

Company Registration No. 07707155 (England and Wales)

CAREY LONDON LIMITED
ABBREVIATED ANNUAL REPORT
FOR THE YEAR ENDED 31 JULY 2015

THURSDAY



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CAREY LONDON LIMITED

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CAREY LONDON LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 JULY 2015

The directors present the strategic report and financial statements for the year ended 31 July 2015.

Review of the business

Whilst turnover reduced in the year, the gross profit margin was maintained. The company is selective in the contracts it takes - only taking on work which will generate an acceptable profit margin.

Administration costs increased in the year as the management team necessary to take the company forward were put into place and the company moved into new offices. However, it is expected that administration costs will remain at the current level for the foreseeable future.

As a result of the reduced turnover and increased administration cost, profit before tax reduced to £1,127,065 - 8.53% of turnover. The directors are satisfied with the level of profit.

The company has a strong order book for the current year and with the management team and back office structure now in place expects significant profits.

Principal risks and uncertainties

The company is not significantly exposed to price risk.

Regarding liquidity risk, the company actively manages its cash flow to ensure that sufficient funds are available for operations and planned expansions. External finance is provided by the financing of assets over 2 - 3 years.

Interest rate risk is not considered to be significant in relation to funding requirements.

Regarding credit risk, exposure to individual clients is reviewed and, where necessary, appropriate checks are carried out.

Financial key performance indicators

The directors consider the key performance indicators for the company to be turnover and gross profit margin:

	2015	2014
Turnover	£13,210,119	£17,481,789
Gross profit margin	18.9%	17.5%

On behalf of the board



Mr M J Carey

Director

25 November 2015

CAREY LONDON LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2015

The directors present their report and financial statements for the year ended 31 July 2015.

Principal activities

The principal activity of the company is that of groundworks and reinforced concrete frame contracting.

Results and dividends

The results for the year are set out on page 4.

Directors

The following directors have held office since 1 August 2014:

Mr M J Carey

Mr E Cosgrove

Mr D Hockley

(Appointed 27 November 2014)

(Appointed 27 November 2014)

Auditors

McIntyre Irwin were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 of disclosure to auditors

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

On behalf of the board



Mr M J Carey

Director

25 November 2015

CAREY LONDON LIMITED

INDEPENDENT AUDITORS' REPORT TO CAREY LONDON LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 15, together with the financial statements of Carey London Limited for the year ended 31 July 2015 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

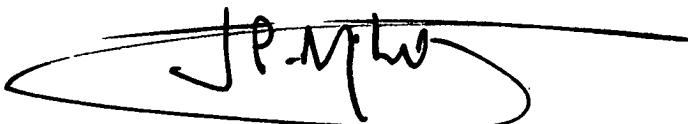
Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Mr John McIntyre (Senior Statutory Auditor)
for and on behalf of McIntyre Irwin

25 November 2015

Chartered Certified Accountants
Statutory Auditor

18 Silver Street
Enfield
Middlesex
EN1 3EG

CAREY LONDON LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2015

	Notes	2015 £	2014 £
Turnover		13,210,119	17,481,789
Other operating income less cost of sales		(10,718,099)	(14,428,546)
Administrative expenses		(1,322,836)	(831,842)
Operating profit	2	<u>1,169,184</u>	<u>2,221,401</u>
Other interest receivable and similar income		35	13
Interest payable and similar charges	4	(42,154)	(9,085)
Profit on ordinary activities before taxation		<u>1,127,065</u>	<u>2,212,329</u>
Tax on profit on ordinary activities	5	(217,405)	(475,493)
Profit for the year	13	<u><u>909,660</u></u>	<u><u>1,736,836</u></u>

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

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

CAREY LONDON LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31 JULY 2015

	Notes	2015		2014	
		£	£	£	£
Fixed assets					
Tangible assets	7		2,581,757		1,367,139
Current assets					
Debtors	8	2,248,937		3,335,407	
Cash at bank and in hand		1,518,635		1,270,058	
		<u>3,767,572</u>		<u>4,605,465</u>	
Creditors: amounts falling due within one year	9	<u>(2,750,165)</u>		<u>(3,228,665)</u>	
Net current assets			<u>1,017,407</u>		<u>1,376,800</u>
Total assets less current liabilities			<u>3,599,164</u>		<u>2,743,939</u>
Creditors: amounts falling due after more than one year	10		(658,565)		(595,717)
Provisions for liabilities	11		<u>(120,512)</u>		<u>(121,795)</u>
			<u>2,820,087</u>		<u>2,026,427</u>
Capital and reserves					
Called up share capital	12		1,000		1,000
Profit and loss account	13		<u>2,819,087</u>		<u>2,025,427</u>
Shareholders' funds	14		<u>2,820,087</u>		<u>2,026,427</u>

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies.

