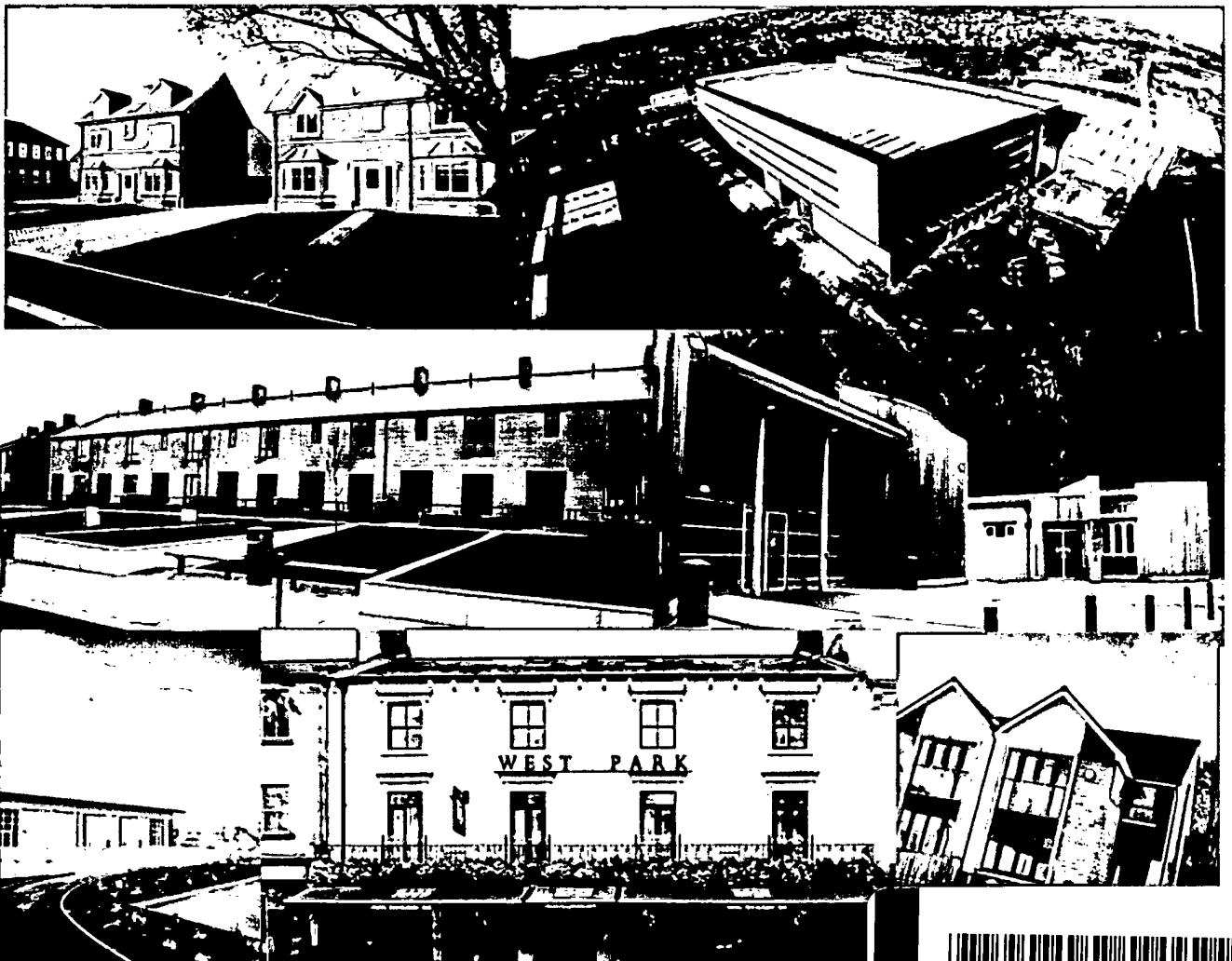


BARNFIELD CONSTRUCTION LTD
DIRECTORS' REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2014



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BARNFIELD CONSTRUCTION LIMITED

MISSION STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2014

As a leader in our market place with a regional and national footprint, we have wide-ranging opportunities and an attractive yet diverse project pipeline.

This is supported by long-term client relationships and the opportunity to see further growth through our continued quality and certainty of delivery.

We will continue to build upon what has been a solid stabilisation of our offering whilst maintaining our ability to deliver clients bespoke requirements.



Tim Webber MBE — Chairman & Managing Director of the Barnfield Group

BARNFIELD CONSTRUCTION LIMITED

CHAIRMANS STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2014

Barnfield is now positioned as a regional and national leader in creating places to work, live and play. We are established as one of the country's leading specialists in urban regeneration with significant cost advantages being sought through the use of our building division. The cohesive branding and awareness of Barnfield has helped make our company a known and trusted name within the industry.

Strong Financial Foundations

We are starting to see the benefit of market stabilisation having ensured that the solid business foundations have been protected during the global financial crisis. Customer confidence is growing and the rise in UK PLC expectations has helped unlock many projects. Within the housing market the rejuvenated mortgage market and the introduction of the 'Help to Buy' in April 2013, has seen more opportunities coming forward for first time buyer. The Group has established a strong platform to support further growth in a controlled way.

Our Achievements

The last year has given way to some exciting opportunities within the Group, where we have seen:

- The continued growth in to the education and healthcare sectors
- A stronger financial position due to a successful management of company finances
- A new look residential offering coupled with independence in delivery offering excellent quality and value for money
- New members of staff to bolster the upturn in work and to delivery on the clients exacting needs.
- A new and invigorated market place with new clients coming to the fore.

Vision for the Future

We are starting to see the benefit of our previous vision statement and our nationally renowned position as a partner organisation of choice that goes beyond the traditional contractor / client relationship. We develop a stronger internal training regime and we will continue to grow the incentive to develop our staff base. We have now linked to a number of external educational facilities to ensure that our future needs for staff and apprentices and dealt with.

BARNFIELD CONSTRUCTION LIMITED

COMPANY INFORMATION

Directors	T J H Webber S Webber A Couper S Riley
Secretary	A Couper
Company number	02365913
Registered office	Kenyon Road Lomeshaye Industrial Estate Nelson Lancashire BB9 5SP
Auditors	Pierce C A Limited Mentor House Ainsworth Street Blackburn Lancashire BB1 6AY
Business address	Kenyon Road Lomeshaye Industrial Estate Nelson Lancashire BB9 5SP
Bankers	Natwest Bank Plc 2 Leeds Road Nelson Lancashire BB9 9SY Handelsbanken 3 Kestrel Court Bridgewater Close Network 65 Business Park Hapton Burnley Lancashire BB11 5NA

BARNFIELD CONSTRUCTION LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditors' report	5 - 6
Profit and loss account	7
Statement of total recognised gains and losses	8
Balance sheet	9
Notes to the financial statements	10 - 23

BARNFIELD CONSTRUCTION LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present the strategic report and financial statements for the year ended 31 December 2014.

Review of the business

Revenue

Revenue in the financial year was £50.0m compared with £56.7m in 2013.

Operating Profit

Operating profit was £3.5m as compared to £6.2m last year. Turnover levels and gross profits on general construction activity remain consistent with the prior year, the additional activity last year being attributable to the sale of a completed development project.

Cash flow

Cash generation was particularly strong this year with a cash inflow from operating activities of £9.0m as compared to an inflow last year of £3.9m. This has led to a sizeable reduction in net debt from an opening position of £3.5m net debt to £0.9m net funds at the end of the year.

The additional inflow of cash is as a result of sales of assets built up in work in progress over the last few years and also the return of monies loaned to other related entities outside of the Group for development projects which are now completed.

We have continued with our programme of asset renewals, last year we spent £0.7m renewing our fleet of excavators, this year a further £0.4m on rollers and dumpers.

Debt structure

The Company has a number of loan facilities from two banks totalling £6.7m and this is made up of a number of investment and development facilities with different expiry dates throughout 2015 to 2018. All facilities have remained compliant with banking covenants throughout the year.

Financial risk management

Financial risk management is an integral part of the company's processes.

Cash flow risk is monitored by regular review of cash position against forecasts and trade debt levels are continually monitored and managed to keep them at an acceptable level. This in turn ensures that the company has the ability to meet the cash flow requirements of the operations, whilst avoiding excessive levels of debt and / or breach of any loan agreements.

Tight management of credit risk is essential in our business. We assess every customer at the start of any contract and regularly monitor the aging of our debt profile to highlight any potential risk at the earliest opportunity. Given the relationships we have with our customers our exposure to bad debts is limited.

Our skills in house mitigate much of the risk based around ongoing prospects and development and we have a vast amount of experience within our contracts department which can be relied upon to produce accurate forecasts. Actual spends are constantly reviewed against these forecasts and the appropriate action taken to keep costs under control. This gives cost certainty to all activities within the business.

Policy on payment to suppliers

It is the Company's policy to agree the terms and conditions under which business transactions are conducted with each supplier. The Company will abide by the payment terms where the supplier has provided goods and services in accordance with the terms and conditions of the contract. Trade creditors of the Group as at 31 December 2014 were equivalent to 36 days purchases (2013: 39 days), based on the average daily amount invoiced by suppliers during the period.

BARNFIELD CONSTRUCTION LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

Other risk management

Competitor risk – There are a number of other companies who could be classed as a competitor to our business. In order to minimise the threat from them we regularly review our marketplace and our competitors. The building of close relationships with our customers is seen as key to maintaining this competitive advantage.

We have taken the opportunity to grow our dominance within the sector and whilst we are appreciative of our competitors, our cash position and credibility within the industry ensures we remain focused yet confident.

We now have the opportunity to reinforce our position by not only continuing with our ongoing partners and relationships but creating new connections with similar companies.

Environmental and Health and Safety

We continue to monitor activities which could lead to an environmental impact.

The company has had a Health and Safety Policy in place for a number of years. Our Health and Safety Officer liaises with site managers and organises health, safety and risk assessment courses as appropriate.

We use external experts as and when required.

Our ISO accreditations have been audited and renewed for another year in:

- ISO 9001 Quality Systems
- ISO 14001 Environmental Systems
- ISO 18001 Occupational Health And Safety

Employees

We continue to develop our staff using both external and in house resources. Programmes are developed around both business needs and personal development. It is important that our customer facing staff present a professional and friendly service and employees are encouraged to engage with customers to gain feedback on our activities. Where possible we promote from within the organisation.


We continue to appraise all systems and staff wellbeing and actively promote a positive change in company culture.

On behalf of the board

T J H Webber

Director

1 May 2015



BARNFIELD CONSTRUCTION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and financial statements for the year ended 31 December 2014.

Principal activities

The principal activity of the company continued to be that of property developers and builders.

Results and dividends

The results for the year are set out on page 7.

A dividend of £2,812,526 (2013 - £5,015,274) has been paid during the year.

Directors

The following directors have held office since 1 January 2014:

T J H Webber
S Webber
A Couper
S Riley

Auditors

The auditors, Pierce C A Limited, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

BARNFIELD CONSTRUCTION LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

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

T J H Webber
Director
1 May 2015



BARNFIELD CONSTRUCTION LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BARNFIELD CONSTRUCTION LIMITED

We have audited the financial statements of Barnfield Construction Limited for the year ended 31 December 2014 set out on pages 7 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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 and the company's members' as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 0, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors:

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BARNFIELD CONSTRUCTION LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF BARNFIELD CONSTRUCTION LIMITED

Matters on which we are required to report by exception

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.

Jane Smith

**Jane Smith (Senior Statutory Auditor)
for and on behalf of Pierce C A Limited**

1 May 2015

Statutory Auditor

Mentor House
Ainsworth Street
Blackburn
Lancashire
BB1 6AY

BARNFIELD CONSTRUCTION LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Turnover	2	49,957,329	56,708,696
Cost of sales		(43,966,693)	(47,957,489)
Gross profit		5,990,636	8,751,207
Distribution costs		(151,774)	(113,582)
Administrative expenses		(2,317,048)	(2,456,038)
Operating profit	6	3,521,814	6,181,587
Investment income	3	-	100,000
Other interest receivable and similar income	3	469,337	121,861
Interest payable and similar charges	4	(230,848)	(250,260)
Profit on ordinary activities before taxation		3,760,303	6,153,188
Tax on profit on ordinary activities	5	(486,860)	(1,392,385)
Profit for the year	19	3,273,443	4,760,803

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

BARNFIELD CONSTRUCTION LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Profit for the financial year		3,273,443	4,760,803
Unrealised surplus on revaluation of properties		135,000	-
Total recognised gains and losses relating to the year		<u>3,408,443</u>	<u>4,760,803</u>
Prior year adjustment		-	(652,387)
Total gains and losses recognised since last financial statements		<u><u>3,408,443</u></u>	<u><u>4,108,416</u></u>

