Company Registration No. 04185238 (England and Wales)

BUGLER GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

BUGLER GROUP LIMITED

COMPANY INFORMATION

Directors	Mr A T Bugler	
	Mr D Bugler	
	Mr K Bugler	
	Mr S Tough	(Appointed 27 June 2016)
Secretary	Mr A P Hawkins	
Company number	04185238	
Registered office	Bugler House 25 High Street Rickmansworth Hertfordshire WD3 1ET	
Auditor	Moore Stephens Northern Home Counties Limited First Floor 73-75 High Street Stevenage Hertfordshire SG1 3HR	

BUGLER GROUP LIMITED

CONTENTS

BUGLER GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The directors present the strategic report for the year ended 31 March 2017.

Business review
The directors are pleased to report that the profit for the year, after taxation, was £1,392,676.

Contracting work
The contracts commenced in the previous financial year together with new contracts awarded in the year to March 2017 delivered a turnover in line with the expectations of the directors. In the competitive and challenging conditions the company has worked hard to maintain margins and the gross profit for the group was 5.78% of turnover.

The directors consider this to be a very good result.

We have a strong committed experienced team to deal with our increasing workload and we continue to provide quality products to our clients, on programme and within budget. Our land division, working closely with our clients, has established a successful track record of acquiring sites for residential and mixed-use development on which we have been able to negotiate build contracts in line with our clients' budgets.

Private development
Despite us not selling any new homes during the financial year, we are extremely pleased to report our success in purchasing and obtaining planning permission on two key strategic sites. This now enables us to push on with our plans to further develop the private sale side of our business through Bugler Homes Limited and we have now commenced construction on one of these projects with the second soon to follow. We are also in later stages of securing future land opportunities to enable us to continue on with the expansion of Bugler Homes Limited in the coming years.

Going concern basis
Bugler Developments Limited have sufficient contracted work in to enable the directors to confidently forecast that the group in the next twelve months will produce profit and positive cashflow. We also hope to conclude some early exchange of contracts on our new private development schemes which will lead to increased turnover and profit in Bugler Homes Limited.

The policy of the group directors has always been to develop group operations in a structured and managed way to ensure that the financial position will always be solid, enabling all liabilities to be fully met, as and when due, and to ensure that funding is available for group companies when needed.

The directors of the group are not aware of any significant issues which would materially affect the group's ability to continue as a going concern, and the financial statements have been prepared on this basis.

Staff
The training, development and welfare of our employees we consider to be of utmost importance and we will maintain this commitment by further adequately investing in this area.

Safety
All aspects of health and safety are given full consideration and emphasis at all times.

We have obtained the NHBC gold award for Health and Safety, which reflects our ongoing commitment to health and safety in all areas of our operations.

We will again endeavour to further increase the level of safety on all our business locations for the coming year.

We benchmark our site performance against other similar companies in our sector by use of NHBC Safety statistics.

On an ongoing basis, we will ensure that safety training relevant to all our operations will be maintained. Training will be given to ensure full compliance with any new regulations or requirements regarding safety.

We realise the importance of health and safety to all affected by our operations and insist on a full commitment to this policy by all our employees and other parties working for the company.

Principal risks and uncertainties
The directors consider all the risks applicable to the business on a regular basis and are of the opinion that internal procedures, checks and reports are in place to eliminate these as far as possible, but are mindful of the risks associated with the fragility of the economic recovery.

Key performance indicators (KPIs)
We have a number of internal KPIs to benchmark and improve our performance. On every site we complete we score all subcontractors, suppliers, consultants and others on their performance. This data is collated and used to measure performance and to highlight where improvements are required. This system is also used to measure the number of defects in each site, with the ultimate goal being zero defects. The diversity, level of qualifications and experience of our staff is externally measured both by our Public Sector Clients and Constructionline, as are our policies.

