

# Churngold Construction Limited

## REPORT AND FINANCIAL STATEMENTS

for the year ended

31 May 2014

# Churngold Construction Limited

## COMPANY INFORMATION

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### DIRECTORS

J R Ancell (Chairman)  
A R Brown (Managing Director)  
R N Tredwin (Finance Director)  
R K McCabe (Commercial Director)  
M G Best (Director - Wales)  
G A Wiltshire (Operations Director)

### SECRETARY

R N Tredwin

### REGISTERED OFFICE

St Andrews House  
St Andrews Road  
Avonmouth  
Bristol  
BS11 9DQ

### BANKERS

Bank of Scotland  
21 Prince Street  
Bristol  
BS99 7JG

### SOLICITORS

Osborne Clarke  
2 Temple Back East  
Temple Quay  
Bristol  
BS1 6EG

### AUDITOR

Baker Tilly UK Audit LLP  
Chartered Accountants  
Hartwell House  
55 - 61 Victoria Street  
Bristol  
BS1 6AD

# Churngold Construction Limited

## STRATEGIC REPORT

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### REVIEW OF BUSINESS

The principal activities of the company are ground works, enabling works and civil engineering services.

The business has performed well and in line with expectations and the Directors will continue to ensure that a strong cash backed balance sheet is maintained going forward.

### KEY PERFORMANCE INDICATORS

<b>Financial metrics</b>		2014	2013
Revenue	£000	28,162	21,565
Earnings before interest, tax, depreciation, amortisation and central management costs	£000	1,005	936
Average days turnover in amounts recoverable on contracts	Days	46	61
Work in hand as % of next year's budget	%	55	60
<b>People</b>			
Staff as at 31 May	No	125	110

The Directors consider the KPI's acceptable in the current economic climate.

### FUTURE DEVELOPMENT

The Construction Industry continues to be challenging, however the level of work in hand, against an increased turnover budget leaves the business well placed for the next financial year.

### PRINCIPAL RISKS AND UNCERTAINTIES AND MATTERS OF STRATEGIC IMPORTANCE

The directors recognise that the outlook for the company is based upon a number of key assumptions, some of which are outside the company's control. The directors do not consider any of the identified risks to have the potential to materially impact the business.

The main risks are liquidity, credit and interest rate risks. The Directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

#### LIQUIDITY

The company uses hire purchase facilities provided by major high street lenders and overdraft facilities provided by Bank of Scotland. At the year end the company had access to undrawn borrowing facilities of £1,000,000 (2013: £1,000,000). The maturity profile of banking facilities is regularly reviewed and such facilities are extended or replaced well in advance of their expiry. The company does not enter into speculative financial transactions and uses financial instruments (e.g. Trade Credit Insurance) for certain risk management purposes.

#### CREDIT RISK

The company's principal financial assets are cash, trade debtors and amounts recoverable on contracts. The company limits deposits to short term deposits with its bankers. The principal credit risk arises therefore from its debtors / amounts recoverable on contracts.

In order to manage this risk all jobs and customers are credit checked at contract stage and credit insurance arranged on the majority of debts.

# Churngold Construction Limited

## STRATEGIC REPORT *(continued)*

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### INTEREST RATE RISK

The company reduces exposure to interest rates through a mixture of fixed rate loan stock and hire purchase arrangements and variable rates for overdraft facilities.

On behalf of the board



R N Tredwin  
Secretary

15 August 2014

# Churngold Construction Limited

## REPORT OF THE DIRECTORS

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The directors present their report and the financial statements of the company for the year ended 31 May 2014.

### RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £517,000 (2013: £436,000). Particulars of dividends paid are detailed in note 9 to the financial statements.

### FUTURE DEVELOPMENTS

The construction industry continues to be challenging, however the level of work in hand leaves the business well placed for the next financial year.

