

Registration number: 04206708

Factor 21 Limited

Financial Statements

for the Year Ended 30 June 2017

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COMPANIES HOUSE

Landmark Audit Limited
Chartered Accountants and Statutory Auditors
Leavesden Park
5 Hercules Way
Watford
Hertfordshire
WD25 7GS

Factor 21 Limited

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Factor 21 Limited

Company Information

Directors	D J Cottenden N Errington D J Tilling J D L Gregory
Company secretary	Speafi Secretarial Limited
Registered office	1 London Street Reading Berkshire RG1 4PN
Auditors	Landmark Audit Limited Chartered Accountants and Statutory Auditors Leavesden Park 5 Hercules Way Watford Hertfordshire WD25 7GS

Factor 21 Limited

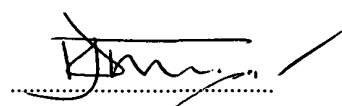
(Registration number: 04206708)
Balance Sheet as at 30 June 2017

	Note	2017	2016
		£	£
Fixed assets			
Tangible assets	4	446,462	559,981
Investments		<u>1</u>	<u>-</u>
		446,463	559,981
Current assets			
Debtors	6	27,152,897	29,850,801
Cash at bank and in hand		<u>160,452</u>	<u>457,871</u>
		27,313,349	30,308,672
Creditors: Amounts falling due within one year	7	<u>(20,421,684)</u>	<u>(24,800,320)</u>
Net current assets		<u>6,891,665</u>	<u>5,508,352</u>
Total assets less current liabilities		7,338,128	6,068,333
Creditors: Amounts falling due after more than one year	7	<u>(70,416)</u>	<u>(102,802)</u>
Net assets		<u>7,267,712</u>	<u>5,965,531</u>
Capital and reserves			
Called up share capital		60,000	60,000
Profit and loss account		<u>7,207,712</u>	<u>5,905,531</u>
Total equity		<u>7,267,712</u>	<u>5,965,531</u>

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 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 31 October 2017 and signed on its behalf by:


D J Tilling
Director

Factor 21 Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

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:

1 London Street

Reading

Berkshire

RG1 4PN

United Kingdom

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 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

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.

The financial statements are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the financial statements, the results and financial position are presented in Sterling (£).

Audit report

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 31 October 2017 was Philip Cole FCA, who signed for and on behalf of Landmark Audit Limited.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Foreign currency transactions and balances

In preparing the financial statements, transactions in currencies other than the functional currency are recognised at the spot rate at the dates of transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

Factor 21 Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

Tax

The tax expense for the period comprises current and deferred 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 statement of financial position 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
Land and buildings	10 to 50 years straight line
Furniture, fittings and equipment	5 years straight line
Motor vehicles	4 years straight line

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

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.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Factor 21 Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, 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 debtors

Trade debtors are amounts due from customers for merchandise sold or 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.

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.

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.

Factor 21 Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 36 (2016 - 35).

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 July 2016	477,068	130,203	195,446	802,717
Additions	-	22,426	-	22,426
Disposals	-	(1,256)	(96,702)	(97,958)
At 30 June 2017	<u>477,068</u>	<u>151,373</u>	<u>98,744</u>	<u>727,185</u>
Depreciation				
At 1 July 2016	90,275	87,607	64,854	242,736
Charge for the year	24,165	28,094	34,324	86,583
Eliminated on disposal	-	(535)	(48,061)	(48,596)
At 30 June 2017	<u>114,440</u>	<u>115,166</u>	<u>51,117</u>	<u>280,723</u>
Carrying amount				
At 30 June 2017	<u>362,628</u>	<u>36,207</u>	<u>47,627</u>	<u>446,462</u>
At 30 June 2016	<u>386,793</u>	<u>42,596</u>	<u>130,592</u>	<u>559,981</u>

Included within the net book value of land and buildings above is £362,628 (2016 - £386,793) in respect of freehold land and buildings.

5 Investments

	2017 £	2016 £
Investments in subsidiaries	<u>1</u>	<u>-</u>
Subsidiaries		£
Cost or valuation		
Additions		<u>1</u>
Provision		
Carrying amount		
At 30 June 2017		<u>1</u>

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Notes to the Financial Statements for the Year Ended 30 June 2017

6 Debtors

	2017 £	2016 £
Trade debtors	26,993,400	29,748,789
Other debtors	-	6,624
Deferred tax assets	9,591	4,351
Prepayments	149,906	91,037
	<u>27,152,897</u>	<u>29,850,801</u>

7 Creditors

Creditors: amounts falling due within one year

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	8	19,425,425	22,617,532
Trade creditors		86,027	1,369,892
Amounts owed to group undertakings and undertakings in which the company has a participating interest		227,309	-
Income tax liability		298,374	292,200
Social security and other taxes		213,627	323,224
Accrued expenses		170,922	197,472
		<u>20,421,684</u>	<u>24,800,320</u>
Due after one year			
Loans and borrowings	8	<u>70,416</u>	<u>102,802</u>

	2017 £	2016 £
Current loans and borrowings		
Bank borrowings	19,225,870	22,265,196
Bank overdrafts	199,555	-
Redeemable preference shares	-	25,000
Other borrowings	-	327,336
	<u>19,425,425</u>	<u>22,617,532</u>

Factor 21 Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

8 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Bank borrowings	<u>70,416</u>	<u>102,802</u>
 Current loans and borrowings		
Bank borrowings	19,225,870	22,265,196
Bank overdrafts	199,555	-
Redeemable preference shares	-	25,000
Other borrowings	-	327,336
	<u>19,425,425</u>	<u>22,617,532</u>

9 Related party transactions

Directors' remuneration

The directors' remuneration for the year was as follows:

	2017 £	2016 £
Remuneration	310,023	663,657
Contributions paid to money purchase schemes	<u>20,160</u>	<u>39,680</u>
	<u>330,183</u>	<u>703,337</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2017 No.	2016 No.
Accruing benefits under money purchase pension scheme	<u>4</u>	<u>3</u>

In respect of the highest paid director:

	2017 £	2016 £
Remuneration	181,582	250,555
Company contributions to money purchase pension schemes	<u>9,160</u>	<u>26,480</u>
Dividends paid to directors		

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Notes to the Financial Statements for the Year Ended 30 June 2017

	2017 £	2016 £
J G Ethelston		
Dividend	-	94,000
N A Ethelston		
Dividend	-	94,000

Other transactions with directors

The directors have each provided a personal guarantee as security in respect of loan finance provided to the company by Royal Bank of Scotland.

Summary of transactions with other related parties

Close members of directors' family

Dividends on the ordinary share capital of the company was paid in the year in the sum of £Nil (2016 - £94,000) to close members of the directors' family.

Loans from related parties

	Other related parties £
2017	
At start of period	13,198
Repaid	(13,198)
At end of period	-
	Other related parties £
2016	
At start of period	206,435
Advanced	2,080
Repaid	(199,587)
Interest transactions	4,270
At end of period	13,198

10 Parent and ultimate parent undertaking

The company's immediate parent is Hamsard 3415 Limited, incorporated in England and Wales.

The ultimate parent is Hamsard 3414 Limited, incorporated in England and Wales.

The parent of the largest group in which these financial statements are consolidated is Hamsard 3414 Limited.

The address of Hamsard 3414 Limited is:

1 London Street, Reading, Berkshire, RG1 4PN