

NEILCOTT GROUP HOLDINGS LIMITED
STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



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FOR THE YEAR ENDED 31 DECEMBER 2018

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NEILCOTT GROUP HOLDINGS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2018

DIRECTORS: M C Elster
G O'Shea

REGISTERED OFFICE: Excel House
Cray Avenue
Orpington
Kent
BR5 3ST

REGISTERED NUMBER: 08313483 (England and Wales)

AUDITORS: Wilkins Kennedy Audit Services
Statutory Auditor
2nd Floor
Regis House
45 King William Street
London
EC4R 9AN

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

The directors present their strategic report for the year ended 31 December 2018.

The Neilcott Group

Neilcott Group Holdings Limited (the company) is a parent undertaking of Neilcott Construction Limited, Neilcott Developments Limited, Neilcott Construction Services Limited and Neilcott Holdings Limited (the group).

Neilcott Construction Limited is the only active operational trading company within the group, the Review of Business for which follows.

REVIEW OF BUSINESS

The key financial highlights are as follows:

	2018 £	2017 £	2016 £	2015 £
Turnover	100,619,077	103,688,661	99,627,668	82,922,208
Change in turnover	(2.96%)	4.08%	20.15%	24.35%
Gross margin	14,064,383 13.98%	13,149,536 12.68%	11,834,008 11.88%	9,093,181 10.97%
Operating profit /(loss)	7,258,170	7,285,914	6,548,335	4,559,947
Working capital	10,542,816	9,099,021	7,750,546	6,297,354

2018 results set out herein reflect another successful year's trading, maintaining turnover at the targeted level, continuing the upward trend in gross margin and delivering another strong financial performance during the year. Continued prudent control of cash within the business resulted in cash held increasing significantly to circa £33.8 million at year end.

Enquiry levels remained high which, when combined with a continued conversion rate of 1:4.5, translated to record levels of secured work at the beginning of 2019, ensuring that good prospects exist for the current year. During the year traditional key trading relationships were maintained whilst more recent relationships within the housing market were strengthened. Additionally, recent initiatives to increase activity in the further education market have been successful and are expected to give rise to growing opportunities in the future. Combined with numerous successes in respect of both local and regional frameworks, the basis for further planned growth is now in place following a number of years of planned consolidation.

PRINCIPAL RISKS AND UNCERTAINTIES**Business risks**

The group's turnover represents but a fraction of the workload which is potentially available within the market, therefore provided flexibility is retained to allow the group to respond proactively to possible changes in market demographics and provided standards of delivery are maintained, the group will continue to be largely immune to cyclical market trends.

Financial risks

The group's principal financial instruments comprise bank balances, intercompany loans, other debtors and other creditors. The main purpose of these instruments is to finance the group's operations. The nature of the financial instruments used by the group is such that their market value does not fluctuate as a result of changes in market prices. The group's approach to managing the risks applicable to the financial instruments concerned is as below.

Credit risks

Credit risk is minimised by assessing all new and existing customers for creditworthiness and implementing arrangements as appropriate such as to provide for security of payments.

Liquidity risks

Liquidity risk is managed by prudent management of cash within the business enabling day to day operations and long term expansion of the business to be funded without recourse to external finance. The directors regularly review cash held within the business in terms of both the immediate and future cash requirements to ensure commitments are met as they fall due and allowing prudent levels of reserve such as to protect the business from unexpected debtor issues. Cash levels held enable bonds to be procured at competitive rates to support both current turnover and further planned expansion of turnover.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

OBJECTIVES

The group aims to be the preferred contractor of choice for its clients. This will be achieved through consistently delivering the required end product in terms of time, cost and quality, in a manner which respects the overriding and absolute requirement to maintain the health, safety and welfare of all those who may come into contact with our activities. All of our activities, large and small are therefore undertaken with a view to exceeding expectations wherever possible. By so doing and by adopting and promoting a collaborative approach throughout, the construction process is rendered an enjoyable and rewarding experience for all. This approach will support long term, repeat order trading relationships with clients and their advisors who value both the nature of the end product and the manner in which it is delivered. Development of such relationships provides the opportunity to secure steady work streams with a likeminded client base whose credentials can be relied upon, affording the group the best opportunity to realise a fair return on its activities.

The group also aspires for similar excellence across a broader range of activities. Continuous improvement is sought in respect of the impact of the group's activities upon the environment, seeking not just to minimise the potential for adverse impact but actively seeking out opportunities to create positive impacts. The group also recognises that having a significant stake in the public sector supply chain imposes responsibilities upon the group to maximise opportunities to generate community benefits arising from local capital expenditure and takes proactive steps to support this agenda.

OPERATING MODEL

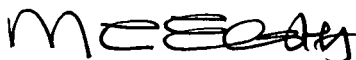
Fundamental to achieving these objectives is attracting, developing and retaining a high calibre and highly motivated management team who share the group's collaborative ethos and for whom a proactive approach to problem solving is second nature. Such staff will be motivated by the challenges offered by the most demanding projects whereupon higher level skill sets can create the greatest competitive advantage.

The group's approach to construction requires a stable supply chain to be maintained comprising partners who share the group's ambitions and who possess the necessary technical credentials to allow them to contribute positively to the construction process whilst being able to provide appropriate levels of commercial security. Adoption of fair procurement and payment practices and provision of exemplary working environments promotes a partnership approach to working with the supply chain, ensuring the highest standards are achieved whilst allowing our partners to realise their own commercial expectations.

FORWARD PLANNING

The group's primary ambition is to maintain turnover and profitability at its current level. Recent initiatives to enhance management resources and group infrastructure however now offer the group the potential to respond proactively and securely to the numerous opportunities for further growth in the medium term which exist. Such growth is seen as important in order to continue to create opportunities for personal development amongst the management team within the group and to support further strengthening of both management resource and infrastructure as and when opportunity arises. The group however remains committed to maintaining profitability at its current level therefore future expansion will be on the basis that the additional risk inextricably linked to additional workload is properly balanced by increased profitability.

ON BEHALF OF THE BOARD:



.....
M C Elster - Director

Date: 17/04/2019

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2018**

The directors present their report with the financial statements for the year ended 31 December 2018 for Neilcott Group Holdings Ltd (the 'company').

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a parent undertaking.

DIVIDENDS

The company paid dividends of £4,300,000 (2017: £4,300,000) during the year.

DIRECTORS

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

M C Elster
G O'Shea

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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.

ON BEHALF OF THE BOARD:



.....
M C Elster - Director

Date: 17/09/2019

Opinion

We have audited the financial statements of Neilcott Group Holdings Limited (the 'company') for the year ended 31 December 2018 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 2018 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 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 Statement of Directors' Responsibilities set out on page four, 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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Catherine Cooper
Wilkins Kennedy Audit Services

Catherine Cooper (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy Audit Services
Statutory Auditor
2nd Floor
Regis House
45 King William Street
London
EC4R 9AN

Date: 28/9/15

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 £	2017 £
TURNOVER		-	-
OPERATING PROFIT	4	-	-
Income from shares in group undertakings		4,300,000	4,300,000
PROFIT BEFORE TAXATION		4,300,000	4,300,000
Tax on profit	5	-	-
PROFIT FOR THE FINANCIAL YEAR		4,300,000	4,300,000

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 £	2017 £
PROFIT FOR THE YEAR		4,300,000	4,300,000
OTHER COMPREHENSIVE LOSS			
Share subscription by EBT		(703,000)	-
Income tax relating to other comprehensive loss		-	-
		<hr/>	<hr/>
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF INCOME TAX		(703,000)	-
		<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>3,597,000</u>	<u>4,300,000</u>

The notes form part of these financial statements

NEILCOTT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 08313483)

BALANCE SHEET
31 DECEMBER 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Investments	7	3,375,000	3,375,000
CURRENT ASSETS			
Debtors	8	16,091,838	11,791,838
CREDITORS			
Amounts falling due within one year	9	(16,091,838)	(11,791,838)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,375,000</u>	<u>3,375,000</u>
CAPITAL AND RESERVES			
Called up share capital	10	15,385	15,000
Share premium	11	2,187,615	1,485,000
Capital redemption reserve	11	1,868,579	1,868,579
Reserve for own shares	11	(703,000)	-
Retained earnings	11	6,421	6,421
SHAREHOLDERS' FUNDS		<u>3,375,000</u>	<u>3,375,000</u>

The financial statements were approved by the Board of Directors on 17/09/2019 and were signed on its behalf by:



.....
M C Elster - Director

The notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2017	15,000	6,421	1,485,000
Changes in equity			
Dividends	-	(4,300,000)	-
Total comprehensive income	-	4,300,000	-
Balance at 31 December 2017	<u>15,000</u>	<u>6,421</u>	<u>1,485,000</u>
Changes in equity			
Issue of share capital	385	-	702,615
Dividends	-	(4,300,000)	-
Total comprehensive income	-	4,300,000	-
Balance at 31 December 2018	<u>15,385</u>	<u>6,421</u>	<u>2,187,615</u>
	Capital redemption reserve £	Reserve for own shares £	Total equity £
Balance at 1 January 2017	1,868,579	-	3,375,000
Changes in equity			
Dividends	-	-	(4,300,000)
Total comprehensive income	-	-	4,300,000
Balance at 31 December 2017	<u>1,868,579</u>	<u>-</u>	<u>3,375,000</u>
Changes in equity			
Issue of share capital	-	-	703,000
Dividends	-	-	(4,300,000)
Total comprehensive income	-	(703,000)	3,597,000
Balance at 31 December 2018	<u>1,868,579</u>	<u>(703,000)</u>	<u>3,375,000</u>

The notes form part of these financial statements

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	-	-
Cash flows from investing activities			
Dividends received		4,300,000	4,300,000
Net cash from investing activities		4,300,000	4,300,000
Cash flows from financing activities			
Share issue		385	-
Share premium		702,615	-
Share subscription by EBT		(703,000)	-
Equity dividends paid		(4,300,000)	(4,300,000)
Net cash from financing activities		(4,300,000)	(4,300,000)
Increase in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of year		-	-
Cash and cash equivalents at end of year		-	-

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2018	2017
	£	£
Profit before taxation	4,300,000	4,300,000
Finance income	(4,300,000)	(4,300,000)
Cash generated from operations	-	-

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. **STATUTORY INFORMATION**

Neilcott Group Holdings 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.

2. **ACCOUNTING POLICIES**

Basis of preparation

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.

The financial statements are presented in sterling (£) which is also the functional currency for the company.

Going concern

After reviewing the company's forecasts and projections and taking into account the economic conditions and possible changes in trading performance, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its 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 requirement of Section 33 Related Party Disclosures paragraph 33.7.

Preparation of consolidated financial statements

The financial statements contain information about Neilcott Group Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Tyrolese (751) Limited, whose registered office is Excel House, Cray Avenue, Orpington, Kent, BR5 3ST.

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.

During the year a dividend was declared of which £57,501 (2017: £nil) was paid to the Neilcott Group Holdings Limited Employee Benefit Trust, of which Mr M Elster is a Trustee.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Trade and other debtors

Trade and other debtors are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing market rate of interest. Loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method less any impairment.

Trade and other creditors

Trade and other creditors are measured at their transaction price unless the arrangement constitutes a financing transaction in which case the transaction is measured at present value of future payments discounted at prevailing market rate of interest. Other financial liabilities are initially measured at fair value net of their transaction costs. They are subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

2. ACCOUNTING POLICIES - continued**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 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 taxation

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.

Employee benefit trust

Shares held by the Neilcott Group Holdings Limited Employee Benefit Trust are classified in capital and reserves as "reserve for own shares" and recognised at cost. Share premium received for the sale of such shares is also recognised in equity. No gain or loss is recognised on the purchase, sale issue or cancellation of equity shares.

Significant judgements and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a continuing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

No key judgements or estimations have been used in the preparation of the financial statements.

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 December 2018 nor for the year ended 31 December 2017.

	2018	2017
	£	£
Directors' remuneration	-	-
	<u> </u>	<u> </u>

4. OPERATING PROFIT

There were no items charged to the operating profit for the year ended 31 December 2018 nor for the year ended 31 December 2017.

