REGISTERED NUMBER: 03033776 (England and Wales)

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

FOR

MORRIS PROPERTY LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

MORRIS PROPERTY LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2019

DIRECTORS:	T J Morris R C Morris
SECRETARY:	L P O'Loughlin
REGISTERED OFFICE:	Welsh Bridge Shrewsbury Shropshire SY3 8LH
REGISTERED NUMBER:	03033776 (England and Wales)
AUDITORS:	Whittingham Riddell LLP Chartered Accountants & Registered Auditors Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2019

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

T J Morris
R C Morris

CHARITABLE DONATIONS AND EXPENDITURE
Donations during the period amounted to £1,396 (2018: £2,058).

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS
The company granted an indemnity to all the directors against liability in respect of proceedings brought by third parties. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

DIRECTORS' RESPONSIBILITIES STATEMENT
The directors are responsible for preparing 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;

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.
This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

........Lindsay O'Loughlin........
L P O'Loughlin - Secretary

Date: ...10 October 2019...

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MORRIS PROPERTY LIMITED

Opinion
We have audited the financial statements of Morris Property Limited (the 'company') for the year ended 31 March 2019 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 March 2019 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
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The directors are responsible for the other information. The other information comprises the information in 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 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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MORRIS PROPERTY 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

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

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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.

Riddell LLP

Andrew Malpass BA FCA (Senior Statutory Auditor)
for and on behalf of Whittingham Riddell LLP
Chartered Accountants & Registered Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date: 14 October 2019

MORRIS PROPERTY LIMITED (REGISTERED NUMBER: 03033776)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
TURNOVER		20,581,127	14,987,445
Cost of sales		(18,509,517)	(13,506,396)
GROSS PROFIT		2,071,610	1,481,049
Administrative expenses		(1,064,078)	(958,925)
		1,007,532	522,124
Other operating income		318	1,953
OPERATING PROFIT	4	1,007,850	524,077
Interest payable and similar expenses		(7,367)	(57,366)
PROFIT BEFORE TAXATION		1,000,483	466,711
Tax on profit		(122,500)	(83,217)
PROFIT FOR THE FINANCIAL YEAR		877,983	383,494
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		877,983	383,494

The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2019

		2019		2018	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	5		230,239		287,203
CURRENT ASSETS					
Debtors	6	4,661,752		2,703,058	
Cash at bank and in hand		42,176		1,852	
		4,703,928		2,704,910	
CREDITORS					
Amounts falling due within one year	7	4,020,275		2,439,764	
NET CURRENT ASSETS			683,653		265,146
TOTAL ASSETS LESS CURRENT LIABILITIES			913,892		552,349
CREDITORS					
Amounts falling due after more than one year	8		-		(516,440)
PROVISIONS FOR LIABILITIES			(10,000)		(10,000)
NET ASSETS			903,892		25,909
CAPITAL AND RESERVES					
Called up share capital			2		2
Retained earnings			903,890		25,907
SHAREHOLDERS' FUNDS			903,892		25,909

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on ......10/10/19...................... and were signed on its behalf by:

....
R C Morris - Director

The notes form part of these financial statements

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

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2017	2	(357,587)	(357,585)
Changes in equity			
Total comprehensive income	-	383,494	383,494
Balance at 31 March 2018	2	25,907	25,909
Changes in equity			
Total comprehensive income	-	877,983	877,983
Balance at 31 March 2019	2	903,890	903,892

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. **STATUTORY INFORMATION**

Morris Property Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The principal activities of the company are a range of construction services from concept through to completion, partnership agreements and joint ventures along with design and build services.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements
These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of 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.

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.

Going concern
The Directors have adopted the going concern concept in the accounts which given current year profitability and net assets, is now considered applicable without the need for support from Morris & Company (Shrewsbury) Limited.

Turnover
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services
Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and,
- the costs incurred and the costs to complete the contract can be measured reliably.

Tangible fixed assets
Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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2. ACCOUNTING POLICIES - continued

Tangible fixed assets - continued

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

Depreciation is provided on the following basis:

Leasehold improvements	- over the term of the lease
Plant and machinery	- 10% to 20% straight line
Motor vehicles	- 20% to 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement.

Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the non discounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out right short term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

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

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

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised 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 that have been enacted or substantively enacted by the balance sheet date.

continued...

2. **ACCOUNTING POLICIES - continued**

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

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. 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.

Leasing commitments
Where assets are financed by leasing agreements that do not give rights approximating to ownership (operating leases), the assets are not treated as if they had been purchased outright, rather rents paid are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Long-term contracts
Profit on long term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 42 (2018 - 40).

continued...

4. OPERATING PROFIT

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

	2019	2018
	£	£
Hire of plant and machinery	410	448
Depreciation - owned assets	80,548	86,161
Profit on disposal of fixed assets	(4,700)	-
Auditors' remuneration	3,495	11,100

5. TANGIBLE FIXED ASSETS

	Leasehold improvements	Plant and machinery etc	Totals
	£	£	£
COST			
At 1 April 2018	108,216	846,465	954,681
Additions	-	23,584	23,584
Disposals	-	(12,500)	(12,500)
At 31 March 2019	108,216	857,549	965,765
DEPRECIATION			
At 1 April 2018	19,460	648,018	667,478
Charge for year	13,736	66,812	80,548
Eliminated on disposal	-	(12,500)	(12,500)
At 31 March 2019	33,196	702,330	735,526
NET BOOK VALUE			
At 31 March 2019	75,020	155,219	230,239
At 31 March 2018	88,756	198,447	287,203

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	2,058,844	1,534,701
Amounts owed by group undertakings	1,429,954	798,484
Amounts recoverable on contract	421,008	225,357
Other debtors	751,946	144,516
	4,661,752	2,703,058

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Bank loans and overdrafts	-	584,330
Payments on account	601,647	252,276
Trade creditors	2,402,844	1,109,432
Amounts owed to group undertakings	100,000	100,000
Taxation and social security	114,553	170,764
Other creditors	801,231	222,962
	4,020,275	2,439,764

continued...

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£	£
Amounts owed to group undertakings	-	516,440

9. SECURED DEBTS

The following secured debts are included within creditors:

	2019	2018
	£	£
Bank overdraft	-	584,330

There is an intercompany guarantee on the bank overdraft, refer to Contingent Liabilities note. Bank loans are secured through fixed charges held over various properties held by Morris & Company Limited, Morris & Company (Shrewsbury) Limited and Morris Care Limited.

10. FINANCIAL INSTRUMENTS

	2019	2018
	£	£
Financial assets that are debt instruments measured at amortised cost	3,487,786	2,338,836
Financial liabilities measured at amortised cost	(3,274,944)	(2,238,105)

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

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

11. CONTINGENT LIABILITIES

Morris & Company Limited, Morris Site Machinery Limited, Morris Property Limited and Morris Care Limited, are party to a group overdraft limit of £2,250,000 (2018: £2,250,000) with Lloyds PLC. The overdrafts at the year end are as follows:

	2019	2018
	£	£
Morris & Company Limited	-	-
Morris Care Limited	-	-
Morris Site Machinery Limited	150,686	-
Morris Property Limited	-	584,330

12. ULTIMATE CONTROLLING PARTY

The company is a wholly owned subsidiary of Morris & Company (Shrewsbury) Limited, a company incorporated in England and Wales.