**STRATEGIC REPORT, REPORT OF THE DIRECTOR AND**

**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**FOR**

**HERCULES SITE SERVICES LIMITED**

# CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017


| | Page |
|---|---|
| Company Information | 1 |
| Strategic Report | 2 |
| Report of the Director | 3 |
| Report of the Independent Auditors | 5 |
| Statement of Comprehensive Income | 7 |
| Statement of Financial Position | 8 |
| Statement of Changes in Equity | 9 |
| Notes to the Financial Statements | 10 |
| Trading and Profit and Loss Account | 19 |

**HERCULES SITE SERVICES LIMITED**

**COMPANY INFORMATION**
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

| | |
|---|---|
| **DIRECTOR:** | B K Korkmaz |
| **REGISTERED OFFICE:** | Hercules Court<br>Lakeside Business Park<br>Broadway Lane<br>South Cerney<br>GL7 5XL |
| **REGISTERED NUMBER:** | 06607001 (England and Wales) |
| **AUDITORS:** | Fordhams & Co.<br>Chartered Accountants<br>Statutory Auditors<br>Unit 003<br>Parma House<br>Clarendon Road<br>London<br>N22 6UL |

## STRATEGIC REPORT
## for the Year Ended 30 September 2017

The director presents his strategic report for the year ended 30 September 2017.

### REVIEW OF BUSINESS

The financial statements for the year ended 30 September 2017 represents results for the company's activities which, are those of general construction and civil engineering. The results for the year are set out on page 7.

The director considers the profit achieved on ordinary activities before taxation to be satisfactory under the current economic climate.

### KEY PERFORMANCE INDICATORS

The director considers the key performance indicators of the business as below :

| | 30.09.2017 | 30.09.2016 |
|---|---|---|
| | £ | £ |
| Operating profit | 2,095,406 | 1,202,353 |
| Gross profit margin | 19% | 22.71% |
| Net Assets | 5,029,191 | 3,692,406 |

On 10 February 2017, the company was acquired in a share for share exchange, by Hercules Real Estate Limited, a company of which the director is also the director and shareholder. In June and July 2017, the properties previously owned by the company were transferred to Hercules Real Estate Limited.

### PRINCIPAL RISKS AND UNCERTAINTIES

The company faces some business risks and uncertainties due to the inherent nature of the construction industry and new competition. In view of this, the director is looking carefully at both existing and potential new opportunities.
In view of these risks and uncertainties the management is aware that the development of the company may be affected by factors outside their control. However, the company is focused and has appropriate steps in place to mitigating these risks.

### Future developments

The director anticipates the business environment will remain competitive. He believes the company is in a good financial position and that the risks that have been identified are being well managed. With careful focus on appropriate development strategy as well as continuing review of the state of the industry and the activities of competitors, the director is confident in the company's ability to maintain and build on the position.

### Financial Instruments

The company has a normal level of exposure to prices, credit liquidity and cash flow risks arising from trading activities which are only conducted in sterling. As all its customers and suppliers are UK based, the company has therefore not entered into any hedging arrangements in respect of risks relating to trade debtors or trade creditors.

**ON BEHALF OF THE BOARD:**

B K Korkmaz - Director

21 June 2018

## HERCULES SITE SERVICES LIMITED

## REPORT OF THE DIRECTOR
## FOR THE YEAR ENDED 30 SEPTEMBER 2017

The director presents his report with the financial statements of the company for the year ended 30 September 2017.

**PRINCIPAL ACTIVITY**
The principal activity of the company in the year under review was that of general construction and civil engineering.

**DIVIDENDS**
An interim dividend of £196,398 per share was paid on 1 October 2016. The director recommends that no final dividend be paid.

The total distribution of dividends for the year ended 30 September 2017 will be £392,796.

**EVENTS SINCE THE END OF THE YEAR**
Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTOR**
B K Korkmaz held office during the whole of the period from 1 October 2016 to the date of this report.

**DISCLOSURE IN THE STRATEGIC REPORT**
The Company has chosen in accordance with s.414C(11) Companies Act 2006 to set out in the company's strategic report information required by Schedule 7 of the Large and Medium sized Companies and Groups (Accounts and Report) Regulations 2008 to be contained in the director's report. It has done so in respect of business review and financial instrument.

