Limited, are required to disclose non-audit fees on a consolidated basis

|          |                          |              |              |
|----------|--------------------------|--------------|--------------|
| <b>4</b> | <b>Investment income</b> | <b>2013</b>  | <b>2012</b>  |
|          |                          | <b>£</b>     | <b>£</b>     |
|          | Bank interest            | 2,189        | 1,866        |
|          |                          | <u>2,189</u> | <u>1,866</u> |

|          |                         |              |              |
|----------|-------------------------|--------------|--------------|
| <b>5</b> | <b>Interest payable</b> | <b>2013</b>  | <b>2012</b>  |
|          |                         | <b>£</b>     | <b>£</b>     |
|          | Other interest          | 6,634        | 1,429        |
|          |                         | <u>6,634</u> | <u>1,429</u> |

# J HARPER AND SONS (LEOMINSTER) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

| 6 | Taxation  | 2013<br>£ | 2012<br>£    |
|---|---|-----------|--------------|
|   | Domestic current year tax   |           |              |
|   | U K corporation tax   | -         | 5,589        |
|   | <b>Total current tax</b>  | <b>-</b>  | <b>5,589</b> |
|   | <b>Factors affecting the tax charge for the year</b>  |           |              |
|   | Profit on ordinary activities before taxation   | 45,013    | 16,280       |
|   | Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2012 - 20.00%) | 9,003     | 3,256        |
|   | Effects of  |           |              |
|   | Non deductible expenses   | 20        | -            |
|   | Depreciation in excess of capital allowances  | 1,620     | 1,709        |
|   | Group relief obtained   | (1,181)   | -            |
|   | Directors'/participants' remuneration adjustment  | (9,819)   | -            |
|   | Other tax adjustments   | 357       | 624          |
|   |   | (9,003)   | 2,333        |
|   | <b>Current tax charge for the year</b>  | <b>-</b>  | <b>5,589</b> |

| 7 | Tangible fixed assets                   | Leasehold<br>improvements<br>£ | Plant and<br>machinery<br>£ | Fixtures,<br>fittings &<br>equipment<br>£ | Total<br>£ |
|---|---|--------------------------------|-----------------------------|---|------------|
|   | <b>Cost</b>                             |                                |                             |   |            |
|   | At 1 January 2013 & at 31 December 2013 | 88,630                         | 8,603                       | 176,753                                   | 273,986    |
|   | <b>Depreciation</b>                     |                                |                             |   |            |
|   | At 1 January 2013                       | 60,274                         | 7,872                       | 166,590                                   | 234,736    |
|   | Charge for the year                     | 8,863                          | 183                         | 2,540                                     | 11,586     |
|   | At 31 December 2013                     | 69,137                         | 8,055                       | 169,130                                   | 246,322    |
|   | <b>Net book value</b>                   |                                |                             |   |            |
|   | At 31 December 2013                     | 19,493                         | 548                         | 7,623                                     | 27,664     |
|   | At 31 December 2012                     | 28,356                         | 731                         | 10,163                                    | 39,250     |

# J HARPER AND SONS (LEOMINSTER) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

| 8 Debtors   | 2013<br>£        | 2012<br>£        |
|---|------------------|------------------|
| Trade debtors   | 377,923          | 247,768          |
| Amounts recoverable on long term contracts                | 1,098,700        | 1,021,655        |
| Amounts owed by parent and fellow subsidiary undertakings | 2,545,209        | 2,678,773        |
| Other debtors   | 155,895          | 200,006          |
| Prepayments and accrued income                            | 73,472           | 68,289           |
|   | <u>4,251,199</u> | <u>4,216,491</u> |

Amounts falling due after more than one year and included in the debtors above are

|                                    | 2013<br>£        | 2012<br>£        |
|------------------------------------|------------------|------------------|
| Amounts owed by group undertakings | <u>2,533,654</u> | <u>2,672,344</u> |

The directors have agreed that they will not seek repayment this loan within 12 months of the balance sheet date

| 9 Creditors: amounts falling due within one year | 2013<br>£        | 2012<br>£        |
|--|------------------|------------------|
| Payments received on account                     | 64,176           | -                |
| Trade creditors                                  | 2,622,799        | 2,276,202        |
| Corporation tax                                  | -                | 5,589            |
| Other taxes and social security costs            | 23,349           | 20,385           |
| Other creditors                                  | 6,465            | 4,440            |
| Accruals and deferred income                     | 35,650           | 90,347           |
|  | <u>2,752,439</u> | <u>2,396,963</u> |

### 10 Pension and other post-retirement benefit commitments

#### Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

|   | 2013<br>£     | 2012<br>£     |
|---|---------------|---------------|
| Contributions payable by the company for the year | <u>56,197</u> | <u>38,924</u> |