Group policies
The group has policies in place relating to equal opportunities, equality and diversity, safety, quality, training, environmental, community and other matters required by legislation and by our commitment to comply with good practice.

Full compliance with our policies by employees and other parties working for the group is insisted on and monitored by the company.

Compliance with these policies is also monitored by our Public Sector Clients and by Constructionline and measured against our competitors.

We are ISO 9001 and ISO 14001 registered and have a silver accreditation from Investors in People.

Other information
It is the policy of the company to enter into contracts with suppliers and subcontractors under appropriate terms and conditions which are normally standard, but may vary according to circumstances. The company abides by the payment terms of the contracts. At 31 March 2017, trade creditors represented 28 days of purchases.

After the year end the company completed the freehold purchase of an office building in Rickmansworth and the move into this larger head office was completed in November 2017.

By order of the board

Mr A P Hawkins
Secretary
4 December 2017

The directors present their annual report and financial statements for the year ended 31 March 2017.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr A T Bugler	
Mr D Bugler	
Mr K Bugler	
Mr S Tough	(Appointed 27 June 2016)
Mr T P Bugler	(Retired 27 June 2016)

Results and dividends
The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £510,000. The directors do not recommend payment of a further dividend.

Auditor
The auditor, Moore Stephens Northern Home Counties Limited, is deemed to be reappointed under section 487 (2) of the Companies Act 2006.

Statement of directors' responsibilities
The directors are responsible for preparing the Annual 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 group and company, and of the profit or loss of the group 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group’s and company’s transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually 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 auditor of the company is aware of that information.

By order of the board

Mr A P Hawkins
Secretary
4 December 2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BUGLER GROUP LIMITED

We have audited the financial statements of Bugler Group Limited for the year ended 31 March 2017 which comprise the Group Statement of Income and Retained Earnings, the Group Statement Of Financial Position, the Company Statement Of Financial Position, the Group Statement of Cash Flows and the related notes. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, 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 group's and the parent 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 group's and the parent company's affairs as at 31 March 2017 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, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Directors' Report 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Mark Stevens (Senior Statutory Auditor)
for and on behalf of Moore Stephens Northern Home Counties Limited

Chartered Accountants
Statutory Auditor
First Floor
73-75 High Street
Stevenage
Hertfordshire
SG1 3HR

7 December 2017

BUGLER GROUP LIMITED

GROUP STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	2016 £
Turnover	**3**	54,482,680	62,289,872
Cost of sales		(51,335,881)	(59,363,535)
Gross profit		3,146,799	2,926,337
Administrative expenses		(1,396,105)	(1,461,492)
Other operating income		-	2,000
Operating profit	**4**	1,750,694	1,466,845
Interest receivable and similar income	**8**	8,445	10,801
Interest payable and similar expenses	**9**	(31)	-
Profit before taxation		1,759,108	1,477,646
Tax on profit	**10**	(366,432)	(331,933)
Profit for the financial year		1,392,676	1,145,713
Retained earnings brought forward		6,910,940	6,565,227
Dividends		(510,000)	(800,000)
Retained earnings carried forward		7,793,616	6,910,940

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

The Income Statement has been prepared on the basis that all operations are continuing operations.

BUGLER GROUP LIMITED

GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	**13**		350,282		295,366
Investments	**14**		50		-
			350,332		295,366
Current assets					
Stocks	**16**	3,293,783		3,058,338	
Debtors	**17**	11,118,114		14,135,355	
Cash at bank and in hand		11,232,092		9,018,292	
		25,643,989		26,211,985	
Creditors: amounts falling due within one year	**18**	(17,190,761)		(18,573,249)	
Net current assets			8,453,228		7,638,736
Total assets less current liabilities			8,803,560		7,934,102
Creditors: amounts falling due after more than one year	**19**		(9,944)		(23,162)
Net assets			8,793,616		7,910,940
Capital and reserves					
Called up share capital	**22**		1,000,000		1,000,000
Profit and loss reserves			7,793,616		6,910,940
Total equity			8,793,616		7,910,940