BARNFIELD CONSTRUCTION LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2014

	Notes	2014		2013	
		£	£	£	£
Fixed assets					
Intangible assets	8		250		250
Tangible assets	9 & 10		5,554,958		5,268,764
Investments	11		44,742		44,742
			<u>5,599,950</u>		<u>5,313,756</u>
Current assets					
Stocks	12	4,073,779		2,781,531	
Debtors	16	15,956,528		18,882,904	
Cash at bank and in hand		8,216,230		2,547,130	
		<u>28,246,537</u>		<u>24,211,565</u>	
Creditors: amounts falling due within one year	13	(17,706,149)		(16,371,619)	
Net current assets			<u>10,540,388</u>		<u>7,839,946</u>
Total assets less current liabilities			<u>16,140,338</u>		<u>13,153,702</u>
Creditors: amounts falling due after more than one year	14		(6,639,474)		(3,936,274)
Provisions for liabilities	15		(2,551,778)		(2,864,258)
			<u>6,949,086</u>		<u>6,353,170</u>
Capital and reserves					
Called up share capital	18		200		200
Revaluation reserve	19		623,473		488,473
Other reserves	19		1,153,646		1,153,646
Profit and loss account	19		5,171,767		4,710,851
Shareholders' funds	20		<u>6,949,086</u>		<u>6,353,170</u>

Approved by the Board and authorised for issue on 1 May 2015

T J H Webber
Director

Company Registration No. 02365913

BARNFIELD CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

The directors are not aware of any material uncertainties affecting the company and consider that the company will have sufficient resources to continue trading for the foreseeable future. As a result the directors have continued to adopt the going concern basis in preparing the financial statements.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

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 sold, services provided and rental income net of VAT and trade discounts. The company does not recognise retentions on contracts until they are actually received, normally 12 months after completion, when the retention is invoiced following certification of the quality of construction work.

1.4 Patents

Patents are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets include investment properties professionally valued by Chartered Surveyors and by a director on an existing use open market value basis. Other tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	15 - 20% on cost
Motor vehicles	25% reducing balance

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

BARNFIELD CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

1 Accounting policies

(Continued)

1.6 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.

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.8 Stock and work in progress

Stock and work in progress are valued at cost plus attributable profit estimated to be earned to date, less any provision for anticipated future losses on contracts. Cost comprises prime cost together with a proportion of direct overhead charges. Profit on individual contracts is only taken when their outcome can be assessed with reasonable certainty. Where such an outcome cannot be assessed with reasonable certainty, an appropriate proportion of turnover is recognised based on the total contract value, using a zero estimate of profit.

1.9 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.10 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.

1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Barnfield Group Limited, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

BARNFIELD CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

3	Investment income	2014 £	2013 £
	Income from shares in group undertakings	-	100,000
	Bank interest	20,245	22,366
	Other interest	449,092	99,495
		<u>469,337</u>	<u>221,861</u>
		<u><u>469,337</u></u>	<u><u>221,861</u></u>
4	Interest payable	2014 £	2013 £
	On bank loans and overdrafts	205,986	242,473
	Hire purchase interest	14,550	5,107
	On overdue tax	10,312	2,680
		<u>230,848</u>	<u>250,260</u>
		<u><u>230,848</u></u>	<u><u>250,260</u></u>
5	Taxation	2014 £	2013 £
	Domestic current year tax		
	U.K. corporation tax	644,227	1,424,307
	Adjustment for prior years	(157,367)	(31,922)
		<u>486,860</u>	<u>1,392,385</u>
	Total current tax	<u><u>486,860</u></u>	<u><u>1,392,385</u></u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>3,760,303</u>	<u>6,153,188</u>
		<u><u>3,760,303</u></u>	<u><u>6,153,188</u></u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.50% (2013 - 23.20%)	<u>808,465</u>	<u>1,427,540</u>
		<u><u>808,465</u></u>	<u><u>1,427,540</u></u>
	Effects of:		
	Non deductible expenses	8,052	134,715
	Depreciation add back	34,961	41,538
	Capital allowances	(110,560)	(80,796)
	Tax losses utilised	(88,064)	-
	Adjustments to previous periods	(157,367)	(128,154)
	Dividends and distributions received	-	(23,200)
	Other tax adjustments	(8,627)	20,742
		<u>(321,605)</u>	<u>(35,155)</u>
		<u><u>(321,605)</u></u>	<u><u>(35,155)</u></u>
	Current tax charge for the year	<u><u>486,860</u></u>	<u><u>1,392,385</u></u>