# J HARPER AND SONS (LEOMINSTER) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2013

|           |                                    |             |             |
|-----------|------------------------------------|-------------|-------------|
| <b>11</b> | <b>Share capital</b>               | <b>2013</b> | <b>2012</b> |
|           |                                    | <b>£</b>    | <b>£</b>    |
|           | Allotted, called up and fully paid |             |             |
|           | 2,000 Ordinary shares of £1 each   | 2,000       | 2,000       |

#### 12 Statement of movements on profit and loss account

|                             |                                    |
|-----------------------------|------------------------------------|
|                             | <b>Profit and loss<br/>account</b> |
|                             | <b>£</b>                           |
| Balance at 1 January 2013   | 2,789,565                          |
| Profit for the year         | 45,013                             |
| Balance at 31 December 2013 | 2,834,578                          |

#### 13 Reconciliation of movements in shareholders' funds

|                               |             |             |
|-------------------------------|-------------|-------------|
|                               | <b>2013</b> | <b>2012</b> |
|                               | <b>£</b>    | <b>£</b>    |
| Profit for the financial year | 45,013      | 10,691      |
| Opening shareholders' funds   | 2,791,565   | 2,780,874   |
| Closing shareholders' funds   | 2,836,578   | 2,791,565   |

#### 14 Contingent liabilities

The company is party to unlimited guarantees and cross guarantees with other group companies to secure overdraft facilities of Harper Group Plc and its subsidiaries. As at 31 December 2013 the amount owing by other group companies was £nil (2012 £nil)

# J HARPER AND SONS (LEOMINSTER) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

### 15 Financial commitments

At 31 December 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2014

|                               | Land and buildings |               | Other          |                |
|-------------------------------|--------------------|---------------|----------------|----------------|
|                               | 2013<br>£          | 2012<br>£     | 2013<br>£      | 2012<br>£      |
| Operating leases which expire |                    |               |                |                |
| Within one year               | -                  | -             | 17,559         | 29,064         |
| Between two and five years    | -                  | -             | 160,404        | 100,786        |
| In over five years            | 46,500             | 46,500        | -              | -              |
|                               | <u>46,500</u>      | <u>46,500</u> | <u>177,963</u> | <u>129,850</u> |

### 16 Directors' remuneration

|   | 2013<br>£      | 2012<br>£      |
|---|----------------|----------------|
| Remuneration for qualifying services                          | 268,924        | 259,838        |
| Company pension contributions to defined contribution schemes | <u>29,586</u>  | <u>26,861</u>  |
|   | <u>298,510</u> | <u>286,699</u> |

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2012 - 3)

Remuneration disclosed above include the following amounts paid to the highest paid director

|   |               |               |
|---|---------------|---------------|
| Remuneration for qualifying services                          | 109,393       | 108,884       |
| Company pension contributions to defined contribution schemes | <u>12,609</u> | <u>11,448</u> |

# J HARPER AND SONS (LEOMINSTER) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

### 17 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was

|                      | 2013<br>Number | 2012<br>Number |
|----------------------|----------------|----------------|
| Administration staff | 17             | 13             |
| Site based           | 38             | 30             |
|                      | <u>55</u>      | <u>43</u>      |

#### Employment costs

|                       | 2013<br>£        | 2012<br>£        |
|-----------------------|------------------|------------------|
| Wages and salaries    | 1,608,407        | 1,264,750        |
| Social security costs | 168,578          | 123,513          |
| Other pension costs   | 56,197           | 38,924           |
|                       | <u>1,833,182</u> | <u>1,427,187</u> |

### 18 Control

The ultimate parent company is Harper Group Management Limited, a company registered in England and Wales

Harper Group Management Limited prepares group financial statements and copies can be obtained from Beeches Road, Rowley Regis, Warley, West Midlands B65 0BB

The immediate parent company is Harper Group plc

# **J HARPER AND SONS (LEOMINSTER) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2013**

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### **19 Related party relationships and transactions**

A P Rees is a director of Hereford and Gloucestershire Construction Safety Association Limited (HGCSA) The company made purchases of £9,750 (2012 £6,931) from HGCSA Limited At the balance sheet date £300 was owed to HGCSA Limited (2012 £2,125 due from HGSCA Limited)

During the year, the company carried out work on property owned by P Mondon to the value of £nil (2012 £6,584) The work was carried out on normal commercial terms

During the year, the company has carried out construction work for ICC (One) Limited, a company under common control amounting to £nil (2012 £24,073) Amounts recoverable on long term contracts at the year end includes an amount of £nil (2012 £25,536 ) The work was carried out on normal commercial terms

The company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions

