

Strategic Report, Report of the Directors and
Audited Financial Statements for the Year Ended 31 December 2020
for
Lengard Limited

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for the Year Ended 31 December 2020**

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Lengard Limited
Company
Information
for the Year Ended 31 December 2020

DIRECTORS: G P Goddard
C S Burr
S J Brewster

SECRETARY: P A Sharp

REGISTERED OFFICE: Cambridge House
Cambridge Road
Harlow
Essex
CM20 2EQ

REGISTERED NUMBER: 00813790 (England and Wales)

AUDITORS: Hardcastle Burton LLP
Lake House
Market Hill
Royston
Hertfordshire
SG8 9JN

Strategic Report
for the Year Ended 31 December 2020

The directors present their strategic report for the year ended 31 December 2020.

REVIEW OF BUSINESS

The company has experienced an increase in margin this year as a result of exiting a number of historic project and focusing on the core service offering. The directors have addressed the issues identified in prior years and are pleased to report that, on securing a number of higher margin contracts, the company has returned to profitability in the current financial year.

KEY PERFORMANCE INDICATORS

A summary of results in the last three years is as follows-

	2020	2019	2018
Turnover £'000	£9,499	£13,549	£17,048
Turnover growth	-30%	-21%	-19%
Gross profit margin	11.8%	-12.9%	9.7%
Net profit / (loss) before tax £'000	£437	£(3,195)	£(278)

PRINCIPAL RISKS AND UNCERTAINTIES

The commercial risks associated with construction contracts are many and varied, but the new robust pre-tender bid / no bid assessment together with revised procedures in the identification of risks and opportunities seek to mitigate these risks.

Management of financial risk is undertaken through continued monitoring of cash reserves. The overall financial climate is such that cash reserves will continue to be put to the best operating use and accompanied by careful control of working capital, including the monitoring of debtors and client ability to pay, restricting client exposure to blue chip companies, large institutions and public bodies.

Liquidity risk - liquidity risk arises from the company's management of working capital and is the risk that the company will encounter difficulty in meeting its financial obligations as they fall due,. It is the policy to ensure the company will have sufficient cash to allow it to meet its liabilities as they fall due. The directors and management review cash flow and projections on a regular basis.

Credit risk - credit risk is the risk associated with trade debtors and sales retentions. The directors mitigate this risk by ensuring procedures are in place to limit credit facilities to customers based on credit searches and trading history. Trade debtors and sales retentions balances are reviewed on a regular basis.

Interest rate risk - The company's exposure to interest rate risk is currently minimal due to the cash resources within the company.

ON BEHALF OF THE BOARD:

G P Goddard - Director

17 March 2021

**Report of the Directors
for the Year Ended 31 December 2020**

The directors present their report with the financial statements of the company for the year ended 31 December 2020.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of building contractors.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2020.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

G P Goddard
C S Burr

Other changes in directors holding office are as follows:

S J Brewster - appointed 1 January 2020

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Report of the Directors
for the Year Ended 31 December 2020

AUDITORS

The auditors, Hardcastle Burton LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

G P Goddard - Director

17 March 2021

Report of the Independent Auditors to the Members of Lengard Limited

Opinion

We have audited the financial statements of Lengard Limited (the 'company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, 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 December 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 UK, including the FRC'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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Lengard Limited**

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 Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page three, 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 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.

Report of the Independent Auditors to the Members of Lengard Limited

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 a Report of the Auditors 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.

The objectives of our audit, in respect of fraud are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identification during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:-

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that related to the reporting framework (FRS 102 and Companies Act 2006) and the relevant tax compliance regulations in the jurisdictions that the company operates.
- In addition, we concluded that there are certain significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements being those relating to the environment, occupational health and safety and government support schemes available throughout the Covid 19 pandemic.
- We obtained an understanding to how the company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of supporting licensing documentation.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management from various parts of the business to understand the systems and controls of the company. We also considered remuneration packages and the influence this has on the financial results of the company to provide reasonable assurance that the financial statements were free from fraud and error.
- Generally, the Covid 19 pandemic has increased inherent risk of detection fraud due to an increase in remote working. We have considered the impact of this when designing our audit approach.
- Based on our understanding we designed our audit procedures to identify non-compliance with such laws and regulations identified in the paragraphs above. Our procedures involved; journal entry testing; focusing on manual journals and journals indicating large or unusual transactions based on our understanding of the business; enquiries of management and focused testing in relation to revenue and management override.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement 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 on 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 Report of the Auditors 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 Report of the Auditors. 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.

**Report of the Independent Auditors to the Members of
Lengard Limited**

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.

Use of our report

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 a Report of the Auditors 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.

Denise Lindsell FCA (Senior Statutory Auditor)
for and on behalf of Hardcastle Burton LLP
Lake House
Market Hill
Royston
Hertfordshire
SG8 9JN

17 March 2021

Statement of Comprehensive Income
for the Year Ended 31 December 2020

	Notes	31.12.20 £	31.12.19 £
TURNOVER	4	9,499,137	13,548,557
Cost of sales		<u>8,380,700</u>	<u>15,291,286</u>
GROSS PROFIT/(LOSS)		1,118,437	(1,742,729)
Administrative expenses		<u>757,167</u>	<u>1,458,207</u>
		361,270	(3,200,936)
Other operating income		<u>74,051</u>	<u>3,028</u>
OPERATING PROFIT/(LOSS)	6	435,321	(3,197,908)
Interest receivable and similar income		<u>1,403</u>	<u>3,089</u>
PROFIT/(LOSS) BEFORE TAXATION		436,724	(3,194,819)
Tax on profit/(loss)	7	<u>267</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		436,457	(3,194,819)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>436,457</u>	<u>(3,194,819)</u>

Balance Sheet
31 December
2020

	Notes	31.12.20 £	£	31.12.19 £	£
FIXED ASSETS					
Tangible assets	8		31,009		52,528
CURRENT ASSETS					
Stocks	9	-		284,836	
Debtors	10	3,218,217		3,714,272	
Cash at bank and in hand		<u>1,434,872</u>		<u>1,222,768</u>	
		4,653,089		5,221,876	
CREDITORS					
Amounts falling due within one year	11	<u>3,365,597</u>		<u>4,392,360</u>	
NET CURRENT ASSETS			<u>1,287,492</u>		<u>829,516</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,318,501</u>		<u>882,044</u>
CAPITAL AND RESERVES					
Called up share capital	14		2,000		2,000
Retained earnings	15		<u>1,316,501</u>		<u>880,044</u>
SHAREHOLDERS' FUNDS			<u>1,318,501</u>		<u>882,044</u>

The financial statements were approved by the Board of Directors and authorised for issue on 17 March 2021 and were signed on its behalf by:

G P Goddard - Director

Statement of Changes in Equity
for the Year Ended 31 December 2020

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2019	2,000	4,074,863	4,076,863
Changes in equity			
Total comprehensive income	-	(3,194,819)	(3,194,819)
Balance at 31 December 2019	<u>2,000</u>	<u>880,044</u>	<u>882,044</u>
Changes in equity			
Total comprehensive income	-	436,457	436,457
Balance at 31 December 2020	<u>2,000</u>	<u>1,316,501</u>	<u>1,318,501</u>

Notes to the Financial Statements
for the Year Ended 31 December 2020

1. STATUTORY INFORMATION

Lengard Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office, that is also the principal place of business, can be found on the Company Information page.

The presentational currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

On the date of signing these financial statements, there was a world-wide pandemic. Whilst the directors have prepared revised cash flow forecasts, it is currently unknown how long the pandemic will last and the lasting impact that it will have on the trading activity of the company. The directors believe that the company will continue to be profitable and will have adequate cash resources in order to pay all of its creditors as they fall due for the foreseeable future and for at least 12 months from the date of signing of these financial statements.

Financial Reporting Standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover represents amounts invoiced to customers, except in respect of contracting activities where turnover represents the value of work carried out during the year including amounts not invoiced. Turnover excludes value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 25% on cost and in accordance with the lease term
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 33% on cost and 15% on reducing balance
Motor vehicles	- 25% on reducing balance

Government grants

Government grants are recognised in the financial statements using the accruals model. Grants that are received in respect of expenses or losses already incurred by the entity are recognised in the profit and loss for the period when the grant becomes receivable.

The amount of government grants recognised in the year is £72,064.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. **ACCOUNTING POLICIES - continued**

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Long term contracts

Profit on contracting activities is taken as work progresses. Unless a more conservative approach is necessary, the percentage margin on each individual contract is the lower of the margin earned to date and that forecast to completion. Full provision is made for contract losses as soon as they are foreseen. 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.

Joint venture interests

The company entered into a joint venture agreement for the development of residential properties in year ended 31 December 2017. Prior to any sale agreement with a third party, costs plus an attributable amount of overheads are recognised on the balance sheet as joint venture interests. Revenue and profit are recognised only once a sale has been agreed with a third party, when it is probable that the economic benefits associated with the transaction will flow to the company.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements, as prepared in accordance with FRS 102, requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) There are no judgements, apart from those involving estimates, that have had a significant effect on the amounts recognised in the financial statements.

b) The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimate and assumption that has the most significant potential impact on the carrying values of assets are liabilities within the next financial year is:

i) Revenue recognition on long term contracts

Recognition of revenue and profit is based on judgements made in respect of the ultimate profitability of a contract. Such judgements are arrived at through the use of estimates in relation to the costs and value of the work performed to date and to be performed in bringing the contracts to completion, including the satisfaction of maintenance responsibilities. The company has appropriate control procedures to ensure all estimates are determined on a consistent basis and subject to appropriate review and authorisation.

4. TURNOVER

All turnover is attributable to the company's principal activity undertaken in the United Kingdom.