The financial statements were approved by the board of directors and authorised for issue on 4 December 2017 and are signed on its behalf by:

Mr D Bugler
Director

BUGLER GROUP LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2017

		2017		2016	
	Notes	**£**	**£**	**£**	**£**
Fixed assets					
Investments	**14**		1,001,001		1,000,001
Current assets					
Cash at bank and in hand		65,946		140,923	
Creditors: amounts falling due within one year	**18**	(51,370)		(125,347)	
Net current assets			14,576		15,576
Total assets less current liabilities			1,015,577		1,015,577
Capital and reserves					
Called up share capital	**22**		1,000,000		1,000,000
Profit and loss reserves			15,577		15,577
Total equity			1,015,577		1,015,577

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £510,000 (2016 - £800,000 profit).

The financial statements were approved by the board of directors and authorised for issue on 4 December 2017 and are signed on its behalf by:

Mr D Bugler
Director

Company Registration No. 04185238

BUGLER GROUP LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Cash flows from operating activities					
Cash generated from operations	**25**		3,274,086		1,988,970
Interest paid			(31)		-
Income taxes paid			(382,889)		(424,583)
Net cash inflow from operating activities			2,891,166		1,564,387
Investing activities					
Purchase of tangible fixed assets		(224,598)		(215,682)	
Proceeds on disposal of tangible fixed assets		62,125		120,302	
Proceeds on disposal of joint ventures		(50)		-	
Interest received		8,445		10,801	
Net cash used in investing activities			(154,078)		(84,579)
Financing activities					
Payment of finance leases obligations		(13,288)		6,547	
Dividends paid to equity shareholders		(510,000)		(800,000)	
Net cash used in financing activities			(523,288)		(793,453)
Net increase in cash and cash equivalents			2,213,800		686,355
Cash and cash equivalents at beginning of year			9,018,292		8,331,937
Cash and cash equivalents at end of year			11,232,092		9,018,292

1 Accounting policies

Company information

Bugler Group Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Bugler House, 25 High Street, Rickmansworth, Hertfordshire, WD3 1ET.

The group consists of Bugler Group Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

1 Accounting policies **(Continued)**

The consolidated financial statements incorporate those of Bugler Group Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2017. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	over 4, 5, 6, 7, 8 and 10 years
Plant and equipment	over 10 years
Fixtures and fittings	over 3, 5, 6, 8 and 10 years
Motor vehicles	over 3 and 4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.6 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1 Accounting policies **(Continued)**

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.8 Stocks

Work in progress is valued at the lower of cost and net realisable value and reflects the accumulation of development costs prior to the start of construction.

1.9 Revenue recognition

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Where the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as expenses in the period in which they are incurred and contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable.

The “percentage of completion method” is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented as stocks, prepayments or other assets depending on their nature, and provided it is probable they will be recovered.

1.10 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

1 Accounting policies **(Continued)**

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

1 Accounting policies (Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Judgements and key sources of estimation uncertainty **(Continued)**

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Accrued income and accruals relating to contracts

Directors review the estimated stage of completion of contracts as provided by qualified surveyors and provide accordingly for both income and expenditure.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2017	2016
	£	£
Turnover analysed by class of business		
Sale of goods	-	4,027,646
Construction contracts	54,482,680	58,262,226
	54,482,680	62,289,872

	2017	2016
	£	£
Other significant revenue		
Interest income	8,445	10,801

	2017	2016
	£	£
Turnover analysed by geographical market		
United Kingdom	54,482,680	62,289,872

4 Operating profit

	2017	2016
	£	£
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	121,960	133,258
Depreciation of tangible fixed assets held under finance leases	10,209	11,603
Profit on disposal of tangible fixed assets	(24,612)	(15,183)
Cost of stocks recognised as an expense	10,206,817	14,622,800
Operating lease charges	68,500	68,500