### DIRECTORS

The directors who served the company during the year and following the year end were as follows:

J R Ancell  
A R Brown  
R N Tredwin  
R K McCabe  
M G Best  
G A Wiltshire

### DIRECTORS' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

# Churngold Construction Limited

REPORT OF THE DIRECTORS *(continued)*

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## AUDITOR

Baker Tilly UK Audit LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

## BY ORDER OF THE BOARD



R N Tredwin  
Secretary

15 August 2014

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF CHURNGOLD CONSTRUCTION LIMITED

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We have audited the financial statements on pages 8 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's member, 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 member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of directors and auditor**

As more fully explained in the Directors' Responsibilities Statement set out on page 5 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 (APB's) Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

## **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Opinion on other matter prescribed by the Companies Act 2006**

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

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

*Baker Tilly UK audit LLP*

HEATHER WHEELHOUSE (Senior Statutory Auditor)  
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Hartwell House  
55-61 Victoria Street  
Bristol  
BS1 6AD

Date: *18 August 2014*

**Churngold Construction Limited**  
**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 May 2014

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	Note	2014 £000	2013 £000
TURNOVER	2	28,162	21,565
Cost of sales		(25,199)	(19,457)
<b>GROSS PROFIT</b>		<b>2,963</b>	<b>2,108</b>
Administrative expenses		(2,268)	(1,520)
<b>OPERATING PROFIT</b>	3	<b>695</b>	<b>588</b>
Income from fixed asset investments		-	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST AND TAXATION</b>		<b>695</b>	<b>588</b>
Interest receivable and similar income	6	4	15
Interest payable and similar charges	7	(20)	(18)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>679</b>	<b>585</b>
Tax on profit on ordinary activities	8	(162)	(149)
<b>PROFIT FOR THE FINANCIAL YEAR</b>	22	<b>517</b>	<b>436</b>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.




# Churngold Construction Limited

## BALANCE SHEET

as at 31 May 2014

	Note	2014 £000	2013 £000
<b>FIXED ASSETS</b>			
Tangible assets	10	1,344	1,090
Investments	11	66	66
		<u>1,410</u>	<u>1,156</u>
<b>CURRENT ASSETS</b>			
Debtors	12	5,130	4,989
Cash at bank and in hand		2,929	2,187
		<u>8,059</u>	<u>7,176</u>
CREDITORS: amounts falling due within one year	13	7,113	6,495
		<u>946</u>	<u>681</u>
<b>NET CURRENT ASSETS</b>			
TOTAL ASSETS LESS CURRENT LIABILITIES		2,356	1,837
CREDITORS: amounts falling due after more than one year	14	217	63
		<u>2,139</u>	<u>1,774</u>
<b>PROVISION FOR LIABILITIES</b>			
Deferred taxation	17	64	16
		<u>2,075</u>	<u>1,758</u>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	21	16	16
Profit and loss account	22	2,059	1,742
		<u>2,075</u>	<u>1,758</u>
<b>SHAREHOLDER'S FUNDS</b>			
	23	<u>2,075</u>	<u>1,758</u>

These financial statements on pages 8 to 19 were approved by the directors and authorised for issue on 15 August 2014, and are signed on their behalf by:



J R Ancell  
Chairman

# Churngold Construction Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2014

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### 1. PRINCIPAL ACCOUNTING POLICIES

#### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK accounting standards.

The principal accounting policies of the company have remained unchanged from the previous year.

#### CASH FLOW STATEMENT

The directors have taken advantage of the exemption in Financial Reporting Standard 1 (revised 1996): Cash Flow Statements, from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

#### TURNOVER

Turnover is the total amount receivable for goods and services provided, net of VAT and trade discounts. In the case of long term contracts, turnover represents the sales value of work done in the year.

#### FIXED ASSETS

All fixed assets are initially recorded at cost.

#### DEPRECIATION

Depreciation is calculated so as to write off the cost of an asset, other than freehold land, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & machinery	- over 3 to 7 years (straight line)
Motor vehicles	- over 4 to 7 years (straight line)
Leasehold improvements	- over 40 years or period of lease if shorter than 40 years
Freehold property costs	- over 2 years (straight line).

#### FINANCE LEASE AGREEMENTS

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the capital element which reduces the outstanding obligation for future instalments, and the finance element, which represents a constant proportion of the outstanding obligation for future instalments and is charged to the profit and loss account over the period of the lease.