**DIRECTOR'S RESPONSIBILITIES STATEMENT**
The director is responsible for preparing the Strategic Report, the Report of the Director 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 him 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**
So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

## REPORT OF THE DIRECTOR
**for the Year Ended 30 September 2017**

### AUDITORS
The auditors, Fordhams & Co., will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

B K Korkmaz - Director

21 June 2018

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HERCULES SITE SERVICES LIMITED

**Opinion**

We have audited the financial statements of Hercules Site Services Limited (the 'company') for the year ended 30 September 2017 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinion on other matters 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 Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HERCULES SITE SERVICES LIMITED

**Matters on which we are required to report by exception**
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of director**
As explained more fully in the Director's Responsibilities Statement set out on page three, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**Use of our report**
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 a Report of the Auditors 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.

Mohammed Akhtaruzzaman (Senior Statutory Auditor)
for and on behalf of Fordhams & Co.
Chartered Accountants
Statutory Auditors
Unit 003
Parma House
Clarendon Road
London
N22 6UL

Date: ..........................................

# HERCULES SITE SERVICES LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2017

| | Notes | 30.9.17<br>£ | 30.9.16<br>£ |
|---|---|---|---|
| **TURNOVER** | | 17,524,237 | 11,814,433 |
| Cost of sales | | 14,219,683 | 9,130,717 |
| **GROSS PROFIT** | | 3,304,554 | 2,683,716 |
| Administrative expenses | | 1,233,442 | 1,547,994 |
| | | 2,071,112 | 1,135,722 |
| Other operating income | 4 | 56,400 | 75,200 |
| **OPERATING PROFIT** | 7 | 2,127,512 | 1,210,922 |
| Interest receivable and similar income | 9 | 2,606 | 10,598 |
| | | 2,130,118 | 1,221,520 |
| Interest payable and similar expenses | 10 | 34,712 | 19,167 |
| **PROFIT BEFORE TAXATION** | | 2,095,406 | 1,202,353 |
| Tax on profit | 11 | 365,827 | 321,119 |
| **PROFIT FOR THE FINANCIAL YEAR** | | 1,729,579 | 881,234 |
| **OTHER COMPREHENSIVE INCOME** | | - | - |
| **TOTAL COMPREHENSIVE INCOME FOR THE YEAR** | | 1,729,579 | 881,234 |

The notes form part of these financial statements

## STATEMENT OF FINANCIAL POSITION
## 30 September 2017

| | Notes | 30.9.17 £ | 30.9.17 £ | 30.9.16 £ | 30.9.16 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 13 | | 896,822 | | 2,463,857 |
| Investment property | 14 | | - | | 1,361,154 |
| | | | 896,822 | | 3,825,011 |
| **CURRENT ASSETS** | | | | | |
| Stocks | 15 | 199,629 | | 854,425 | |
| Debtors | 16 | 5,054,153 | | 569,905 | |
| Investments | 17 | 185,000 | | 209,040 | |
| Cash at bank and in hand | | 1,121,925 | | 1,111,358 | |
| | | 6,560,707 | | 2,744,728 | |
| **CREDITORS** | | | | | |
| Amounts falling due within one year | 18 | 2,330,174 | | 1,613,885 | |
| **NET CURRENT ASSETS** | | | 4,230,533 | | 1,130,843 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | 5,127,355 | | 4,955,854 |
| **CREDITORS** | | | | | |
| Amounts falling due after more than one year | 19 | | - | | (1,187,759) |
| **PROVISIONS FOR LIABILITIES** | 22 | | (98,164) | | (75,687) |
| **NET ASSETS** | | | 5,029,191 | | 3,692,408 |
| **CAPITAL AND RESERVES** | | | | | |
| Called up share capital | 23 | | 2 | | 2 |
| Retained earnings | | | 5,029,189 | | 3,692,406 |
| **SHAREHOLDERS' FUNDS** | | | 5,029,191 | | 3,692,408 |

The financial statements were approved by the director on 21 June 2018 and were signed by:

B K Korkmaz - Director

# HERCULES SITE SERVICES LIMITED

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 30 SEPTEMBER 2017

| | Called up share capital £ | Retained earnings £ | Total equity £ |
|---|---|---|---|
| **Balance at 1 October 2015** | 2 | 2,921,172 | 2,921,174 |
| **Changes in equity** | | | |
| Dividends | - | (110,000) | (110,000) |
| Total comprehensive income | - | 881,234 | 881,234 |
| **Balance at 30 September 2016** | 2 | 3,692,406 | 3,692,408 |
| **Changes in equity** | | | |
| Dividends | - | (392,796) | (392,796) |
| Total comprehensive income | - | 1,729,579 | 1,729,579 |
| **Balance at 30 September 2017** | 2 | 5,029,189 | 5,029,191 |

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

## 1. STATUTORY INFORMATION

Hercules Site Services Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

## 2. ACCOUNTING POLICIES

**Basis of preparing the financial statements**
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Financial Reporting Standard 102 - reduced disclosure exemptions**
The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

**First year adoption of Financial Reporting Standard 102 ( FRS 102)**
These financial statements for the year ended 30 September 2017 are the first that are prepared in accordance with FRS 102. The previous financial statements were prepared in accordance with UK GAAP,
the date of transition to FRS 102 is 1 October 2015. Where applicable, comparative figures for year ended 30 September 2016 have been adjusted.

**Turnover**
Turnover represents invoiced value of work done, net of value added tax.

**Tangible fixed assets**
Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

| | |
|---|---|
| Plant and machinery | - 10% on reducing balance |
| Fixtures and fittings | - 20% on reducing balance |
| Motor vehicles | - 25% on reducing balance |
| Computer equipment | - 20% on reducing balance |

**Investment property**
Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

**Stocks**
Work in progress is valued at the lower of cost and net realisable value.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

**Taxation**
Taxation for the year comprises current and deferred trecognized recognised in the Statement of Comprehensive Income, except to the extenrecognizedrelates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognized at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.



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2. **ACCOUNTING POLICIES - continued**

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Functional currency**

The functional currency is the UK Pound Starlings.

**Loans and borrowings**

Loans and borrowings are recognised initially at their issue proceeds less transaction costs incurred. Subsequently, borrowings are stated at amortised cost with interest being accrued cyclically as defined in the facility agreements. Borrowing costs have been capitalised and are being amortised using the effective interest rate method over the life of the loan. Interest expense associated with loans and borrowings is accounted for on an accruals basis.

3. **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of the Company's Financial Statements requires the Directors to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. The estimates and associated assumptions are based on historical experience, expectations of the future events and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the process of applying the Company's accounting policies, the Director has made the following judgements which have the most significant effect on the amounts recognised in the Financial Statements:

Non-financial assets are reviewed for impairment at each balance sheet date. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price 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.

4. **OTHER OPERATING INCOME**

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Rents received | 56,400 | 75,200 |



continued...

## 5. EMPLOYEES AND DIRECTORS

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Wages and salaries | 1,107,364 | 686,988 |
| Social security costs | 120,945 | 67,100 |
| Other pension costs | 10,787 | 2,432 |
| | 1,239,096 | 756,520 |

The average number of employees during the year was as follows:

| | 30.9.17 | 30.9.16 |
|---|---|---|
| including director | 32 | 15 |

Total remuneration paid to key personnel management during the year amounted to £198,271.

## 6. DIRECTORS' EMOLUMENTS

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Director's remuneration | 95,012 | 39,122 |

In addition to remuneration, the director received benefit-in-kind amounting to £8,981 during the year (2016: £13,632).

## 7. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Storage Rent | 92,035 | 32,069 |
| Depreciation - owned assets | 127,414 | 92,353 |
| (Profit)/loss on disposal of fixed assets | (448,771) | 2,687 |

## 8. AUDITORS' REMUNERATION

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Fees payable to the company's auditors for the audit of the company's financial statements | 12,000 | 10,000 |
| Auditors' remuneration for non audit work | 60,000 | 64,000 |

## 9. INTEREST RECEIVABLE AND SIMILAR INCOME

Other interest receivable last year was in respect of overdrawn director's loan.

## 10. INTEREST PAYABLE AND SIMILAR EXPENSES

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Bank loan interest | 34,712 | 19,167 |



continued...

## 11. TAXATION

**Analysis of the tax charge**
The tax charge on the profit for the year was as follows:

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Current tax: | | |
| UK corporation tax | 343,350 | 245,433 |
| Deferred tax | 22,477 | 75,686 |
| Tax on profit | 365,827 | 321,119 |

UK corporation tax has been charged at 19.50%.