BARNFIELD CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

6	Operating profit	2014	2013
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	224,354	179,043
	Loss on disposal of tangible assets	452	-
	Fees payable to the company's auditor for the audit of the company's annual accounts	15,800	14,000
	Taxation and general accountancy services	11,000	14,000
	and after crediting:		
	Profit on disposal of tangible assets	(62,198)	(109,841)
		<u><u> </u></u>	<u><u> </u></u>
7	Dividends	2014	2013
		£	£
	Ordinary interim paid:	2,812,526	5,015,274
		<u><u> </u></u>	<u><u> </u></u>
8	Intangible fixed assets		Patents
			£
	Cost		
	At 1 January 2014 & at 31 December 2014		250
			<u> </u>
	Net book value		
	At 31 December 2014		250
			<u><u> </u></u>
	At 31 December 2013		250
			<u><u> </u></u>

BARNFIELD CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

9 Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation			
At 1 January 2014	1,578,331	223,683	1,802,014
Additions	389,552	14,150	403,702
Disposals	(232,861)	(55,400)	(288,261)
At 31 December 2014	1,735,022	182,433	1,917,455
Depreciation			
At 1 January 2014	696,942	146,708	843,650
On disposals	(215,159)	(44,948)	(260,107)
Charge for the year	205,070	19,284	224,354
At 31 December 2014	686,853	121,044	807,897
Net book value			
At 31 December 2014	1,048,169	61,389	1,109,558
At 31 December 2013	881,389	76,975	958,364

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

	Plant and machinery £
Net book values	
At 31 December 2014	858,762
At 31 December 2013	594,882
Depreciation charge for the year	
At 31 December 2014	111,970
At 31 December 2013	60,623

BARNFIELD CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

10 Tangible fixed assets

	Investment properties £
Cost or valuation	
At 1 January 2014	4,310,400
Revaluation	135,000
	<hr/>
At 31 December 2014	4,445,400
	<hr/>
Net book value	
At 31 December 2014	4,445,400
	<hr/> <hr/>
At 31 December 2013	4,310,400
	<hr/> <hr/>

The company's investment property at Grove Mill, Earby, was valued on a market value basis, at £3,100,000 during 2013 by M A Redshaw MA FRICS of Nolan Redshaw Limited, Bury, on behalf of Svenska Handelsbanken AB. The directors do not believe that the valuation at 31 December 2014 is significantly different to this figure.

The company's investment property at Milnrow Road, Rochdale was valued on a market value basis in July 2014 by A Procter BSc MRICS of AC Surveyors & Valuers, Blackburn, on behalf of Svenska Handelsbanken AB. The valuation was established at £1,235,000 and this valuation has been incorporated into these financial statements.

The investment property at Medlock Place was valued at 31 December 2014 by T J H Webber, director of Barnfield Construction Limited. Its valuation was £110,000 on an open market value existing use basis.

The historical cost of property held at valuation was £3,821,927 (2013 - £3,821,927).

BARNFIELD CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

11 Fixed asset investments

	Unlisted investments £	Shares in group undertakings £	Total £
Cost or valuation			
At 1 January 2014 & at 31 December 2014	44,656	86	44,742
Net book value			
At 31 December 2014	44,656	86	44,742
At 31 December 2013	44,656	86	44,742

Holdings of more than 20%:

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Barnfield Centric Limited	England and Wales	Ordinary	60.00
Roger Whalley Limited	England and Wales	Ordinary	100.00
Participating interests			
Speke Business Park Limited	England and Wales	Ordinary	24.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principal activity	Capital and reserves 2014 £	Profit/(loss) for the year 2014 £
Barnfield Centric Limited	Property development	(560,909)	(48,767)
Roger Whalley Limited	Plumbing contractors	566,505	67,204
Speke Business Park Limited	Property development	(32,412)	(29,820)

12 Stocks and work in progress

	2014 £	2013 £
Work in progress	2,653,272	803,107
Land and property stocks	1,420,507	1,978,424
	<u>4,073,779</u>	<u>2,781,531</u>

