

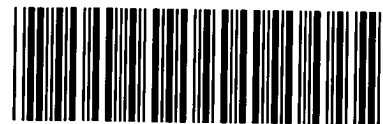
Registered number: SC202571

ADVANCE CONSTRUCTION GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

FRIDAY



S6LSI6E2

SCT

22/12/2017

#884

COMPANIES HOUSE

ADVANCE CONSTRUCTION GROUP LIMITED

COMPANY INFORMATION

Directors	J M Shields Mrs D T Shields T B Dignall
Company secretary	Mrs D T Shields
Registered number	SC202571
Registered office	Caldergrove House 4 Linnet Way Strathclyde Business Park Bellshill ML4 3RA
Independent auditor	French Duncan LLP Chartered Accountants and Statutory Auditors 133 Finnieston Street Glasgow G3 8HB

ADVANCE CONSTRUCTION GROUP LIMITED

CONTENTS

	Page
Group Strategic Report	1 - 2
Directors' Report	3 - 4
Independent Auditor's Report	5 - 6
Consolidated Statement of Income and Retained Earnings	7
Consolidated Statement of Financial Position	8
Company Statement of Financial Position	9
Consolidated Statement of Cash Flows	10 - 11
Notes to the Financial Statements	12 - 33

ADVANCE CONSTRUCTION GROUP LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2017

Business review

The directors are pleased to report that the Group has continued to expand its business operations. Turnover increased by 33% in the year from £154.7m to £205.2m and while gross profit margins reduced to 11.7%, gross profit increased year on year from £20.6m to £24m. Operational costs have increased, reflecting the increase in turnover. The Group has delivered a profit before taxation of £3.1m (2016 - £7.6m) which reflects an exceptional write off of £3.8m. Net assets have increased to £22.1m from £20.4m. Net cashflow from operations is £2.5m (2016 - 6.2m) reflecting additional working capital requirements of the business as activity increases.

The Group has continued to invest in training, health and safety and quality management systems, all of which are key to delivering a safe working environment for our employees and customers and at the same time produce on time delivery and quality workmanship for our clients.

Principal risks and uncertainties

The principal risks and uncertainties affecting the business include the following:

Contract risk: the Group conducts a significant element of its business under customer contracts. The key to the management of contract risk is robust tendering procedures supported by effective operational management.

Health and safety: health and safety risks are continually assessed by management and we constantly look to ensure that we provide a safe working environment for all.

Commercial relationships: the Group maintains strong relationships with its key customers and has established credit control procedures in place. Appropriate credit terms are agreed with all customers and these are closely managed.

The effect of legislation and other regulatory changes: the Group monitors forthcoming and current legislation to ensure it adheres to regulatory requirements.

Funding risks: the Group manages its finances such that it is largely self funding although capital investment is funded through finance lease arrangements.

The construction industry has come through a difficult period, however Advance Construction has expanded its market share and remains positive about the future.

Key performance indicators

Key financial indicators include the monitoring of the management of profitability and working capital. The key performance indicators are referred to above.

Health and safety remains highly important and our performance in this area is monitored on a regular basis.

In addition, directors review non-financial key performance indicators including plant utilisation rates.

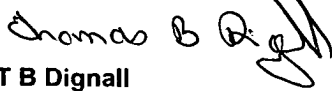
ADVANCE CONSTRUCTION GROUP LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

Future outlook

The Group continues to focus on its core business of groundworks and civil engineering and is achieving a steady stream of new contract awards.

This report was approved by the board and signed on its behalf.



T B Dignall
Director

Date: 12/12/2017

ADVANCE CONSTRUCTION GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2017

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

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group 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 for the Group's financial statements 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 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £1,698,885 (2016 - £6,067,164).

The Company paid an interim dividend of £Nil (2016 - £1,200,000) during the year. The directors do not recommend the payment of a final dividend.