Approved by the Board and authorised for issue on 25 November 2015


Mr M J Carey
Director


Mr E Cosgrove
Director

Company Registration No. 07707155

CAREY LONDON LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2015

	2015	2014
	£	£
Net cash inflow from operating activities	2,512,139	1,698,848
Returns on investments and servicing of finance		
Interest received	35	13
Interest paid	(42,154)	(9,085)
Net cash outflow for returns on investments and servicing of finance	(42,119)	(9,072)
Taxation	(510,979)	(64,176)
Capital expenditure		
Payments to acquire tangible assets	(895,124)	(381,455)
Receipts from sales of tangible assets	135,107	-
Net cash outflow for capital expenditure	(760,017)	(381,455)
Equity dividends paid	(116,000)	(11,130)
Net cash inflow before management of liquid resources and financing	1,083,024	1,233,015
Financing		
New long term bank loan	-	200,000
Other new short term loans	-	100,000
Repayment of long term bank loan	(100,000)	(8,333)
Repayment of other long term loans	-	(122,672)
Capital element of hire purchase contracts	(732,522)	(193,776)
Increase in debt	(832,522)	(24,781)
Net cash outflow from financing	(832,522)	(24,781)
Increase in cash in the year	250,502	1,208,234

CAREY LONDON LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2015

1 Reconciliation of operating profit to net cash outflow from operating activities	2015	2014
	£	£
Operating profit	1,169,184	2,221,401
Depreciation of tangible assets	682,570	268,674
Loss on disposal of tangible assets	19,470	-
Decrease/(increase) in debtors	1,086,470	(2,437,345)
(Decrease)/Increase in creditors within one year	(445,555)	1,646,118
Net cash inflow from operating activities	2,512,139	1,698,848

2 Analysis of net funds	1 August 2014	Cash flow	Other non-cash changes	31 July 2015
	£	£	£	£
Net cash:				
Cash at bank and in hand	1,270,058	248,577	-	1,518,635
Bank overdrafts	(5,118)	1,925	-	(3,193)
	<u>1,264,940</u>	<u>250,502</u>	<u>-</u>	<u>1,515,442</u>
Bank deposits	-	-	-	-
Debt:				
Finance leases	(700,081)	(424,119)	-	(1,124,200)
Debts falling due within one year	(100,000)	-	-	(100,000)
Debts falling due after one year	(191,667)	100,000	-	(91,667)
	<u>(991,748)</u>	<u>(324,119)</u>	<u>-</u>	<u>(1,315,867)</u>
Net funds	<u>273,192</u>	<u>(73,617)</u>	<u>-</u>	<u>199,575</u>

3 Reconciliation of net cash flow to movement in net funds	2015	2014
	£	£
Increase in cash in the year	250,502	1,208,234
Cash inflow from increase in debt and lease financing	(324,119)	(869,076)
Movement in net funds in the year	(73,617)	339,158
Opening net funds/(debt)	273,192	(65,966)
Closing net funds	<u>199,575</u>	<u>273,192</u>

CAREY LONDON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

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

1.4 Tangible fixed assets and depreciation

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

Plant and machinery	25% on the reducing balance
Fixtures, fittings & equipment	25%/10% on the reducing balance
Motor vehicles	25% on the reducing balance

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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

1.6 Long term contracts

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

1.7 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Operating profit

	2015	2014
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	682,570	268,674
Loss on disposal of tangible assets	19,470	-
Auditors' remuneration (including expenses and benefits in kind)	10,000	-
	<u> </u>	<u> </u>

CAREY LONDON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2015

3	Investment income	2015	2014
		£	£
	Bank interest	35	13
		<u>35</u>	<u>13</u>
		<u><u>35</u></u>	<u><u>13</u></u>
4	Interest payable	2015	2014
		£	£
	On bank loans and overdrafts	8,630	721
	Hire purchase interest	33,524	8,364
		<u>42,154</u>	<u>9,085</u>
		<u><u>42,154</u></u>	<u><u>9,085</u></u>
5	Taxation	2015	2014
		£	£
	Domestic current year tax		
	U.K. corporation tax	218,688	378,150
	Total current tax	<u>218,688</u>	<u>378,150</u>
	Deferred tax		
	Origination and reversal of timing differences	(1,283)	97,343
		<u>217,405</u>	<u>475,493</u>
		<u><u>217,405</u></u>	<u><u>475,493</u></u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	1,127,065	2,212,329
		<u>1,127,065</u>	<u>2,212,329</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.60% (2014 - 22.40%)	232,175	495,562
		<u>232,175</u>	<u>495,562</u>
	Effects of:		
	Non deductible expenses	16,791	(57,042)
	Depreciation add back	144,620	60,183
	Capital allowances	(189,075)	(120,553)
	Other tax adjustments	14,177	-
		<u>(13,487)</u>	<u>(117,412)</u>
		<u><u>(13,487)</u></u>	<u><u>(117,412)</u></u>
	Current tax charge for the year	<u>218,688</u>	<u>378,150</u>
		<u><u>218,688</u></u>	<u><u>378,150</u></u>