BARNFIELD CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

13 Creditors: amounts falling due within one year	2014	2013
	£	£
Bank loans and overdrafts	443,953	2,034,801
Net obligations under hire purchase contracts	185,214	109,876
Trade creditors	4,353,409	5,239,087
Amounts owed to subsidiary undertakings	324,231	374,557
Corporation tax	296,196	1,124,307
Other taxes and social security costs	344,791	164,345
Other creditors	41,208	328,729
Accruals and deferred income	11,717,147	6,995,917
	<u>17,706,149</u>	<u>16,371,619</u>
	<u>629,317</u>	<u>2,144,677</u>

BARNFIELD CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

14 Creditors: amounts falling due after more than one year	2014 £	2013 £
Bank loans	6,267,092	3,661,403
Net obligations under hire purchase contracts	372,382	274,871
	<u>6,639,474</u>	<u>3,936,274</u>
Analysis of loans		
Not wholly repayable within five years by instalments:		
Bank loans	3,872,474	2,189,160
Wholly repayable within five years	2,838,571	3,095,729
	<u>6,711,045</u>	<u>5,284,889</u>
Included in current liabilities	(443,953)	(1,623,486)
	<u>6,267,092</u>	<u>3,661,403</u>
Instalments not due within five years	<u>2,474,134</u>	<u>2,189,160</u>
Loan maturity analysis		
In more than one year but not more than two years	443,953	373,954
In more than two years but not more than five years	3,349,006	1,098,289
In more than five years	2,474,134	2,189,160
	<u>443,953</u>	<u>373,954</u>
<p>The company has bank loan borrowings of £6,711,045 (2013: £5,284,889) at the balance sheet date which are secured by a first legal mortgage over the related properties.</p>		
<p>The Natwest Bank Plc holds a debenture dated 24 June 2005 over the assets of the company and there is a deed of priority in place between Nat West Bank plc and Handelsbanken in favour of Handelsbanken.</p>		
<p>The hire purchase is secured upon the assets for which they are held.</p>		
Net obligations under hire purchase contracts		
Repayable within one year	185,215	109,876
Repayable between one and five years	372,233	274,871
	<u>557,448</u>	<u>384,747</u>
Included in liabilities falling due within one year	(185,214)	(109,876)
	<u>372,234</u>	<u>274,871</u>

BARNFIELD CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

15 Provisions for liabilities

	Other £
Balance at 1 January 2014	2,864,258
Profit and loss account	(312,480)
Balance at 31 December 2014	<u>2,551,778</u>

Provision has been made for the anticipated cost of carrying out various items of remedial work on completed contracts.

16 Debtors

	2014 £	2013 £
Trade debtors	2,646,077	2,814,029
Amounts owed by parent and fellow subsidiary undertakings	4,820,777	4,903,187
Amounts owed by subsidiary undertakings	659,093	1,706,005
Amounts owed by participating interests	1,905,443	1,851,032
Other debtors	5,304,268	7,364,901
Prepayments and accrued income	620,870	243,750
	<u>15,956,528</u>	<u>18,882,904</u>

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

	2014 £	2013 £
Amounts owed by group undertakings	3,310,044	4,946,000
Other debtors	536,210	441,061
	<u>3,846,254</u>	<u>3,600,070</u>

17 Retirement Benefits

	2014 £	2013 £
Contributions payable by the company for the year	<u>26,646</u>	<u>10,186</u>

BARNFIELD CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

18 Share capital		2014	2013
		£	£
Allotted, called up and fully paid			
200 Ordinary shares of £1 each		200	200
		<u> </u>	<u> </u>
19 Statement of movements on reserves			
	Revaluation reserve	Other reserves (see below)	Profit and loss account
	£	£	£
Balance at 1 January 2014	488,473	1,153,646	4,710,850
Profit for the year	-	-	3,273,443
Dividends paid	-	-	(2,812,526)
Revaluation during the year	135,000	-	-
Balance at 31 December 2014	<u>623,473</u>	<u>1,153,646</u>	<u>5,171,767</u>
Other reserves			
Reserves provided for by the Articles of Association			
Balance at 1 January 2014 & at 31 December 2014		<u>1,153,646</u>	
20 Reconciliation of movements in Shareholders' funds		2014	2013
		£	£
Profit for the financial year		3,273,443	4,760,803
Dividends		(2,812,526)	(5,015,274)
		<u>460,917</u>	<u>(254,471)</u>
Other recognised gains and losses		135,000	288,943
Net addition to shareholders' funds		<u>595,917</u>	<u>34,472</u>
Opening Shareholders' funds		6,353,170	6,318,698
Closing Shareholders' funds		<u>6,949,086</u>	<u>6,353,170</u>

BARNFIELD CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

21 Contingent liabilities

On 31 December 2014 the company had, in the course of business, entered into performance and other bonds of £3,548,221 (2013 - £1,450,969).