**Reconciliation of total tax charge included in profit and loss**
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Profit before tax | 2,095,406 | 1,202,353 |
| Profit multiplied by the standard rate of corporation tax in the UK of 19.500% (2016 - 20%) | 408,604 | 240,471 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 48,896 | 41,476 |
| Capital allowances in excess of depreciation | (114,126) | (39,538) |
| Adjustments to tax charge in respect of previous periods | - | (1) |
| Provision for deferred tax | 22,477 | 78,711 |
| Adjustments in respect of corporation tax rates | (24) | - |
| Total tax charge | 365,827 | 321,119 |

## 12. DIVIDENDS

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Ordinary shares of £1 each | | |
| Interim | 392,796 | 110,000 |



continued...

## 13. TANGIBLE FIXED ASSETS

| | Long leasehold land & building £ | Plant and machinery £ | Fixtures and fittings £ |
|---|---|---|---|
| **COST** | | | |
| At 1 October 2016 | 1,897,034 | 452,445 | 178,080 |
| Additions | 81,904 | 497,411 | 16,689 |
| Disposals | (1,978,938) | (137,375) | - |
| Reclassification/transfer | - | 17,775 | - |
| At 30 September 2017 | - | 830,256 | 194,769 |
| **DEPRECIATION** | | | |
| At 1 October 2016 | - | 89,668 | 37,990 |
| Charge for year | - | 77,167 | 31,356 |
| Eliminated on disposal | - | (42,188) | - |
| Reclassification/transfer | - | 9,776 | - |
| At 30 September 2017 | - | 134,423 | 69,346 |
| **NET BOOK VALUE** | | | |
| At 30 September 2017 | - | 695,833 | 125,423 |
| At 30 September 2016 | 1,897,034 | 362,777 | 140,090 |

| | Motor vehicles £ | Computer equipment £ | Totals £ |
|---|---|---|---|
| **COST** | | | |
| At 1 October 2016 | 27,574 | 82,153 | 2,637,286 |
| Additions | - | 42,909 | 638,913 |
| Disposals | (9,799) | - | (2,126,112) |
| Reclassification/transfer | (17,775) | - | - |
| At 30 September 2017 | - | 125,062 | 1,150,087 |
| **DEPRECIATION** | | | |
| At 1 October 2016 | 15,166 | 30,605 | 173,429 |
| Charge for year | - | 18,891 | 127,414 |
| Eliminated on disposal | (5,390) | - | (47,578) |
| Reclassification/transfer | (9,776) | - | - |
| At 30 September 2017 | - | 49,496 | 253,265 |
| **NET BOOK VALUE** | | | |
| At 30 September 2017 | - | 75,566 | 896,822 |
| At 30 September 2016 | 12,408 | 51,548 | 2,463,857 |

The company acquired the long leasehold land in November 2014 on a 999 year lease, then constructed office buildings on it.and has been occupying it since middle of 2016 for business. In June 2017, through a management reorganization the ownership of the property has been transferred to the parent company Hercules Real Estate Limited.



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## 14. INVESTMENT PROPERTY

The investment property comprised of freehold land and building the ownership of which has been transferred to the parent company Hercules Real Estate Limited during the year.

## 15. STOCKS

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Work-in-progress | 199,629 | 854,425 |

## 16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Trade debtors | 1,971,155 | - |
| Amounts owed by group undertakings | 2,872,452 | - |
| Other debtors | - | 33,733 |
| Excel Employment Solutions Ltd | 138,480 | 18,555 |
| Directors' current accounts | - | 392,797 |
| Tax Recoverable | - | 121,820 |
| Prepayments | 72,066 | 3,000 |
| | 5,054,153 | 569,905 |

Full details of director's current account are disclosed in Note 26. Tax recoverable relates to Section 455 assessment.

## 17. CURRENT ASSET INVESTMENTS

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Other investment | 185,000 | 209,040 |

The investment comprises gold bars bought in 2013 and is stated at lower of cost and net realizable value.
The value stated as at balance sheet date has been reduced to market price reflected in the bullion on 30/09/2017. The current market price is around £180,000.