CAREY LONDON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2015

6	Dividends			2015	2014
				£	£
	Ordinary interim paid			116,000	11,130
				<u>116,000</u>	<u>11,130</u>
7	Tangible fixed assets	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
		£	£	£	£
	Cost				
	At 1 August 2014	1,521,584	20,571	108,353	1,650,508
	Additions	1,901,201	69,559	81,005	2,051,765
	Disposals	(118,428)	-	(36,149)	(154,577)
	At 31 July 2015	<u>3,304,357</u>	<u>90,130</u>	<u>153,209</u>	<u>3,547,696</u>
	Depreciation				
	At 1 August 2014	254,940	5,814	22,615	283,369
	Charge for the year	639,384	11,472	31,714	682,570
	At 31 July 2015	<u>894,324</u>	<u>17,286</u>	<u>54,329</u>	<u>965,939</u>
	Net book value				
	At 31 July 2015	<u>2,410,033</u>	<u>72,844</u>	<u>98,880</u>	<u>2,581,757</u>
	At 31 July 2014	<u>1,266,644</u>	<u>14,757</u>	<u>85,738</u>	<u>1,367,139</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery	Motor vehicles	Total
	£	£	£
Net book values			
At 31 July 2015	1,390,412	118,773	1,509,185
At 31 July 2014	<u>708,079</u>	<u>76,113</u>	<u>784,192</u>
Depreciation charge for the year			
At 31 July 2015	364,050	38,344	402,394
At 31 July 2014	<u>104,653</u>	<u>21,240</u>	<u>125,893</u>

CAREY LONDON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2015

8 Debtors	2015 £	2014 £
Trade debtors	477,198	3,084,552
Amounts recoverable on long term contracts	1,548,790	102,148
Other debtors	171,191	96,301
Prepayments and accrued income	51,758	52,406
	<u>2,248,937</u>	<u>3,335,407</u>

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

	2015 £	2014 £
Trade debtors	<u>189,398</u>	<u>293,441</u>

9 Creditors: amounts falling due within one year	2015 £	2014 £
Bank loans and overdrafts	103,193	105,118
Net obligations under hire purchase contracts	557,302	296,031
Trade creditors	1,437,177	1,746,932
Corporation tax	86,053	378,344
Other taxes and social security costs	82,865	70,029
Directors' current accounts	1,831	25,909
Other creditors	8,808	184,043
Accruals and deferred income	472,936	422,259
	<u>2,750,165</u>	<u>3,228,665</u>

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned.

CAREY LONDON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2015

10 Creditors: amounts falling due after more than one year	2015 £	2014 £
Bank loans	91,667	191,667
Net obligations under hire purchase contracts	566,898	404,050
	<u>658,565</u>	<u>595,717</u>
Analysis of loans		
Wholly repayable within five years	191,667	291,667
	<u>191,667</u>	<u>291,667</u>
Included in current liabilities	(100,000)	(100,000)
	<u>91,667</u>	<u>191,667</u>
Loan maturity analysis		
In more than one year but not more than two years	91,667	100,000
In more than two years but not more than five years	-	91,667
	<u>91,667</u>	<u>191,667</u>
Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned.		
Net obligations under hire purchase contracts		
Repayable within one year	586,560	314,116
Repayable between one and five years	621,255	436,170
	<u>1,207,815</u>	<u>750,286</u>
Finance charges and interest allocated to future accounting periods	(83,615)	(50,205)
	<u>1,124,200</u>	<u>700,081</u>
Included in liabilities falling due within one year	(557,302)	(296,031)
	<u>566,898</u>	<u>404,050</u>

The bank loan is secured by a mortgage debenture created on 17 June 2014.

CAREY LONDON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2015

11 Provisions for liabilities

	Deferred tax liability £
Balance at 1 August 2014	121,795
Profit and loss account	(1,283)
Balance at 31 July 2015	<u>120,512</u>

The deferred tax liability is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	<u>120,512</u>	<u>121,795</u>

12 Share capital

	2015 £	2014 £
Allotted, called up and fully paid 1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 August 2014	2,025,427
Profit for the year	909,660
Dividends paid	(116,000)
Balance at 31 July 2015	<u>2,819,087</u>

CAREY LONDON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2015

14 Reconciliation of movements in shareholders' funds	2015	2014
	£	£
Profit for the financial year	909,660	1,736,836
Dividends	(116,000)	(11,130)
Net addition to shareholders' funds	793,660	1,725,706
Opening shareholders' funds	2,026,427	300,721
Closing shareholders' funds	2,820,087	2,026,427

15 Directors' remuneration	2015	2014
	£	£
Remuneration for qualifying services	247,257	8,220
Remuneration disclosed above include the following amounts paid to the highest paid director:		
Remuneration for qualifying services	99,167	8,220

16 Employees

Number of employees

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

	2015	2014
	Number	Number
Administrative	6	4

Employment costs

	2015	2014
	£	£
Wages and salaries	377,041	151,902
Social security costs	51,000	19,566
	428,041	171,468

17 Related party relationships and transactions

CAREY LONDON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2015

17 Related party relationships and transactions

(Continued)

The following directors were paid dividends during the year as outlined in the table below:

	2015	2014
	£	£
M J Carey	116,000	11,130
	<u>116,000</u>	<u>11,130</u>