The company is party to inter company guarantees in respect of the borrowings of this company, Barnfield Group Limited, Barnfield Nelson Limited and Barnfield Contractors (UK) Limited. As at 31 December 2014 the amount of borrowings in respect of these companies was £6,711,045 (2013 - £5,669,636).

There are contingent liabilities in respect of certain contracts and legal or potential claims, the outcome of which cannot at present be foreseen. In the opinion of the directors, appropriate provision has been made for all liabilities likely to materialise.

22 Directors' remuneration	2014 £	2013 £
Remuneration for qualifying services:	386,179	372,215
Company pension contributions to defined contribution schemes	8,979	8,240
	<u>395,158</u>	<u>380,455</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2013 - 4).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	<u>82,433</u>	<u>80,902</u>
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23 Financial commitments

At 31 December 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2015:

	Land and buildings		Other	
	2014 £	2013 £	2014 £	2013 £
Operating leases which expire:				
Within one year	88,361	-	22,159	78,146
Between two and five years	-	88,361	114,320	37,429
	<u>88,361</u>	<u>88,361</u>	<u>136,479</u>	<u>115,575</u>

BARNFIELD CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

24 Employees

Number of employees

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

	2014 Number	2013 Number
Office & Management	38	35
Production & Sales	104	92
	<u>142</u>	<u>127</u>

Employment costs

	2014 £	2013 £
Wages and salaries	4,138,690	3,536,010
Social security costs	328,199	291,427
Other pension costs	26,646	10,186
	<u>4,493,535</u>	<u>3,837,623</u>

25 Control

The immediate parent company is Barnfield Nelson Limited a company registered in England and Wales.

The ultimate parent company is Barnfield Group Limited, a company registered in England and Wales.

The ultimate controlling parties are Mr T J H Webber, Mrs S Webber and their sons, James and Jonathan, by virtue of their shareholding in the issued share capital of the ultimate parent company.

26 Related party relationships and transactions

BARNFIELD CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

26 Related party relationships and transactions

(Continued)

The company has taken advantage of the exemption in Financial Reporting Standard 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

Globe Enterprises Limited is a company in which Barnfield Contractors (UK) Limited has a participating interest.

Speke Business Park Limited is a company in which Barnfield Construction Limited has a participating interest.

Barnfield Investment Properties Limited is a company in which T Webber and S Webber have an interest.

Barnfield Developments Limited is a company in which T Webber and S Webber have an interest.

Barnfield Pension Fund is a fund associated with T Webber and S Webber

Pendle Enterprise and Regeneration Limited is a company in which T Webber and S Webber have an interest.

Pendle Enterprise and Regeneration 2 Limited is a company in which T Webber and S Webber have an interest.

Ribble Property Developments Limited is a company in which T Webber has an interest.

RTB Partnership Limited is a company in which T Webber and S Webber has an interest.

Pendle Enterprise and Regeneration (Brierfield Mills) Limited is a company in which T Webber and S Webber has an interest.

At 31 December 2014 the company was owed the following amounts by associated entities:

Globe Enterprises Limited - £346,210 (2013 - £346,210)

Speke Business Park Limited - £659,950 (2013 - £630,000)

Barnfield Investment Properties Limited - £1,267,616 (2013 - £1,863,545)

Barnfield Developments Limited - £190,000 (2013 - £1,116,235)

Pendle Enterprise and Regeneration Limited - £259 (2013 - £592).

Pendle Enterprise and Regeneration 2 Limited - £1,039,332 (2013 - £684,320).

Ribble Property Developments Limited - £289,898 (2013 - £1,766,099).

RTB Partnership Limited - £nil (2013 - £60).

Pendle Enterprise and Regeneration (Brierfield Mills) Limited - £5,000 (2013 - £nil).

During the year the company sold a motor vehicle to a director, T Webber, for £8,000.