Directors

The directors who served during the year were:

J M Shields
Mrs D T Shields
T B Dignall

ADVANCE CONSTRUCTION GROUP LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

Employee involvement

The Group has a strong tradition of looking after its employees and at all levels employees are encouraged to contribute ideas and suggestions, both formally and informally. Employees are kept informed of company progress and developments through internal memos, emails and management briefings. We recognise that in order to operate in a socially sustainable manner, our actions and our policies must be focused on the long term benefits to employees, suppliers, customers, communities and other stakeholders.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Group since the year end.

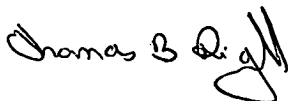
Going concern

The Group's business activities together with the factors likely to affect its future development and financial position are discussed in the Strategic Report. The Group is financed by cash, bank loans and finance lease arrangements. The directors have reviewed cash flow forecasts and investment plans and are satisfied that the Group has adequate facilities in place to enable it to meet its liabilities as they fall due for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

Auditor

Under section 487(2) of the Companies Act 2006, French Duncan LLP will be deemed to be reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.



T B Dignall
Director

Date: 12/12/2017

ADVANCE CONSTRUCTION GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ADVANCE CONSTRUCTION GROUP LIMITED

We have audited the financial statements of Advance Construction Group Limited for the year ended 31 March 2017, set out on pages 7 to 33. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 on page 3, 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 Financial Reporting Council'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 Group Strategic Report and the Directors' 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 the Group's 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.

ADVANCE CONSTRUCTION GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ADVANCE CONSTRUCTION GROUP LIMITED (CONTINUED)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report and the Directors' Report.

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 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.

French Duncan LLP

Paula Galloway (Senior Statutory Auditor)

for and on behalf of
French Duncan LLP

Chartered Accountants and Statutory Auditors

133 Finnieston Street
Glasgow
G3 8HB

Date: *13 December 2017*

ADVANCE CONSTRUCTION GROUP LIMITED

**CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2017**

	Note	2017 £	2016 £
Turnover	4	205,175,993	154,737,811
Cost of sales		(181,196,760)	(134,109,423)
Gross profit		23,979,233	20,628,388
Administrative expenses (including exceptional costs of £3.8m (2016 - £nil))	5	(20,453,679)	(12,730,823)
Operating profit	5	3,525,554	7,897,565
Interest receivable and similar income	9	18,780	20,906
Interest payable and similar charges	10	(406,633)	(300,802)
Profit before tax		3,137,701	7,617,669
Tax on profit	11	(1,438,816)	(1,550,505)
Profit after tax		1,698,885	6,067,164
Retained earnings at the beginning of the year		20,371,444	15,504,280
Profit for the year attributable to the owners of the parent		1,698,885	6,067,164
Dividends declared and paid		-	(1,200,000)
Retained earnings at the end of the year		22,070,329	20,371,444

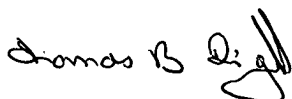
The notes on pages 12 to 33 form part of these financial statements.

ADVANCE CONSTRUCTION GROUP LIMITED
REGISTERED NUMBER: SC202571

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	15	18,366,385	11,598,228
Current assets			
Stocks	17	1,182,394	481,341
Debtors: amounts falling due after more than one year	18	8,732,456	4,872,107
Debtors: amounts falling due within one year	18	43,975,490	32,095,655
Cash at bank and in hand	19	3,112,119	6,688,569
		57,002,459	44,137,672
Creditors: amounts falling due within one year	20	(40,947,766)	(30,696,388)
Net current assets		16,054,693	13,441,284
Total assets less current liabilities		34,421,078	25,039,512
Creditors: amounts falling due after more than one year	21	(8,549,749)	(4,648,099)
Provisions for liabilities			
Deferred taxation	25	-	(18,969)
Other provisions	26	(3,800,000)	-
		(3,800,000)	(18,969)
Net assets		22,071,329	20,372,444
Capital and reserves			
Called up share capital	27	1,000	1,000
Profit and loss account	28	22,070,329	20,371,444
		22,071,329	20,372,444

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



T B Dignall
 Director

Date: 12/12/2017

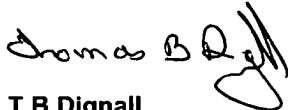
The notes on pages 12 to 33 form part of these financial statements.

