

Company Registration No. 00806911 (England and Wales)

777 DEMOLITION & HAULAGE COMPANY LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

777 DEMOLITION & HAULAGE COMPANY LIMITED

COMPANY INFORMATION

Director	Mr M Pearce
Company number	00806911
Registered office	Kings Parade Lower Coombe Street Croydon Surrey CR0 1AA
Accountants	Bryden Johnson Limited Kings Parade Lower Coombe Street Croydon Surrey CR0 1AA
Business address	Unit 3 Coomber Way Industrial Estate 3 Coomber Way Croydon Surrey CR0 4TQ

777 DEMOLITION & HAULAGE COMPANY LIMITED

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777 DEMOLITION & HAULAGE COMPANY LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 30 APRIL 2021

The director presents his report and financial statements for the year ended 30 April 2021.

Principal activities

The principal activity of the company continued to be that of demolition contractors.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Mr M Pearce

Mr R Kapoor

Mrs C Pearce

(Resigned 1 May 2021)

(Resigned 13 October 2020)

DIRECTORS' RESPONSIBILITIES STATEMENT

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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. He is 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.

Coronavirus Pandemic (Covid 19)

The UK along with much of the rest of the world continues to manage the impact of the pandemic caused by Covid-19. In March 2020 the UK Government introduced unprecedented measures to restrict the spread of the virus including closing down whole sectors of the economy and requiring most people, other than essential workers, to stay at home. During June 2020, some of the initial restrictions had been eased slightly as the Government sought to restart the economy. However at the start of November 2020, the Government introduced a second lockdown period. A Tier 3 lockdown in December and a Tier 4 lockdown in January 2021 in an effort to restrict the growing number of cases, once again closing down large areas of the economy. As of the date of this report the UK Government is following a timetable out of the most recent lockdown which has led to a number of restrictions being lifted in May 2021. It remains uncertain as to how long the pandemic will last and what other impacts will arise afterwards. The company is continuing to operate, ensuring a safe environment for its employees with appropriate social distancing and extra hygiene measures in place. The directors will continue to assess the potential impacts, mitigating actions and financial consequences of the pandemic on the company.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

777 DEMOLITION & HAULAGE COMPANY LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

On behalf of the board

Mr M Pearce
Director

28 October 2021

777 DEMOLITION & HAULAGE COMPANY LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF 777 DEMOLITION & HAULAGE COMPANY LIMITED FOR THE YEAR ENDED 30 APRIL 2021

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of 777 Demolition & Haulage Company Limited for the year ended 30 April 2021 set out on pages 4 to 13 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of 777 Demolition & Haulage Company Limited, as a body, in accordance with the terms of our engagement letter dated 7 June 2021. Our work has been undertaken solely to prepare for your approval the financial statements of 777 Demolition & Haulage Company Limited and state those matters that we have agreed to state to the Board of Directors of 777 Demolition & Haulage Company Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than 777 Demolition & Haulage Company Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that 777 Demolition & Haulage Company Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of 777 Demolition & Haulage Company Limited. You consider that 777 Demolition & Haulage Company Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of 777 Demolition & Haulage Company Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Bryden Johnson Limited

11 November 2021

Chartered Accountants

Kings Parade
Lower Coombe Street
Croydon
Surrey
CR0 1AA

777 DEMOLITION & HAULAGE COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2021

	Notes	2021 £	2020 £
Turnover		2,891,519	3,916,810
Cost of sales		(3,250,401)	(3,805,233)
Gross (loss)/profit		(358,882)	111,577
Administrative expenses		(1,972,430)	(2,379,160)
Other operating income		1,260,518	1,110,726
Exceptional item	2	4,188,589	-
Operating profit/(loss)		3,117,795	(1,156,857)
Interest payable and similar expenses		(123,092)	(204,394)
Profit/(loss) before taxation		2,994,703	(1,361,251)
Tax on profit/(loss)		(39,293)	(84,537)
Profit/(loss) for the financial year		2,955,410	(1,445,788)

777 DEMOLITION & HAULAGE COMPANY LIMITED

BALANCE SHEET

AS AT 30 APRIL 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	3		11,573,162		20,806,951
Current assets					
Debtors	4	2,985,804		3,459,332	
Investments	5	215,000		215,000	
		<u>3,200,804</u>		<u>3,674,332</u>	
Creditors: amounts falling due within one year	6	<u>(2,170,358)</u>		<u>(3,703,189)</u>	
Net current assets/(liabilities)			<u>1,030,446</u>		<u>(28,857)</u>
Total assets less current liabilities			<u>12,603,608</u>		<u>20,778,094</u>
Creditors: amounts falling due after more than one year	7		(197,741)		(4,656,243)
Provisions for liabilities			<u>(1,053,298)</u>		<u>(2,331,857)</u>
Net assets			<u>11,352,569</u>		<u>13,789,994</u>
Capital and reserves					
Called up share capital	8		100		100
Revaluation reserve	9		5,827,167		11,220,002
Profit and loss reserves			<u>5,525,302</u>		<u>2,569,892</u>
Total equity			<u>11,352,569</u>		<u>13,789,994</u>

For the financial year ended 30 April 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

777 DEMOLITION & HAULAGE COMPANY LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 APRIL 2021

The financial statements were approved by the board of directors and authorised for issue on 28 October 2021 and are signed on its behalf by:

Mr M Pearce
Director

Company Registration No. 00806911

777 DEMOLITION & HAULAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

Company information

777 Demolition & Haulage Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is Kings Parade, Lower Coombe Street, Croydon, Surrey, CR0 1AA.