## 18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Bank loans and overdrafts (see note 20) | 365 | 2,610 |
| Trade creditors | 1,209,965 | 338,308 |
| Tax | 41,530 | 277,252 |
| Social security and other taxes | 38,574 | 24,036 |
| VAT | 357,036 | 113,724 |
| Net Wages, Subcontractors | - | 5,793 |
| Accrued expenses | 682,704 | 852,162 |
| | 2,330,174 | 1,613,885 |

## 19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Bank loans (see note 20) | - | 1,187,759 |



continued...

## 20. LOANS

An analysis of the maturity of loans is given below:

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Amounts falling due within one year or on demand: | | |
| Bank overdrafts | 365 | 2,610 |
| | | |
| Amounts falling due between one and two years: | | |
| Bank loans - 1-2 years | - | 77,285 |
| | | |
| Amounts falling due between two and five years: | | |
| Bank loans - 2-5 years | - | 309,140 |
| | | |
| Amounts falling due in more than five years: | | |
| | | |
| Repayable by instalments | | |
| Bank loans more 5 yr by instal | - | 801,334 |

## 21. SECURED DEBTS

The following secured debts are included within creditors:

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Bank loans | - | 1,187,759 |

The bank loan is secured by way of legal mortgage, fixed and floating charges, on all legal interests in the property or undertaking of the Company.The bank loan has been taken over by Hercules Real Estate Limited on transfer of properties to them.

## 22. PROVISIONS FOR LIABILITIES

| | 30.9.17 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Deferred tax | | |
| Accelerated capital allowances | 101,188 | 78,711 |
| Other timing differences | (3,024) | - |
| Deferred tax | - | (3,024) |
| | 98,164 | 75,687 |

| | Deferred tax |
|---|---|
| | £ |
| Balance at 1 October 2016 | 75,687 |
| Provided during year | 22,477 |
| Balance at 30 September 2017 | 98,164 |



continued...

## 23. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 30.9.17 £ | 30.9.16 £ |
|---|---|---|---|---|
| 2 | Ordinary | £1 | 2 | 2 |

## 24. ULTIMATE PARENT COMPANY

Hercules Real Estate Limited is regarded by the director as being the company's ultimate parent company.

## 25. CONTINGENT LIABILITIES

No contingent liabilities existed at the balance sheet date.

## 26. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 30 September 2017 and 30 September 2016:

| | 30.9.17 £ | 30.9.16 £ |
|---|---|---|
| **B K Korkmaz** | | |
| Balance outstanding at start of year | (392,797) | 11,900 |
| Amounts advanced | - | 110,000 |
| Amounts repaid | 392,797 | (514,697) |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of year | - | (392,797) |

These advances are repayable on demand and subject to interest at 3% per annum on a monthly basis.
The balance due from director in 2016 included such interest which amounted to £7,735.

## 27. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Prior to 10 February 2017 the company was wholly owned by Mr. B. K. Korkmaz, a director of the company. On 10 February 2017 the company was acquired in a share for share exchange by Hercules Real Estate Limited, and whose director is also Mr. B. K. Korkmaz.

Following the acquisition, the immediate and ultimate parent undertaking is Hercules Real Estate Limited, a company incorporated in the UK.

Hercules Real Estate Limited is the smallest and largest group of undertaking, to consolidate their financial statements at 30 September 2017. The consolidated financial statements of Hercules Real Estate Limited is available from Unit 003, Parma House, Clarendon Road, London N22 6UL.

The ultimate controlling party is B K Korkmaz.

## 28. POST BALANCE SHEET EVENTS

No significant post balance sheet events took place.



continued...

## 29. FIRST YEAR ADOPTION

| | 1.10.15 | 30.9.16 |
|---|---|---|
| | £ | £ |
| Equity as reported under UK GAAP | 2,921,174 | 3,704,504 |
| FRS 102 adjustment | - | (12,096) |
| Equity as restated under FRS 102 | 2,921,174 | 3,692,408 |

| | 30.9.16 |
|---|---|
| | £ |
| Profit as reported under UK GAAP | 893,330 |
| FRS 102 adjustment | (12,096) |
| Profit as restated under FRS 102 | 881,234 |

The FRS 102 adjustment is in respect of holiday pay accruals for 2016. Gross amount is £15,120 which has been reduced by deferred tax provision of £3,024.