ADVANCE CONSTRUCTION GROUP LIMITED
REGISTERED NUMBER: SC202571

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	16	105	105
Current assets			
Debtors: amounts falling due within one year	18	8,483,941	739,649
Cash at bank and in hand	19	1,000,063	5,516,392
		<u>9,484,004</u>	<u>6,256,041</u>
Creditors: amounts falling due within one year	20	(4,863,635)	(6,061,822)
Net current assets		<u>4,620,369</u>	<u>194,219</u>
Other provisions	26	(3,800,000)	-
Net assets		<u><u>820,474</u></u>	<u><u>194,324</u></u>
Capital and reserves			
Called up share capital	27	1,000	1,000
Profit and loss account	28	819,474	193,324
		<u><u>820,474</u></u>	<u><u>194,324</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



T B Dignall
Director

Date: 12/12/17

The notes on pages 12 to 33 form part of these financial statements.

ADVANCE CONSTRUCTION GROUP LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017**

	2017 £	2016 £
Cash flows from operating activities		
Profit for the financial year	1,698,885	6,067,164
Adjustments for:		
Impairment of intangible assets	125,650	-
Depreciation of tangible assets	4,740,768	2,969,246
Profit on disposal of tangible assets	(92,740)	(127,214)
Interest paid	406,633	300,804
Interest received	(18,780)	(20,908)
Taxation charge	1,438,816	1,550,505
(Increase) in stocks	(372,756)	(3,841)
(Increase) in debtors	(16,112,395)	(2,644,612)
Increase/(decrease) in creditors	8,323,239	(296,870)
Increase in provisions	3,800,000	-
Corporation tax paid	(1,444,097)	(1,638,002)
Net cash generated from operating activities	2,493,223	6,156,272
Cash flows from investing activities		
Purchase of subsidiary undertaking	(50,000)	-
Purchase of tangible fixed assets	(786,003)	(1,344,567)
Sale of tangible fixed assets	1,474,442	537,774
Interest received	18,780	20,908
HP interest paid	(386,901)	(284,249)
Net cash generated from/(used in) investing activities	270,318	(1,070,134)

ADVANCE CONSTRUCTION GROUP LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

	2017 £	2016 £
Cash flows from financing activities		
New secured loans	500,000	525,000
Repayment of loans	(102,500)	(16,250)
Repayment of/new finance leases	(6,403,134)	(3,475,047)
Dividends paid	-	(1,200,000)
Interest paid	(19,732)	(16,555)
Net cash used in financing activities	<u>(6,025,366)</u>	<u>(4,182,852)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(3,261,825)</u>	<u>903,286</u>
Cash and cash equivalents at beginning of year	5,497,486	4,594,200
Cash and cash equivalents at the end of year	<u><u>2,235,661</u></u>	<u><u>5,497,486</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	3,112,119	6,688,569
Bank overdrafts	(876,458)	(1,191,083)
	<u><u>2,235,661</u></u>	<u><u>5,497,486</u></u>

ADVANCE CONSTRUCTION GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. General information

The Company is a private company limited by shares and is incorporated in Scotland. The address of its registered office is Caldergrove House, 4 Linnet Way, Strathclyde Business Park, Bellshill, ML4 3RA.

The Company's principal activity is that of a holding company. The Group's principal activity is the provision of groundworks and civil engineering services.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The financial statements are presented in Sterling (£).

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Group and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Consolidated Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Income and Retained Earnings from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Revenue

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due;
- the costs incurred can be measured reliably.