#### OPERATING LEASE AGREEMENTS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with lessor are charged against profits on a straight line basis over the period of the lease.

#### PENSION COSTS

The company contributes to the personal pension of all employees. Contributions are charged to the profit and loss account as incurred.

#### DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured on an undiscounted basis using rates of tax that have been enacted or substantively enacted by the balance sheet date.

# Churngold Construction Limited

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 May 2014

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## 1. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### 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 obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

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.

### LONG-TERM CONTRACTS

Turnover and related costs on each long-term contract are recorded in the profit and loss account as contract activity progresses. Turnover is calculated on the basis of the value of the work done.

Attributable profit is calculated for each contract by reference to the contract's cumulative turnover, total contract value and total profit estimated for the completed contract. Full provision is made for losses on a contract immediately when can be foreseen. In the balance sheet, the value of work completed at the year end for which no sales invoice has been raised or no certification paid is included in amounts recoverable on long-term contracts.

### INVESTMENTS

Investments held as fixed assets are stated at cost less provision for permanent diminution in value.

### CONSOLIDATION

The company has taken advantage of the exemption granted under section 408 of the Companies Act 2006 not to prepare group financial statements as it is a wholly owned subsidiary undertaking of a company preparing and publishing consolidated financial statements. Accordingly, these financial statements present information about the results of the company as an individual undertaking and not its group.

**Churngold Construction Limited**  
 NOTES TO THE FINANCIAL STATEMENTS *(continued)*  
 for the year ended 31 May 2014

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.  
 An analysis of turnover is given below:

	2014 £000	2013 £000
United Kingdom	28,162	21,565

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2014 £000	2013 £000
Depreciation of owned fixed assets	91	132
Depreciation of assets held under finance lease agreements	135	132
Profit on disposal of fixed assets	(55)	(71)
Auditor's remuneration:		
Audit fees – Baker Tilly UK Audit LLP	8	8
Taxation fees – Baker Tilly Tax & Accounting Limited	2	2
Operating lease costs:		
Plant and equipment	2,826	2,425
Other	196	160

4. DIRECTORS AND EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2014 No	2013 No
Operatives	95	74
Administration and managerial	30	35
	125	109

The aggregate payroll costs of the above were:

	2014 £000	2013 £000
Wages and salaries	4,964	3,914
Social security costs	471	436
Other pension costs	334	88
	5,769	4,438

**Churngold Construction Limited**  
 NOTES TO THE FINANCIAL STATEMENTS *(continued)*  
 for the year ended 31 May 2014

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5. DIRECTORS

Remuneration in respect of directors was as follows:

	2014 £000	2013 £000
Emoluments receivable	561	304
Value of company pension contributions to defined contribution schemes	252	12
	<u>813</u>	<u>316</u>

Emoluments of highest paid director:

	2014 £000	2013 £000
Total emoluments (excluding pension contributions)	216	80
Value of company pension contributions to defined contribution schemes	116	4
	<u>332</u>	<u>84</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2014	2013
Defined contribution schemes	<u>4</u>	<u>4</u>

6. INTEREST RECEIVABLE

	2014 £000	2013 £000
Bank interest receivable	<u>4</u>	<u>15</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2014 £000	2013 £000
Finance charges payable under finance lease agreements	13	14
Bank interest and other similar charges	7	4
	<u>20</u>	<u>18</u>

**Churngold Construction Limited**  
 NOTES TO THE FINANCIAL STATEMENTS *(continued)*  
 for the year ended 31 May 2014

8. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2014 £000	2013 £000
<b>Current tax</b>		
UK Corporation tax based on the results for the year at 23% (2013: 24%)	114	154
Total current tax	<u>114</u>	<u>154</u>
Deferred tax:		
Origination and reversal of timing differences	50	(5)
Effect of tax rate change on opening balance	(2)	-
Tax on profit on ordinary activities	<u><u>162</u></u>	<u><u>149</u></u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 23% (2013: 24%).