5 Auditor's remuneration

Fees payable to the company's auditor and associates:	2017 £	2016 £
For audit services		
Audit of the financial statements of the group and company	2,750	3,100
Audit of the company's subsidiaries	24,750	22,675
	27,500	25,775
For other services		
Taxation advisory services	2,237	825
Other non-audit services	10,680	900
	12,917	1,725

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2017 Number	2016 Number	Company 2017 Number	2016 Number
	23	24	-	-
	44	52	-	-
	67	76	-	-

Their aggregate remuneration comprised:

	Group 2017 £	2016 £	Company 2017 £	2016 £
Wages and salaries	4,487,721	4,847,101	-	-
Social security costs	540,551	567,425	-	-
Pension costs	429,793	608,202	-	-
	5,458,065	6,022,728	-	-

7 Directors' remuneration

	2017	2016
	£	£
Remuneration for qualifying services	1,083,864	1,205,471
Company pension contributions to defined contribution schemes	40,423	151,273
	1,124,287	1,356,744

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2016 - 4).

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

	2017	2016
	£	£
Remuneration for qualifying services	310,002	357,128
Company pension contributions to defined contribution schemes	10,000	31,272

8 Interest receivable and similar income

	2017	2016
	£	£
Interest income		
Interest on bank deposits	8,372	10,801
Other interest income	73	-
Total income	8,445	10,801

Investment income includes the following:

	2017	2016
Interest on financial assets not measured at fair value through profit or loss	8,372	10,801

9 Interest payable and similar expenses

	2017	2016
	£	£
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	31	-

10 Taxation

	2017	2016
	£	£
Current tax		
UK corporation tax on profits for the current period	370,275	331,933
Adjustments in respect of prior periods	(3,843)	-
Total current tax	366,432	331,933

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2017	2016
	£	£
Profit before taxation	1,759,108	1,477,646
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%)	351,822	295,529
Tax effect of expenses that are not deductible in determining taxable profit	32,599	33,429
Permanent capital allowances in excess of depreciation	(12,670)	7,566
Under/(over) provided in prior years	(4,091)	-
Other timing differences	(1,228)	(3,083)
Tax effect of consolidation adjustments	-	(1,508)
Taxation charge for the year	366,432	331,933

11 Dividends

	2017	2016
	£	£
Final paid	510,000	800,000

12 Intangible fixed assets

Group	Goodwill
	£
Cost	
At 1 April 2016 and 31 March 2017	225,026
Amortisation and impairment	
At 1 April 2016 and 31 March 2017	225,026

12 Intangible fixed assets (Continued)

Carrying amount	
At 31 March 2017	-
At 31 March 2016	-

The company had no intangible fixed assets at 31 March 2017 or 31 March 2016.

13 Tangible fixed assets

Group	Leasehold improvements	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2016	169,459	358	239,279	418,064	827,160
Additions	-	-	14,917	209,681	224,598
Disposals	-	-	-	(190,635)	(190,635)
At 31 March 2017	169,459	358	254,196	437,110	861,123
Depreciation and impairment					
At 1 April 2016	169,459	358	194,306	167,671	531,794
Depreciation charged in the year	-	-	30,425	101,744	132,169
Eliminated in respect of disposals	-	-	-	(153,122)	(153,122)
At 31 March 2017	169,459	358	224,731	116,293	510,841
Carrying amount					
At 31 March 2017	-	-	29,465	320,817	350,282
At 31 March 2016	-	-	44,973	250,393	295,366

The company had no tangible fixed assets at 31 March 2017 or 31 March 2016.

