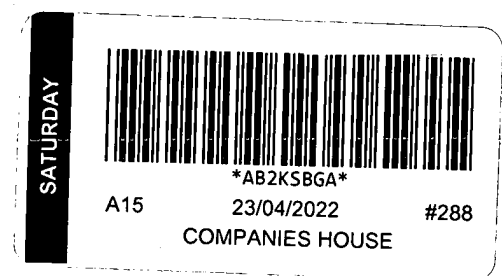


REILLY CONSTRUCTION LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JULY 2021

PAGES FOR FILING WITH REGISTRAR



REILLY CONSTRUCTION LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	4		159,035		159,419
Investments	5		1		1
			<u>159,036</u>		<u>159,420</u>
Current assets					
Stocks		21,375		49,512	
Debtors	6	2,506,311		861,945	
Cash at bank and in hand		1,199,761		1,364,804	
		<u>3,727,447</u>		<u>2,276,261</u>	
Creditors: amounts falling due within one year	7	(2,234,623)		(783,755)	
Net current assets			<u>1,492,824</u>		<u>1,492,506</u>
Total assets less current liabilities			<u>1,651,860</u>		<u>1,651,926</u>
Creditors: amounts falling due after more than one year	8		(25,973)		(23,700)
Provisions for liabilities	9		(489)		-
Net assets			<u><u>1,625,398</u></u>		<u><u>1,628,226</u></u>
Capital and reserves					
Called up share capital	10		80		80
Profit and loss reserves			<u>1,625,318</u>		<u>1,628,146</u>
Total equity			<u><u>1,625,398</u></u>		<u><u>1,628,226</u></u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 July 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

REILLY CONSTRUCTION LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 JULY 2021

21/04/22

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

David Reilly

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D Reilly

Director

REILLY CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Company information

Reilly Construction Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire, SO53 3TY.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

The company's forecast and projections, which factor in COVID - 19 trading conditions and take account of possible changes in trading performance, show that the company should be able to operate within the level of its current resources. Given this, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being not less than 12 months from the date of signing these financial statements. Thus, the directors continue to adopt the going concern basis of accounts in preparing the annual financial statements.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for the provision of building contractor services, and is shown net of VAT and other sales related taxes.

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Tangible fixed assets

Tangible fixed assets are measured at cost net of accumulated depreciation and any impairment losses.

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

Plant and machinery	15% reducing balance
Fixtures, fittings and equipment	20% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

REILLY CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies (Continued)

Fixed asset investments

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

Impairment of fixed assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Stocks

Stocks and work in progress are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Construction contracts

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

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

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When costs incurred in securing a contract are recognised as an expense in the period in which they are incurred, they are not included in contract costs if the contract is obtained in a subsequent period.

REILLY CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies (Continued)

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

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand.

Financial instruments

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

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

REILLY CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Employee benefits

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

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

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as other creditors.

Leases

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

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

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Government grants

Income from government grants is presented within other operating income. Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grants will be received.

During the year the directors have made use of the UK government coronavirus job retention scheme.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 16 (2020 - 19).

REILLY CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

3 Directors' remuneration and dividends

	2021 £	2020 £
Remuneration paid to directors	171,878	190,030
Dividends paid to directors	155,284	100,284

4 Tangible fixed assets

	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost				
At 1 August 2020	1,195	11,287	275,834	288,316
Additions	-	-	60,100	60,100
Disposals	-	-	(62,485)	(62,485)
At 31 July 2021	1,195	11,287	273,449	285,931
Depreciation and impairment				
At 1 August 2020	837	8,750	119,310	128,897
Depreciation charged in the year	54	508	34,211	34,773
Eliminated in respect of disposals	-	-	(36,774)	(36,774)
At 31 July 2021	891	9,258	116,747	126,896
Carrying amount				
At 31 July 2021	304	2,029	156,702	159,035
At 31 July 2020	358	2,537	156,524	159,419

5 Fixed asset investments

	2021 £	2020 £
Shares in group undertakings and participating interests	1	1

REILLY CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

6 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	582,866	589,415
Other debtors	1,923,445	270,662
	<u>2,506,311</u>	<u>860,077</u>
Deferred tax asset	-	1,868
	<u>2,506,311</u>	<u>861,945</u>

7 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	256,705	234,777
Corporation tax	33,615	65,208
Other taxation and social security	33,242	30,499
Other creditors	1,911,061	453,271
	<u>2,234,623</u>	<u>783,755</u>

Security has been given in respect of net obligations under hire purchase contracts of £31,336 (2020 - £32,171). These amounts are included in other creditors.

8 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Other creditors	<u>25,973</u>	<u>23,700</u>

Security has been given in respect of net obligations under hire purchase contracts of £25,973 (2020 - £23,700).

9 Provisions for liabilities

	2021 £	2020 £
Deferred tax liabilities	<u>489</u>	<u>-</u>

REILLY CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

10 Called up share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	54	54	54	54
Ordinary A shares of £1 each	18	18	18	18
Ordinary B shares of £1 each	8	8	8	8
	<u>80</u>	<u>80</u>	<u>80</u>	<u>80</u>

The Ordinary, Ordinary A and Ordinary B shares shall rank separately with regard to entitlement to dividend such that the directors may at any time resolve to declare a dividend on one class of share and not on the other class or classes. The shares rank pari passu in all other respects.

11 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	<u>3,566</u>	<u>3,566</u>

12 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales		Purchases	
	2021 £	2020 £	2021 £	2020 £
Entities under common control	6,397	44,452	5,778	2,538
Key management personnel	20,923	8,404	-	-
Other related parties	<u>10,384</u>	<u>605</u>	<u>-</u>	<u>-</u>

Management charges

	2021 £	2020 £
Entities under common control	<u>-</u>	<u>3,000</u>

REILLY CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

12 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

	2021 £	2020 £
Amounts due to related parties		
Entities under common control	24,850	23,715
Key management personnel	1,483,922	29,752
	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	2021 £	2020 £
Amounts due from related parties		
Other related parties	1,737,819	726
	<u> </u>	<u> </u>