	2014 £000	2013 £000
Profit on ordinary activities before taxation	<u>679</u>	<u>585</u>
Profit on ordinary activities by rate of tax	154	140
Expenses not deductible for tax purposes	16	5
Capital allowances for period less than depreciation	(56)	9
Current tax (note 8(a))	<u><u>114</u></u>	<u><u>154</u></u>

9. DIVIDENDS

	2014 £000	2013 £000
Paid during the year:		
Equity dividends on ordinary shares	<u>200</u>	<u>430</u>

**Churngold Construction Limited**  
 NOTES TO THE FINANCIAL STATEMENTS *(continued)*  
 for the year ended 31 May 2014

10. TANGIBLE FIXED ASSETS

	Freehold Property £000	Plant Machinery £000	Motor Vehicles £000	Leasehold Improvements £000	Total £000
<b>Cost</b>					
At 1 June 2013	466	1,456	50	41	2,013
Additions	-	681	15	-	696
Disposals	-	(443)	(20)	-	(463)
At 31 May 2014	<u>466</u>	<u>1,694</u>	<u>45</u>	<u>41</u>	<u>2,246</u>
<b>Depreciation</b>					
At 1 June 2013	40	797	45	41	923
Charge for the year	3	219	4	-	226
On disposal	-	(227)	(20)	-	(247)
At 31 May 2014	<u>43</u>	<u>789</u>	<u>29</u>	<u>41</u>	<u>902</u>
<b>Net book value</b>					
At 31 May 2014	<u>423</u>	<u>905</u>	<u>16</u>	<u>-</u>	<u>1,344</u>
At 31 May 2013	<u>426</u>	<u>659</u>	<u>5</u>	<u>-</u>	<u>1,090</u>

Included within the net book value of £1,344,000 is £603,000 (2013: £504,000) relating to assets held under finance lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £133,000 (2013: £132,000).

11. INVESTMENTS

Subsidiary undertaking	£000
<b>Cost</b>	
At 1 June 2013 and 31 May 2014	<u>166</u>
<b>Amounts written off</b>	
At 1 June 2013 and 31 May 2014	<u>100</u>
<b>Net book value</b>	
At 31 May 2014	<u>66</u>
At 31 May 2013	<u>66</u>

The investment, a subsidiary undertaking, represents a 100% stake in Churngold Surfacing Limited, a company registered in England and Wales and engaged in the construction, repair and maintenance of car parks, access roads and highways. At 31 May 2014, Churngold Surfacing Limited generated a profit after tax for the year then ended of £1,000 (2013: loss of £41,000) and had net assets of £85,000 (2013: £84,000).

**Churngold Construction Limited**  
 NOTES TO THE FINANCIAL STATEMENTS *(continued)*  
 for the year ended 31 May 2014

12. DEBTORS

	2014 £000	2013 £000
Trade debtors	1,997	1,018
Amounts recoverable on long term contracts	3,014	3,826
Amounts owed by group undertakings	14	6
Amounts owed by related parties	25	37
Corporation tax	27	-
Prepayments and accrued income	53	102
	<u>5,130</u>	<u>4,989</u>

Included within trade debtors are amounts of £477,000 (2013: £306,000) in respect of retentions falling due after more than one year.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £000	2013 £000
Trade creditors	3,266	3,461
Payments on account	221	-
Amounts owed to group undertakings	142	141
Corporation tax	-	65
Other taxation and social security	818	497
Amounts due under finance lease agreements (note 15)	144	236
Amounts owed to related parties	-	-
Accruals and deferred income	2,522	2,095
	<u>7,113</u>	<u>6,495</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2014 £000	2013 £000
Amounts due under finance lease agreements (note 15)	217	63
	<u>217</u>	<u>63</u>



**Churngold Construction Limited**  
 NOTES TO THE FINANCIAL STATEMENTS *(continued)*  
 for the year ended 31 May 2014

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15. AMOUNTS DUE UNDER FINANCE LEASE AGREEMENTS

Future commitments under finance lease agreements net of future finance lease charges are as follows:

	2014 £000	2013 £000
Amounts payable within 1 year	144	236
Amounts payable between 2 to 5 years	217	63
	<u>361</u>	<u>299</u>
Finance lease agreements are analysed as follows:		
Current obligations (note 13)	144	236
Non-current obligations (note 14)	217	63
	<u>361</u>	<u>299</u>

Amounts due under finance lease agreements are secured on the assets to which they relate.