Revenue on long term contracts for services is recognised according to the stage of completion on the contract by reference to valuations agreed with customers.

ADVANCE CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. Accounting policies (continued)

2.4 Long term contracts

Amounts recoverable on contracts which are included in debtors are stated at cost, which comprises of direct materials and direct labour, plus attributable profit to the extent that this is reasonably certain less any losses incurred or foreseen in bringing contracts to completion, and less amounts received as progress payments.

For any contracts where receipts exceed the book value of work done, the excess is included in trade and other payables as payments on account.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.6 Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2% on cost
Leasehold property	- over lease term
Plant and machinery	- 10% on cost
Motor vehicles	- 25% on cost
Office equipment	- between 10% and 33% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Income and Retained Earnings.

ADVANCE CONSTRUCTION GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.7 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Stocks

Stocks and land held for development are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each Statement of Financial Position date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Consolidated Statement of Income and Retained Earnings.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.12 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash

ADVANCE CONSTRUCTION GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.12 Financial instruments (continued)

flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Income and Retained Earnings.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Intermediate payment arrangements

Payments made to a remuneration trust are recognised in the Statement of Income and Retained Earnings as the Company does not have control of the right or other access to the future economic benefits that are expected to be received.

2.15 Finance costs

Finance costs are charged to the Consolidated Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

2.16 Dividends

Equity dividends are recognised when paid or approved by the Board of Directors. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.17 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Income and Retained Earnings on a straight line basis over the lease term.

ADVANCE CONSTRUCTION GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.18 Leased assets

Assets obtained under hire purchase contract and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 Consolidated Statement of Income and Retained Earnings so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.19 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.20 Interest income

Interest income is recognised in the Consolidated Statement of Income and Retained Earnings using the effective interest method.

2.21 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Statement of Income and Retained Earnings in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

ADVANCE CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. Accounting policies (continued)

2.22 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Income and Retained Earnings.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

ADVANCE CONSTRUCTION GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements and estimates have had the most significant effects on amounts recognised in the financial statements.

Long term contracts

The assessment of long term contracts requires estimates to be made of the profit or loss expected to be achieved on contracts. Management base this assessment on progress reports and their experience of similar contracts in the past. Adjustments are made to reflect any after date events which have a significant impact on the final margins expected to be achieved. Both costs and revenues may require to be revised as future events unfold and uncertainties are resolved.

Operating lease commitments

The Group has entered into commercial leases and as a lessee obtains the use of plant and equipment. The classification of such leases as operating or finance leases requires the Group to determine, based on evaluation of the term and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Statement of Financial Position.

Property, plant and equipment

The estimates and assumptions made to determine asset lives require judgements to be made as regards useful lives and residual values. The useful lives and residual values of the Group's financial assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets. Historically changes in useful lives have not resulted in material changes to the Group's depreciation charge.

Provisions

Provisions are recognised where the Group has an obligation, as a result of a past event, that can be measured reliably and where the outcome is less than probable, but more than remote, no provision is recorded but a contingent liability is disclosed in the financial statements if material. The recording of provisions is an area which requires the exercise of management judgement relating to the nature, timing and probability of the liability.

Recoverability of debtor balances

The assessment of the recoverability of trade and other debtor balances requires management judgement based on the information available. Circumstances can change and as a result this judgement would be reassessed.

4. Turnover

All turnover arose within the United Kingdom and is attributable to groundworks and civil engineering services.