## HERCULES SITE SERVICES LIMITED

## TRADING AND PROFIT AND LOSS ACCOUNT
## FOR THE YEAR ENDED 30 SEPTEMBER 2017

| | 30.9.17 | | 30.9.16 | |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Turnover** | | | | |
| Work done | | 17,524,237 | | 11,814,433 |
| | | | | |
| **Cost of sales** | | | | |
| Opening work in progress | 854,425 | | 661,528 | |
| Materials and sub-contractors | 11,978,712 | | 8,599,830 | |
| Waste removal | 47,420 | | 5,993 | |
| Surveyors & professional fees | 41,083 | | 21,190 | |
| Hire of plant & equipment | 790,446 | | 696,601 | |
| Wages | 592,118 | | - | |
| Social security | 64,818 | | - | |
| Storage Rent | 26,250 | | - | |
| Gain/loss on revaluation of investments | 24,040 | | - | |
| | 14,419,312 | | 9,985,142 | |
| Closing work in progress | (199,629) | | (854,425) | |
| | | 14,219,683 | | 9,130,717 |
| **GROSS PROFIT** | | 3,304,554 | | 2,683,716 |
| | | | | |
| **Other income** | | | | |
| Rents received | 56,400 | | 75,200 | |
| Bank account interest | 2,606 | | 2,863 | |
| Other interest receivable | - | | 7,735 | |
| | | 59,006 | | 85,798 |
| | | 3,363,560 | | 2,769,514 |
| | | | | |
| **Expenditure** | | | | |
| Rent and Service Charges | 20,946 | | 28,694 | |
| Rates and water | 23,840 | | - | |
| Insurance | 17,889 | | 31,208 | |
| Light and heat | 3,725 | | - | |
| Directors' salaries | 95,012 | | 39,122 | |
| Directors' social security | 11,985 | | 3,988 | |
| Wages | 420,234 | | 647,866 | |
| Social security | 44,142 | | 63,112 | |
| Pensions | 10,787 | | 2,432 | |
| Telephone | 7,896 | | 5,251 | |
| Stationery & Computer Expenses | 23,006 | | 9,805 | |
| Advertising | 18,006 | | 7,385 | |
| Travelling | 92,058 | | 91,616 | |
| Motor expenses | 140,689 | | 83,039 | |
| Staff Welfare | 44,250 | | 36,597 | |
| Entertaining | 250,749 | | 207,383 | |
| Repairs and renewals | 1,218 | | 377 | |
| Cleaning | 7,938 | | 2,237 | |
| Sundry expenses | 58,358 | | 31,346 | |
| Training Courses | 78,177 | | 42,024 | |
| Employment agency fees | 15,614 | | 7,514 | |
| Professional services | 29,050 | | 4,964 | |
| Auditors' remuneration | 12,000 | | 10,000 | |
| Auditors' remuneration for non audit work | 60,000 | | 64,000 | |
| Carried forward | 1,487,569 | 3,363,560 | 1,419,960 | 2,769,514 |

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## HERCULES SITE SERVICES LIMITED

## TRADING AND PROFIT AND LOSS ACCOUNT
## FOR THE YEAR ENDED 30 SEPTEMBER 2017

| | 30.9.17 | | 30.9.16 | |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Brought forward | 1,487,569 | 3,363,560 | 1,419,960 | 2,769,514 |
| Other operating leases - Car | 65,785 | | 32,069 | |
| | | 1,553,354 | | 1,452,029 |
| | | 1,810,206 | | 1,317,485 |
| **Finance costs** | | | | |
| Bank charges | 1,445 | | 924 | |
| Bank loan interest | 34,712 | | 19,167 | |
| | | 36,157 | | 20,091 |
| | | 1,774,049 | | 1,297,394 |
| **Depreciation** | | | | |
| Plant and machinery | 77,167 | | 40,309 | |
| Fixtures and fittings | 31,356 | | 35,022 | |
| Motor vehicles | - | | 4,136 | |
| Computer equipment | 18,891 | | 12,887 | |
| | | 127,414 | | 92,354 |
| | | 1,646,635 | | 1,205,040 |
| **Profit/(Loss) on disposal of fixed assets** | | | | |
| Long leasehold | 421,062 | | - | |
| Plant and machinery | (9,187) | | - | |
| Motor vehicles | (1,950) | | (2,687) | |
| Investment property | 38,846 | | - | |
| | | 448,771 | | (2,687) |
| **NET PROFIT** | | 2,095,406 | | 1,202,353 |

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