16. PENSIONS

The company operates defined contribution schemes for the benefit of all employees. The assets of the schemes are administered by trustees in a fund independent from those of the company.

17. DEFERRED TAXATION

	2014 £000	2013 £000
Provision brought forward	16	21
Profit and loss account movement arising during the year	48	(5)
Provision carried forward	<u>64</u>	<u>16</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2014 £000	2013 £000
Excess of taxation allowances over depreciation on fixed assets	64	16
Short term timing differences	-	-
	<u>64</u>	<u>16</u>

# Churngold Construction Limited

NOTES TO THE FINANCIAL STATEMENTS *(continued)*  
for the year ended 31 May 2014

## 18. LEASING COMMITMENTS

At 31 May 2014 the company was committed to make payments under operating leases expiring as below

	2014		2013	
	Land & Buildings £000	Other Items £000	Land & Buildings £000	Other Items £000
Operating leases which expire				
Within 1 year	51	-	51	73
Within 2 to 5 years	-	118	-	-

## 19. CONTINGENT LIABILITIES

There are contingent liabilities in respect of performance guarantees entered into in the normal course of business amounting to £nil as at 31 May 2014 (2013: £976,000). The bank holds a letter of cross guarantee and debenture between the company, its subsidiary and its ultimate parent undertaking in respect of bank borrowings.

## 20. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in FRS 8 from disclosing transactions with related parties that are part of the Churngold Construction Holdings Limited group of companies for the year. During the year the company undertook the following transactions and had amounts owing to/from members of the Churngold Remediation Holdings Limited group, Churngold Recycling Limited, Churngold Waste and Recycling Limited and Churngold Building Services Limited, entities where J R Ancell is both a director and one of the beneficiaries of the Ancell Trust, of which the Bourse Trust Company Limited is the Trustee and able to exercise more than 20% of the votes at 31 May 2014.

	Purchases £000	Sales £000	Owed to £000	Owed by £000
<b>2014</b>				
Churngold Recycling Holdings Limited	-	4	-	-
Churngold Remediation Limited	73	144	-	18
Churngold Building Services Limited	232	79	-	6
Churngold Waste and Recycling Limited	-	7	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>2013</b>				
Churngold Recycling Limited	-	95	-	-
Churngold Remediation Limited	58	259	-	27
Churngold Building Services Limited	28	14	2	-
Churngold Waste and Recycling Limited	67	124	-	8
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

During the year there were short-term financing transactions between related parties, which are not included in the above table, unless still outstanding at the year end.

**Churngold Construction Limited**  
 NOTES TO THE FINANCIAL STATEMENTS *(continued)*  
 for the year ended 31 May 2014

21. SHARE CAPITAL

	No	2014 £000	No	2013 £000
Allotted, called up and fully paid: Ordinary shares of £1 each	15,816	16	15,816	16

22. PROFIT AND LOSS ACCOUNT

	2014 £000	2013 £000
Balance brought forward	1,742	1,736
Profit for the financial year	517	436
Equity dividends paid	(200)	(430)
Balance carried forward	2,059	1,742

23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

	2014 £000	2013 £000
Profit for the financial year	517	436
Equity dividends paid	(200)	(430)
Net addition to shareholder's funds	317	6
Opening shareholder's funds	1,758	1,752
Closing shareholder's funds	2,075	1,758

24. CAPITAL COMMITMENTS

Amounts contracted for but not provided in the financial statements amounted to £nil at 31 May 2014 (2013: £nil).

25. ULTIMATE PARENT COMPANY AND CONTROLLING RELATED PARTY

The company is a wholly owned subsidiary of Churngold Construction Holdings Limited.

Churngold Construction Holdings Limited represents the smallest and largest group into which the results of the company are consolidated. Group financial statements are available from the registered office of this company.

The directors consider that the ultimate controlling party is Bourse Trust Company Limited, as Trustee of the Ancell Trust, by virtue of the majority shareholding in the ultimate parent company.