ADVANCE CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

5. Operating profit

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	4,740,768	2,969,246
Impairment of intangible assets	125,650	-
Fees payable to the Group's auditor and its associates for the audit of the Company's annual financial statements	3,500	4,500
Other operating lease rentals	1,705,346	1,768,772
Exceptional bad debt write off	3,800,000	-
	<u>3,800,000</u>	<u>-</u>

6. Auditor's remuneration

	2017 £	2016 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts	29,500	23,500
Fees payable to the Group's auditor and its associates in respect of:		
Other services relating to taxation	14,004	10,000
	<u>43,504</u>	<u>33,500</u>

ADVANCE CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2017 £	2016 £
Wages and salaries	46,302,459	35,203,631
Social security costs	4,560,813	3,640,742
Cost of defined contribution scheme	422,121	396,440
	<u>51,285,393</u>	<u>39,240,813</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2017 No.	2016 No.
Management / Administration	179	141
Direct	1,204	993
	<u>1,383</u>	<u>1,134</u>

8. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	246,622	381,453
Company contributions to defined contribution pension schemes	75,798	133,843
	<u>322,420</u>	<u>515,296</u>

During the year retirement benefits were accruing to 3 directors (2016 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £95,316 (2016 - £153,473).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £17,908 (2016 - £46,889).

By a Deed of Adherence dated 27th September 2016 the Company adhered to the WUT No 1 Ltd Remuneration Trust. During the accounting period the Company contributed £215,001 (2016 - £nil) to the WUT No 1 Ltd Remuneration Trust.

ADVANCE CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

9. Interest receivable

	2017 £	2016 £
Other interest receivable	18,780	20,906
	18,780	20,906
	18,780	20,906

10. Interest payable and similar charges

	2017 £	2016 £
Bank interest payable	19,732	16,553
Finance leases and hire purchase contracts	386,901	284,249
	406,633	300,802
	406,633	300,802

11. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	1,548,244	1,586,351
Adjustments in respect of previous periods	(58,723)	2,599
Total current tax	1,489,521	1,588,950
Deferred tax		
Origination and reversal of timing differences	(103,162)	(38,445)
Adjustments in respect of prior periods	52,457	-
Total deferred tax	(50,705)	(38,445)
Taxation on profit on ordinary activities	1,438,816	1,550,505

ADVANCE CONSTRUCTION GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016 - higher than) the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>3,137,701</u>	<u>7,617,668</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	627,540	1,523,534
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	25,130	-
Expenses not deductible for tax purposes	777,489	36,301
Adjustments to tax charge in respect of prior periods	(6,266)	2,599
Changes in provisions leading to an increase (decrease) in the tax charge	203	-
Fixed asset differences	1,184	(11,256)
Effect of change in tax rate on deferred tax	13,536	(673)
Total tax charge for the year	<u>1,438,816</u>	<u>1,550,505</u>

Factors that may affect future tax charges

There are no factors that may materially affect future tax charges.

12. Dividends

	2017 £	2016 £
Dividends paid on ordinary shares	-	1,200,000
	<u>-</u>	<u>1,200,000</u>

13. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Income and Retained Earnings in these financial statements. The profit after tax of the parent Company for the year was £626,150 (2016 - £1,258,456).

ADVANCE CONSTRUCTION GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

14. Intangible assets

Group and Company

	Goodwill £
Cost	
Additions (see note 16)	125,650
At 31 March 2017	<u>125,650</u>
Amortisation	
Impairment charge	125,650
At 31 March 2017	<u>125,650</u>
Net book value	
At 31 March 2017	<u>-</u>
At 31 March 2016	<u>-</u>

ADVANCE CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

15. Tangible fixed assets

Group

	Freehold property £	Leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation						
At 1 April 2016	637,130	279,966	14,623,548	3,216,941	542,985	19,300,570
Additions	258,886	97,530	9,712,809	2,784,151	37,251	12,890,627
Disposals	-	-	(3,220,395)	(168,142)	-	(3,388,537)
At 31 March 2017	<u>896,016</u>	<u>377,496</u>	<u>21,115,962</u>	<u>5,832,950</u>	<u>580,236</u>	<u>28,802,660</u>
Depreciation						
At 1 April 2016	-	26,531	5,607,960	1,964,009	103,842	7,702,342
Charge for the year on owned assets	-	31,596	343,756	123,760	167,991	667,103
Charge for the year on financed assets	-	-	3,323,640	735,175	14,850	4,073,665
Disposals	-	-	(1,957,514)	(49,321)	-	(2,006,835)
At 31 March 2017	<u>-</u>	<u>58,127</u>	<u>7,317,842</u>	<u>2,773,623</u>	<u>286,683</u>	<u>10,436,275</u>
Net book value						
At 31 March 2017	<u>896,016</u>	<u>319,369</u>	<u>13,798,120</u>	<u>3,059,327</u>	<u>293,553</u>	<u>18,366,385</u>
At 31 March 2016	<u>637,130</u>	<u>253,435</u>	<u>9,015,588</u>	<u>1,252,932</u>	<u>439,143</u>	<u>11,598,228</u>

