

Company registration number 02478838 (England and Wales)

BCM SCAFFOLDING SERVICES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022
PAGES FOR FILING WITH REGISTRAR

BCM SCAFFOLDING SERVICES LIMITED

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BCM SCAFFOLDING SERVICES LIMITED

BALANCE SHEET

AS AT 31 OCTOBER 2022

		2022		2021	
	Notes	£	£	as restated £	£
Fixed assets					
Tangible assets	3		1,497,014		1,678,241
Current assets					
Stocks		10,000		-	
Debtors	4	3,392,010		3,403,472	
Cash at bank and in hand		19,525		14,538	
		<u>3,421,535</u>		<u>3,418,010</u>	
Creditors: amounts falling due within one year	5	<u>(2,106,515)</u>		<u>(1,641,032)</u>	
Net current assets			1,315,020		1,776,978
Total assets less current liabilities			<u>2,812,034</u>		<u>3,455,219</u>
Creditors: amounts falling due after more than one year	6		<u>(2,249,812)</u>		<u>(2,271,667)</u>
Net assets			<u>562,222</u>		<u>1,183,552</u>
Capital and reserves					
Called up share capital			90		90
Revaluation reserve			1,431,356		1,462,184
Profit and loss reserves			<u>(869,224)</u>		<u>(278,722)</u>
Total equity			<u>562,222</u>		<u>1,183,552</u>

In accordance with section 444 of the Companies Act 2006, all of the members of the company have consented to the preparation of abridged financial statements pursuant to paragraph 1A of Schedule 1 to the Small Companies and Groups (Accounts and Directors' Report) Regulations (SI 2008/409)(b).

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial Year ended 31 October 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the Year in question in accordance with section 476.

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

BCM SCAFFOLDING SERVICES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 OCTOBER 2022

The financial statements were approved by the board of directors and authorised for issue on 21 October 2023 and are signed on its behalf by:

D Hayde
Director

Company Registration No. 02478838

BCM SCAFFOLDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2022

1 Accounting policies

Company information

BCM Scaffolding Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is PO Box 501, The Nexus Building, Broadway, Letchworth Garden City, Herts, SG6 9BL.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the hire of equipment is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	5% - 25% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Plant and machinery is impaired annually at a rate of 5% to 25% of the net book value. The assets are revalued periodically when a full stock take is carried out, whereby movements in the revaluation reserve occur. An impairment loss is recognised immediately as a revaluation decrease. This policy is in line with revaluation model described in FRS 102 Section 17. Unless otherwise stated, revaluations are performed by the directors with reference to market prices for the asset categories concerned.

BCM SCAFFOLDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

1 Accounting policies

(Continued)

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

BCM SCAFFOLDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

1 Accounting policies

(Continued)

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The directors consider it improbable that scaffolding assets will be disposed of in a manner that would give rise to a material impact on future current taxation. Consequently no deferred tax liability is provided in respect of timing differences that arise on this class of asset.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

BCM SCAFFOLDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

1 Accounting policies

(Continued)

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average monthly number of persons (including directors) employed by the company during the Year was:

	2022 Number	2020 Number
Total	25	20

3 Tangible fixed assets

	Total £
Cost	
At 1 November 2021	1,808,162
Additions	93,383
Disposals	(181,707)
At 31 October 2022	1,719,838
Depreciation and impairment	
At 1 November 2021	129,921
Depreciation charged in the Year	97,366
Eliminated in respect of disposals	(4,463)
At 31 October 2022	222,824
Carrying amount	
At 31 October 2022	1,497,014
At 31 October 2021	1,678,241

The bank loan is secured by way of a fixed and floating charge over the assets of the company.

BCM SCAFFOLDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

4 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	-	68,004
Corporation tax recoverable	-	84,710
Amounts owed by group undertakings	3,000,000	3,000,000
Other debtors	392,010	250,758
	<u>3,392,010</u>	<u>3,403,472</u>

5 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans	126,854	91,946
Trade creditors	299,145	216,649
Amounts owed to group undertakings	839,975	610,688
Taxation and social security	393,895	348,221
Other creditors	446,646	373,528
	<u>2,106,515</u>	<u>1,641,032</u>

6 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	2,249,812	2,271,667
	<u>2,249,812</u>	<u>2,271,667</u>

7 Related party transactions

The following amounts were outstanding at the reporting end date:

	2022	2021
	£	£
Amounts due to related parties		
Entities with control, joint control or significant influence over the company	839,975	610,688
Key management personnel	312,246	306,000
Other related parties	95,145	515,319
	<u>1,247,366</u>	<u>1,432,007</u>

BCM SCAFFOLDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

7 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

	2022	2021
Amounts due from related parties	£	£
Entities with control, joint control or significant influence over the company	3,000,000	3,000,000

Other information

D Hayde and A McLay have provided supported personal guarantees in respect of the company's borrowings. There are also cross company guarantees provided by Safe Rise Scaffolding Group Limited, Safe Rise Scaffolding Group Holdings Limited, SRS 2 Limited and Scaffteq West Limited.

8 Events after the reporting date

Following the period end the company, via its agent, was in correspondence with HMRC in respect of its tax affairs. The directors consider there to be little certainty as to the outcome, and timing, of any potential cash inflow or outflow in connection with the issues being discussed.

9 Ultimate controlling party

The ultimate controlling party is Safe Rise Scaffolding Group Holdings Limited, a company incorporated in the United Kingdom at 33 Kidbrooke Grove, London, England, SE3 0LE.

BCM SCAFFOLDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

10 Prior period adjustment

Reconciliation of changes in equity

	1 November 2020 £	31 October 2021 £
Adjustments to prior Year		
Connected Company Credit Notes	-	520,566
Equity as previously reported	1,163,950	662,986
Equity as adjusted	1,163,950	1,183,552

Analysis of the effect upon equity

Profit and loss reserves	-	520,566
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Reconciliation of changes in loss for the previous financial period

	2021 £
Adjustments to prior Year	
Connected Company Credit Notes	520,566
Loss as previously reported	(1,043,283)
Loss as adjusted	(522,717)

Notes to reconciliation

The directors have concluded that the invoices received during the prior years with Success Leadership, that hadn't yet been paid, were not true and fair to be presented within the prior year figures. A prior year adjustment has therefore been included to adjust for this.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.