5. TAXATION**Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 31 December 2018 nor for the year ended 31 December 2017.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

5. TAXATION - continued

Tax effects relating to effects of other comprehensive income

	Gross £	2018 Tax £	Net £
Share subscription by EBT	(703,000)	-	(703,000)

6. DIVIDENDS

	2018 £	2017 £
A Ordinary Shares shares of 1p each Final	4,300,000	4,300,000

7. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2018 and 31 December 2018	3,375,000
NET BOOK VALUE	
At 31 December 2018	3,375,000
At 31 December 2017	3,375,000

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Neilcott Construction Limited

Registered office: Excel House, Cray Avenue, Orpington, Kent, BR5 3ST

Nature of business: Construction

	%	2018 £	2017 £
Class of shares:	holding		
Ordinary	100.00		
Aggregate capital and reserves		10,773,871	9,357,819
Profit for the year		5,716,052	5,580,017

Neilcott Construction Services Limited

Registered office: Excel House, Cray Avenue, Orpington, Kent, BR5 3ST

Nature of business: Holding company

	%	2018 £	2017 £
Class of shares:	holding		
Ordinary	100.00		
Aggregate capital and reserves		462,640	462,640
Profit for the year		4,300,000	4,300,000

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

7. FIXED ASSET INVESTMENTS - continued

Neilcott Developments Limited

Registered office: Excel House, Cray Avenue, Orpington, Kent, BR5 3ST

Nature of business: Property development

Class of shares:	% holding	2018	2017
Ordinary	100.00	£	£
Aggregate capital and reserves		(555)	(495)
Loss for the year		(60)	(58)

Neilcott Holdings Limited

Registered office: Excel House, Cray Avenue, Orpington, Kent, BR5 3ST

Nature of business: Holding company

Class of shares:	% holding	2018	2017
Ordinary	100.00	£	£
Aggregate capital and reserves		700,875	700,975
Profit for the year		4,299,900	4,300,000

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Amounts owed by group undertakings	16,091,838	11,791,838

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Amounts owed to group undertakings	15,388,838	11,791,838
Other creditors	703,000	-
	16,091,838	11,791,838

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2018	2017
Number:	Class:	Nominal value:	£	£
863,462	A Ordinary Shares	1p	8,635	8,250
675,000	B Ordinary Shares	1p	6,750	6,750
			15,385	15,000

38,462 A Ordinary Shares shares of 1p each were allotted as fully paid at a premium of £18.27 per share during the year.

Called-up share capital - represents the nominal value of shares that have been issued.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

11. RESERVES

	Retained earnings £	Share premium £	Capital redemption reserve £	Reserve for own shares £	Totals £
At 1 January 2018	6,421	1,485,000	1,868,579	-	3,360,000
Profit for the year	4,300,000				4,300,000
Dividends	(4,300,000)				(4,300,000)
Employee Benefit Trust share subscription	-	702,615	-	(703,000)	(385)
At 31 December 2018	<u>6,421</u>	<u>2,187,615</u>	<u>1,868,579</u>	<u>(703,000)</u>	<u>3,359,615</u>

Retained earnings - includes all current and prior period retained profits and losses.

Share premium account - includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Capital redemption reserve - includes amounts transferred following the redemption of the company's preference shares.

Neilcott Group Holdings Limited Employee Benefit Trust holds 38,462 (2017: nil) shares in Neilcott Group Holdings Limited with a nominal value of £0.01 each, £385 (2017: £nil). These shares were acquired in April 2018 at a cost of £18.27 each, £703,000 (2017: £:nil). The Trust is indirectly funded by Neilcott Group Holdings Limited to meet their obligations under the share option scheme and all the shares held by the Trust are solely for this purpose. The shares held by the Trust are distributed to employees in accordance with Neilcott Group Holdings Limited's wishes. All expenses incurred by the Trust are settled directly by Neilcott Group Holdings Limited and charged in the financial statements as incurred.

12. ULTIMATE PARENT COMPANY

The company is a 53.63% owned subsidiary of Tyrolese (751) Limited, a company incorporated in England and Wales. Tyrolese (751) Limited is considered to be the ultimate parent undertaking and controlling party

The smallest and largest group in which the results of the company are consolidated is that of Tyrolese (751) Limited. Copies of the consolidated financial statements of Tyrolese (751) Limited can be obtained from the registered address of the company.

13. RELATED PARTY DISCLOSURES

During the year a dividend was declared of which £57,501 (2017: £nil) was paid to the Neilcott Group Holdings Limited Employee Benefit Trust, of which Mr M Elster is a Trustee. At the year end £703,000 is included in other creditors for the subscription by the Employee Benefit Trust for shares in the company.