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2017	2016	Company 2017	2016
	£	£	£	£
Motor vehicles	23,529	38,992	-	-
Depreciation charge for the year in respect of leased assets	10,209	11,603	-	-

14 Fixed asset investments

		Group		Company	
		2017	2016	2017	2016
	Notes	£	£	£	£
Investments in subsidiaries	15	-	-	1,001,001	1,000,001
Investments in joint ventures		50	-	-	-
		50	-	1,001,001	1,000,001

Movements in fixed asset investments
Group

	Shares in group undertakings and participating interests
	£
Cost or valuation	
At 1 April 2016	-
Additions	50
At 31 March 2017	50
Carrying amount	
At 31 March 2017	50
At 31 March 2016	-

Movements in fixed asset investments
Company

	Shares in group undertakings
	£
Cost or valuation	
At 1 April 2016	1,000,001
Additions	1,000
At 31 March 2017	1,001,001
Carrying amount	
At 31 March 2017	1,001,001
At 31 March 2016	1,000,001

15 Subsidiaries

Details of the company's subsidiaries at 31 March 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
Bugler Developments Limited	England and Wales	Property development	Ordinary	100.00	
Bugler Homes Limited	England and Wales	Property sales	Ordinary	100.00	
Bugler Land Limited	England and Wales	Dormant	Ordinary	100.00	

16 Stocks

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Work in progress	3,293,783	3,058,338	-	-

17 Debtors

Amounts falling due within one year:	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade debtors	7,337,164	10,211,353	-	-
Gross amounts due from contract customers	3,373,398	3,490,472	-	-
Corporation tax recoverable	23,970	-	-	-
Other debtors	275,073	334,864	-	-
Prepayments and accrued income	108,509	98,666	-	-
	11,118,114	14,135,355	-	-

18 Creditors: amounts falling due within one year

	Notes	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Obligations under finance leases	20	13,217	13,287	-	-
Trade creditors		5,953,172	8,193,297	-	-
Amounts due to group undertakings		-	-	1,370	347
Corporation tax payable		208,622	201,109	-	-
Other taxation and social security		402,797	547,828	-	-
Other creditors		102,840	221,316	50,000	125,000
Accruals and deferred income		10,510,113	9,396,412	-	-
		17,190,761	18,573,249	51,370	125,347

19 Creditors: amounts falling due after more than one year

		Group		Company	
		2017	2016	2017	2016
	Notes	£	£	£	£
Obligations under finance leases	20	9,944	23,162	-	-

20 Finance lease obligations

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Future minimum lease payments due under finance leases:				
Within one year	13,217	13,287	-	-
In two to five years	9,944	23,162	-	-
	23,161	36,449	-	-

21 Retirement benefit schemes

	2017	2016
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	429,793	608,202

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

22 Share capital

	Group and company	
	2017	2016
Ordinary share capital	£	£
Issued and fully paid		
250,000 ordinary shares of £1 each	250,000	1,000,000
750,000 A ordinary shares of £1 each	750,000	-
	1,000,000	1,000,000

23 Financial commitments, guarantees and contingent liabilities

There is a cross-guarantee in place in respect of bank facilities of group companies up to £5,000,000.

24 Related party transactions

Group
During the year, the group paid rent of £68,500 (2016 - £68,500) to DKA Investments Limited, a company also controlled by the Bugler family.

Other creditors includes £19,987 (2016 - £19,987) due to DKA Investments Limited.

Company
The company has taken advantage of the exemptions conferred by FRS 102 from the requirement to make disclosures concerning transactions with other group companies that are included in the consolidated financial statements.

25 Cash generated from group operations

	2017	2016
	£	£
Profit for the year after tax	1,392,676	1,145,713
Adjustments for:		
Taxation charged	366,432	331,933
Finance costs	31	-
Investment income	(8,445)	(10,801)
Gain on disposal of tangible fixed assets	(24,612)	(15,183)
Depreciation and impairment of tangible fixed assets	132,169	144,861
Movements in working capital:		
(Increase)/decrease in stocks	(235,445)	1,658,580
Decrease/(increase) in debtors	3,034,280	(2,715,822)
(Decrease)/increase in creditors	(1,383,000)	1,449,689
Cash generated from operations	3,274,086	1,988,970