Freehold property includes land of £896,016 which is not depreciated.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Plant and machinery	13,441,004	8,516,573
Motor vehicles	2,810,192	1,062,036
Fixtures and fittings	21,150	40,500
	<u>16,272,346</u>	<u>9,619,109</u>

ADVANCE CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

16. Fixed asset investments

Direct subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Advance Construction (Scotland) Limited	Ordinary	100 %	Groundworks and civil engineering
JMS Plant Hire Limited	Ordinary	100 %	Plant hire
Advance Plant Limited	Ordinary	100 %	Construction
Dansekie Limited	Ordinary	100 %	Developer
Advance Construction (East Scotland) Limited	Ordinary	100 %	Dormant

Indirect Subsidiary undertaking

The following is a subsidiary undertaking of the Company:

Name	Class of shares	Holding	Principal activity
Montgomery Property Developments Limited	Ordinary	100 %	Development of land and property

Montgomery Property Developments Limited is a direct subsidiary of Advance Construction (Scotland) Limited.

During the year Advance Construction (Scotland) Limited acquired 100% of the share capital in Montgomery Property Developments Limited for £50,000. On acquisition Montgomery Property Developments Limited had net liabilities of £75,650 comprising land held for development (included in Stocks) of £328,297 and a balance due to Advance Construction (Scotland) Limited of £403,947.

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2016	105
At 31 March 2017	<u>105</u>
Net book value	
At 31 March 2017	<u>105</u>
At 31 March 2016	<u>105</u>

ADVANCE CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

17. Stocks

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Raw materials and consumables	16,341	16,341	-	-
Land held for development	1,166,053	465,000	-	-
	<u>1,182,394</u>	<u>481,341</u>	<u>-</u>	<u>-</u>

18. Debtors

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Due after more than one year				
Trade debtors	8,732,456	4,872,107	-	-
	<u>8,732,456</u>	<u>4,872,107</u>	<u>-</u>	<u>-</u>

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Due within one year				
Trade debtors	3,493,817	2,957,768	-	-
Amounts owed by group undertakings	-	-	8,483,941	739,649
Other debtors	9,663,970	5,822,011	-	-
Prepayments and accrued income	972,007	370,744	-	-
Amounts recoverable on long term contracts	29,813,960	22,945,132	-	-
Deferred taxation	31,736	-	-	-
	<u>43,975,490</u>	<u>32,095,655</u>	<u>8,483,941</u>	<u>739,649</u>

19. Cash and cash equivalents

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Cash at bank and in hand	3,112,119	6,688,569	1,000,063	5,516,392
Less: bank overdrafts	(876,458)	(1,191,083)	-	-
	<u>2,235,661</u>	<u>5,497,486</u>	<u>1,000,063</u>	<u>5,516,392</u>

ADVANCE CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

20. Creditors: Amounts falling due within one year

	Group 2017 £	<i>Group 2016 £</i>	Company 2017 £	<i>Company 2016 £</i>
Bank overdrafts	876,458	1,191,083	-	-
Bank loans	115,000	65,000	-	-
Trade creditors	24,295,562	18,751,152	-	-
Amounts owed to group undertakings	-	-	4,795,805	6,021,064
Corporation tax	1,631,774	1,586,351	56,790	21,097
Other taxation and social security	1,516,713	1,248,529	4,249	13,880
Obligations under finance lease and hire purchase contracts	5,174,868	3,027,529	-	-
Other creditors	2,623,751	1,664,745	1,340	330
Accruals and deferred income	4,713,640	3,161,999	5,451	5,451
	<u>40,947,766</u>	<u>30,696,388</u>	<u>4,863,635</u>	<u>6,061,822</u>

Details of secured creditors are shown in note 22.