5. EMPLOYEES AND DIRECTORS

	31.12.20	31.12.19
	£	£
Wages and salaries	1,032,354	1,560,760
Social security costs	123,385	181,732
Other pension costs	50,181	23,845
	<u>1,205,920</u>	<u>1,766,337</u>

The average number of employees during the year was as follows:

	31.12.20	31.12.19
Direct staff	6	17
Administration staff	11	11
Directors	3	2
	<u>20</u>	<u>30</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

5. EMPLOYEES AND DIRECTORS - continued

	31.12.20	31.12.19
Directors' remuneration	£ 208,499	£ 117,109

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>1</u>
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Information regarding the highest paid director for the year ended 31 December 2020 and 31 December 2019 is as follows:

	31.12.20	31.12.19
Emoluments etc	£ 104,191	£ 110,166

6. OPERATING PROFIT/(LOSS)

The operating profit (2019 - operating loss) is stated after charging:

	31.12.20	31.12.19
Depreciation - owned assets	£ 21,519	£ 35,461
Auditors' remuneration	20,206	22,200
Operating leases - other assets	11,328	1,888
Operating leases - land & buildings	<u>54,480</u>	<u>54,480</u>

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31.12.20	31.12.19
Current tax:	£	£
UK corporation tax	<u>267</u>	-
Tax on profit/(loss)	<u>267</u>	-

UK corporation tax has been charged at 19% (2019 - 19%).

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.20	31.12.19
	£	£
Profit/(loss) before tax	<u>436,724</u>	<u>(3,194,819)</u>
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	82,978	(607,016)
Effects of:		
Expenses not deductible for tax purposes	(660)	1,247
Depreciation in excess of capital allowances	-	6,468
Utilisation of tax losses	(85,919)	-
Losses not utilised	-	599,301
Deferred Taxes not recognised in the year	<u>3,868</u>	-
Total tax charge	<u><u>267</u></u>	<u><u>-</u></u>

As at 31 December 2020 the company had carried forward tax losses of £2,702,005 (2019 - £3,154,212)

8. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 January 2020 and 31 December 2020	<u>6,593</u>	<u>287</u>	<u>286,182</u>	<u>29,481</u>	<u>322,543</u>
DEPRECIATION					
At 1 January 2020	6,044	287	243,276	20,408	270,015
Charge for year	<u>549</u>	<u>-</u>	<u>17,931</u>	<u>3,039</u>	<u>21,519</u>
At 31 December 2020	<u>6,593</u>	<u>287</u>	<u>261,207</u>	<u>23,447</u>	<u>291,534</u>
NET BOOK VALUE					
At 31 December 2020	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>24,975</u></u>	<u><u>6,034</u></u>	<u><u>31,009</u></u>
At 31 December 2019	<u><u>549</u></u>	<u><u>-</u></u>	<u><u>42,906</u></u>	<u><u>9,073</u></u>	<u><u>52,528</u></u>

9. STOCKS

	31.12.20	31.12.19
	£	£
Stocks	<u>-</u>	<u>284,836</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

10. DEBTORS

	31.12.20	31.12.19
	£	£
Amounts falling due within one year:		
Trade debtors	56,941	737,352
Retentions receivable	401,923	398,154
Amounts recoverable on long term contracts	1,762,625	1,430,079
Joint venture interests	-	508,080
Tax	58,551	58,551
Prepayments and accrued income	<u>584,868</u>	<u>27,840</u>
	<u><u>2,864,908</u></u>	<u><u>3,160,056</u></u>
Amounts falling due after more than one year:		
Retentions receivable	<u>353,309</u>	<u>554,216</u>
Aggregate amounts	<u><u>3,218,217</u></u>	<u><u>3,714,272</u></u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Trade creditors	355,303	980,620
Retentions payable	803,854	1,043,943
Corporation tax	267	-
Social security and other taxes	102,303	141,654
Other creditors	1,273,377	1,428,456
Accrued expenses	<u>830,493</u>	<u>797,687</u>
	<u><u>3,365,597</u></u>	<u><u>4,392,360</u></u>

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.20	31.12.19
	£	£
Within one year	23,060	65,808
Between one and five years	-	227,360
In more than five years	-	68,100
	<u>23,060</u>	<u>361,268</u>

13. FINANCIAL INSTRUMENTS

Financial instruments are held at amortised cost.

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			31.12.20	31.12.19
Number:	Class:	Nominal value:	£	£
2,000	Ordinary	£1	<u>2,000</u>	<u>2,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

15. **RESERVES**

Retained
earnings
£

At 1 January 2020	880,044
Profit for the year	<u>436,457</u>
At 31 December 2020	<u><u>1,316,501</u></u>

16. **PENSION COMMITMENTS**

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. Total contributions during the year amounted to £50,181 (2019: £23,845).

Total contributions due at the year end are £nil (2019: contributions due: £6,997).

17. **ULTIMATE PARENT COMPANY**

The ultimate parent company is Lengard Holdings Limited, a company incorporated in the United Kingdom. Copies of the group financial statements can be obtained from Companies House.

In the opinion of the directors, the ultimate controlling party is G P Goddard.

18. **RELATED PARTY DISCLOSURES**

Entities under common ultimate control

	31.12.20	31.12.19
	£	£
Sales	25,271	40,077
Amount due to related party	<u>1,181,166</u>	<u>1,308,278</u>

During the year, a total of key management personnel compensation of £ 199,574 (2019 - £ 117,109) was paid.