

Reilly Construction Limited

Unaudited Filleted Financial Statements
for the Year Ended 31 July 2023

Reilly Construction Limited

Contents

Balance Sheet	<u>1</u> to <u>2</u>
Notes to the Unaudited Financial Statements	<u>3</u> to <u>11</u>

Reilly Construction Limited
(Registration number: 02176708)
Balance Sheet as at 31 July 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	<u>4</u>	81,265	119,442
Investments	<u>5</u>	1	1
		<u>81,266</u>	<u>119,443</u>
Current assets			
Stocks	<u>6</u>	7,013	19,013
Debtors	<u>7</u>	2,415,954	2,582,404
Cash at bank and in hand		<u>1,306,663</u>	<u>1,331,982</u>
		3,729,630	3,933,399
Creditors: Amounts falling due within one year	<u>8</u>	<u>(2,192,564)</u>	<u>(2,428,138)</u>
Net current assets		<u>1,537,066</u>	<u>1,505,261</u>
Total assets less current liabilities		1,618,332	1,624,704
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>-</u>	<u>(11,153)</u>
Net assets		<u>1,618,332</u>	<u>1,613,551</u>
Capital and reserves			
Called up share capital	<u>9</u>	80	80
Retained earnings		<u>1,618,252</u>	<u>1,613,471</u>
Shareholders' funds		<u>1,618,332</u>	<u>1,613,551</u>

For the financial year ending 31 July 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the Board on 4 December 2023 and signed on its behalf by:

Reilly Construction Limited

(Registration number: 02176708)

Balance Sheet as at 31 July 2023

.....
Mr D P Reilly
Director

Reilly Construction Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2023

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Barley House
Duncan Road
Park Gate
Southampton
SO31 1ZT

The principal place of business is:

Unit M1
Rudford Industrial Estate
Ford Road, Ford
Arundel
West Sussex
BN18 0BF

These financial statements were authorised for issue by the Board on 4 December 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis.

The company's forecast and projections 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.

Reilly Construction Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2023

Revenue recognition

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.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	15% reducing balance
Fixtures, fittings and equipment	20% reducing balance
Motor vehicles	25% reducing balance

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Reilly Construction Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2023

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.

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.

Reilly Construction Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2023

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Reilly Construction Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2023

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

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.

Recognition and measurement

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.

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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 15 (2022 - 16).

Reilly Construction Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2023

4 Tangible assets

	Fixtures and fittings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 August 2022	11,748	1,195	264,729	277,672
Disposals	(8,444)	-	(22,135)	(30,579)
At 31 July 2023	3,304	1,195	242,594	247,093
Depreciation				
At 1 August 2022	9,758	937	147,534	158,229
Charge for the year	202	39	26,750	26,991
Eliminated on disposal	(7,459)	-	(11,933)	(19,392)
At 31 July 2023	2,501	976	162,351	165,828
Carrying amount				
At 31 July 2023	803	219	80,243	81,265
At 31 July 2022	1,989	258	117,195	119,442

5 Investments

	2023 £	2022 £
Investments in joint ventures	1	1

6 Stocks

	2023 £	2022 £
Work in progress	4,513	16,513
Other inventories	2,500	2,500
	7,013	19,013

Reilly Construction Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2023

7 Debtors

	2023	2022
Current	£	£
Trade debtors	329,325	457,080
Prepayments	3,202	7,115
Other debtors	2,083,427	2,118,209
	<u>2,415,954</u>	<u>2,582,404</u>

Reilly Construction Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2023

8 Creditors

Creditors: amounts falling due within one year

	Note	2023 £	2022 £
Due within one year			
Loans and borrowings		11,153	14,720
Trade creditors		159,609	318,507
Taxation and social security		105,108	62,317
Accruals and deferred income		112,574	230,827
Other creditors		1,804,120	1,801,767
		<u>2,192,564</u>	<u>2,428,138</u>

Security has been given of net obligations hire purchase contracts which are secured of £11,153 (2022 - £14,720).

Creditors: amounts falling due after more than one year

	Note	2023 £	2022 £
Due after one year			
Loans and borrowings		-	11,153

Security has been given of net obligations under hire purchase contracts which are secured of £0 (2022 - £11,153).

9 Share capital

Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
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.

Reilly Construction Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2023

10 Related party transactions

Income and receivables from related parties

	Key management £	Other related parties £
2023		
Receipt of services	1,512	8,517
Amounts receivable from related party	-	2,021,993

	Key management £	Other related parties £
2022		
Receipt of services	35,473	83,500
Amounts receivable from related party	-	2,023,275

Expenditure with and payables to related parties

	Entities with joint control or significant influence £	Key management £
2023		
Rendering of services	3,300	-
Amounts payable to related party	2,178	1,735,920

	Entities with joint control or significant influence £	Key management £
2022		
Rendering of services	3,765	-
Amounts payable to related party	24,862	1,749,008

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