21. Creditors: Amounts falling due after more than one year

	Group 2017 £	<i>Group 2016 £</i>	Company 2017 £	<i>Company 2016 £</i>
Bank loans	791,250	443,750	-	-
Net obligations under finance leases and hire purchase contracts	7,758,499	4,204,349	-	-
	<u>8,549,749</u>	<u>4,648,099</u>	<u>-</u>	<u>-</u>

Details of secured creditors are shown in note 22.

ADVANCE CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

22. Loans

Analysis of the maturity of loans is given below:

	Group 2017 £	<i>Group 2016 £</i>	Company 2017 £	<i>Company 2016 £</i>
Amounts falling due within one year				
Bank loans	115,000	65,000	-	-
Amounts falling due 1-2 years				
Bank loans	115,000	65,000	-	-
Amounts falling due 2-5 years				
Bank loans	676,250	378,750	-	-
	<u>906,250</u>	<u>508,750</u>	<u>-</u>	<u>-</u>

The Group bank loans and overdraft facility are secured by an unlimited inter company guarantee between Advance Construction Group Limited, Advance Construction (Scotland) Limited, JMS Plant Hire Limited, Dansekie Limited and Advance Plant Limited supported by bonds and floating charges covering all the aforementioned companies. The bank also hold a standard security over land owned by Dansekie Limited and a property owned by Advance Construction (Scotland) Limited.

23. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2017 £	<i>Group 2016 £</i>
Within one year	5,174,868	3,027,529
Between 1-2 years	4,125,335	2,519,965
Between 2-5 years	3,633,164	1,684,384
	<u>12,933,367</u>	<u>7,231,878</u>

ADVANCE CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

24. Financial instruments

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Financial assets				
Financial assets that are debt instruments measured at amortised cost	51,704,203	<i>36,597,018</i>	8,483,941	<i>739,649</i>
	51,704,203	<i>36,597,018</i>	8,483,941	<i>739,649</i>
Financial liabilities				
Financial liabilities measured at amortised cost	(44,566,320)	<i>(30,809,774)</i>	(4,802,596)	<i>(6,026,845)</i>
	(44,566,320)	<i>(30,809,774)</i>	(4,802,596)	<i>(6,026,845)</i>

Financial assets measured at amortised cost comprise trade debtors, amounts owed by group undertakings, other debtors and amounts recoverable on contracts.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, net obligations under finance leases and hire purchase contracts, other creditors and accruals.

25. Deferred taxation

Group

	2017 £	2016 £
At beginning of year	(18,969)	<i>(57,414)</i>
Credited to the Income Statement	50,705	<i>38,445</i>
At end of year	31,736	<i>(18,969)</i>

ADVANCE CONSTRUCTION GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

25. Deferred taxation (continued)

The deferred tax balance is made up as follows:

	Group 2017 £	<i>Group 2016 £</i>
Accelerated capital allowances	25,405	<i>(22,071)</i>
Short term timing differences	6,331	<i>3,102</i>
	<u>31,736</u>	<i><u>(18,969)</u></i>

26. Provisions

	Group 2017 £	Company 2017 £
Charged to Income Statement	3,800,000	3,800,000
At 31 March 2017	<u>3,800,000</u>	<u>3,800,000</u>

The Company has underwritten a loan made by Advance Construction (Scotland) Limited to a related party. During the year the Group provided £3,800,000 (2016 - £nil) against the outstanding balance.