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 disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

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.

777 DEMOLITION & HAULAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies (Continued)

1.3 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:

Land and buildings Freehold	Nil
Plant and machinery	20% reducing balance
Fixtures, fittings & equipment	15% reducing balance, except computer equipment which is charged at 33% reducing balance
Motor vehicles	20% reducing balance

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 credited or charged to profit or loss.

Freehold land and assets are not depreciated on the basis that repairs expenditure is incurred to maintain the condition of the asset. Which is at least equivalent to what depreciation would have been.

Although this accounting policy is in accordance with FRS 102, 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 changed cannot be separately identified or quantified

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1.5 Cash and cash equivalents

Cash and cash equivalents 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.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

777 DEMOLITION & HAULAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 company'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.

777 DEMOLITION & HAULAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies (Continued)

1.8 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 balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss 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 profit or loss 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 leases asset are consumed.

2 Exceptional item

	2021	2020
	£	£
Expenditure		
Profit or loss on sale of tangible assets (exceptional)	(4,188,589)	-
	<u> </u>	<u> </u>

The exceptional item relates to the sale of 158-160 Beddington Lane Croydon CR0 4TE .

3 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 May 2020	18,800,000	5,079,407	229,278	1,032,674	25,141,359
Additions	-	130,387	-	196,818	327,205
Disposals	(8,800,000)	(1,548,360)	-	(837,719)	(11,186,079)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 April 2021	10,000,000	3,661,434	229,278	391,773	14,282,485
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment					
At 1 May 2020	-	3,224,825	227,476	882,103	4,334,404
Depreciation charged in the year	-	207,965	541	48,040	256,546
Eliminated in respect of disposals	-	(1,151,103)	-	(730,524)	(1,881,627)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 April 2021	-	2,281,687	228,017	199,619	2,709,323
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount					
At 30 April 2021	10,000,000	1,379,747	1,261	192,154	11,573,162
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 April 2020	18,800,000	1,854,583	1,802	150,566	20,806,951
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

777 DEMOLITION & HAULAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

3 Tangible fixed assets (Continued)

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

	2021 £	2020 £
Plant and machinery	697,021	826,732
Motor vehicles	21,613	64,715
	<u>718,634</u>	<u>891,447</u>

4 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	241,248	306,417
Amounts recoverable on long term contracts	667,629	352,303
Amounts owed by associate undertakings	751,621	241,142
Other debtors	1,237,731	2,321,083
Prepayments and accrued income	87,575	238,387
	<u>2,985,804</u>	<u>3,459,332</u>

5 Current asset investments

	2021 £	2020 £
Other investments	215,000	215,000
	<u>215,000</u>	<u>215,000</u>

6 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	310,437	1,023,121
Obligations under finance leases	541,910	382,436
Trade creditors	779,646	921,382
Amounts owed to parent undertakings	152,614	266,452
Corporation tax	104,402	595
Other taxation and social security	12,631	25,687
Other creditors	209,845	1,033,303
Accruals and deferred income	58,873	50,213
	<u>2,170,358</u>	<u>3,703,189</u>

777 DEMOLITION & HAULAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

7 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans and overdrafts		163,953	3,770,000
Obligations under finance leases		33,788	886,243
		<u>197,741</u>	<u>4,656,243</u>

The long-term loans are secured by fixed charges over property at 154A, 158 and land at Coomber Way, Beddington Lane.

8 Called up share capital

	2021 £	2020 £
Ordinary share capital Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

9 Revaluation reserve

	2021 £	2020 £
At the beginning of the year	11,220,002	11,201,337
Deferred tax on revaluation of tangible assets	164,950	18,665
Reversal of deferred tax liability on revaluation	1,049,095	-
Elimination of revaluation reserves	(6,606,880)	-
At the end of the year	<u>5,827,167</u>	<u>11,220,002</u>

10 Related party transactions

Amounts due from associate undertakings of £751,621 (2020: £2,526,278) includes the amount of £426,621 due from 777 Recycling Limited. Also due from associated companies is £145,000 due from 777 RV Hire Limited and £180,000 due from Ecohub Limited.

These companies are under the common control of the director, These amounts were advanced in the normal course of business and bear no interest or fixed repayment date.

Included in other debtors is the amount of £980,738 due from Pearce Property Group Limited, a company that was previously under the control of the same directors.

Amounts due to parent undertakings of £152,614 (2020: £164,497) is owed to Norwood Compressors Limited, the parent company of 777 Demolition and Haulage Company Limited.

777 DEMOLITION & HAULAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

11 Directors' transactions

At the year end included in other creditors is the amount of £188,345 (2019: £994,803) due to the director of the company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.