27. Share capital

	2017 £	<i>2016 £</i>
Shares classified as equity		
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<i><u>1,000</u></i>

28. Reserves

Profit and loss account

The profit and loss account represents the accumulated profits and losses of the company less distributions made to shareholders.

ADVANCE CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

29. Contingent liabilities

Company

An unlimited inter company guarantee exists between Advance Construction Group Limited, Advance Construction (Scotland) Limited, JMS Plant Hire Limited, Dansekie Limited and Advance Plant Limited supported by bonds and floating charges covering the aforementioned companies in respect of bank borrowings. At the year end group borrowings totalled £1,782,708 (2016 - £1,699,833).

30. Pension commitments

The Group operates a defined contribution pension scheme for its employees. The pension cost charge represents contributions payable by the Group to the fund and amounted to £422,121 (2016 - £396,440). Contributions totalling £68,501 (2016 - £78,214) were payable to the fund at the Balance Sheet date and are included in creditors.

31. Commitments under operating leases

At 31 March 2017 the Group had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2017 £	<i>Group 2016 £</i>
Land and buildings		
Not later than 1 year	242,500	242,500
Later than 1 year and not later than 5 years	1,004,167	1,066,667
Later than 5 years	360,000	540,000
	1,606,667	1,849,167
	Group 2017 £	<i>Group 2016 £</i>
Other		
Not later than 1 year	207,636	193,940
Later than 1 year and not later than 5 years	151,568	234,962
	359,204	428,902

The Company had no commitments under non-cancellable operating leases as at the reporting date.

ADVANCE CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

32. Transactions with directors

Group

During the year the Group paid expenses of £894,594 (2016 - £1,171,333) on behalf of J M Shields and Mrs D T Shields. During the year a dividend of £nil (2016 - £1,200,000) was credited to the directors' loan account for J M Shields and Mrs D T Shields.

At the year end the balance due from J M Shields and Mrs D T Shields was included in other debtors and totalled £762,246 (2016 - £132,348 due to J M Shields and Mrs D T Shields included in other creditors).

Amounts recoverable on long term contracts includes an amount due of £268,995 (2016 - £268,995) in relation to work undertaken for D Shields.

Outstanding balances are unsecured and repayable on demand. Interest accrues at 3% per annum.

33. Related party transactions

Company

The Company has taken the exemption available under s33.1A of FRS 102 not to disclose transactions with other wholly owned members of the group. All intergroup balances are unsecured, interest free and repayable on demand.

During the year the Company made a provision of £3,800,000 (2016 - £nil) against loans to a related party that it had underwritten. Details are included in note 26.

Group

The directors are considered to be key management personnel of the Group. No other employees are considered to have authority or responsibility for planning, directing and controlling the activities of the company. Total remuneration in respect of the directors is £571,456 (2016 - £567,936).

During the year the Group entered into the following transactions with other related parties:

	2017	2016
	£	£
Sales to other related parties	1,587,452	2,207,212
Sales receipts from other related parties	(63,767)	(835,246)
Purchases from other related parties	(760,055)	(1,739,381)
Purchase payments to other related parties	7,969	234,747
Expenditure incurred on behalf of other related parties	1,237,999	1,173,033
Rents paid to other related parties	(216,000)	(216,000)
Loans extended to other related parties	2,081,118	1,742,513

Amounts due from / (to) other related parties are included under the following headings in the financial statements:

ADVANCE CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

	2017	2016
	£	£
Trade debtors	1,564,485	83,313
Amounts recoverable on contracts	160,788	505,271
Other debtors	6,165,570	2,975,302
Trade creditors	(5,818)	(8,507)
Other creditors	(57,978)	-
Accruals	(604,977)	-

Outstanding balances are unsecured, interest free and repayable on demand.

34. Controlling party

The shareholders of Advance Construction Group Limited are J M Shields and Mrs D T Shields and as a result they are the joint ultimate controlling party.