

COMPANY REGISTRATION NUMBER 04716632

R & M WILLIAMS (HOLDINGS) LIMITED

FINANCIAL STATEMENTS

31 JANUARY 2015

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R & M WILLIAMS (HOLDINGS) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

CONTENTS	PAGES
Officers and professional advisers	1
Strategic report	2
Director's report	3 to 4
Independent auditor's report to the shareholders	5 to 6
Consolidated profit and loss account	7
Group statement of total recognised gains and losses	8
Consolidated balance sheet	9
Company balance sheet	10
Consolidated cash flow statement	11
Notes to the financial statements	12 to 24

R & M WILLIAMS (HOLDINGS) LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The director

Mr M J Williams

Registered office

West Point Industrial Estate
Penarth Road
Cardiff
CF11 8JQ

Auditor

Kilsby & Williams LLP
Chartered Accountants
& Statutory Auditor
Cedar House
Hazell Drive
Newport
South Wales
NP10 8FY

R & M WILLIAMS (HOLDINGS) LIMITED

STRATEGIC REPORT *(continued)*

YEAR ENDED 31 JANUARY 2015

TURNOVER

The total group turnover was maintained at previous year's trading level, which had been based on a 14 month trading period. Margin has slightly decreased due to contract costing of previously treated overhead costs.

REVIEW OF THE YEAR AND FUTURE OUTLOOK

The group's main goals and achievements for 2015 were:

- 1) To raise the group profile : This was achieved through the recognition attributed to the RICS national award for project of the year , awarded to Penarth pier pavilion with R&M project manager also attaining the gold medal at the CIOB building manager of the year awards.
- 2) To enter the new build social housing market : This has been achieved through the delivery of several new build housing and extra care facilities for various RSL's.
- 3) To maintain presence in new build housing sector: Through the acquisition of land and recruitment of experienced residential sector staff, R&M now have the capacity and expertise to deliver circa 100 new homes per annum.
- 4) Maintain position as sector leading response & planned maintenance provider: Our existing framework opportunities and partnerships have been further bolstered with long term appointments at Newport City Homes and Swansea City Council as well as a third extension to the contract at Linc Cymru Housing.
- 5) Continued growth in general contracting: R&M continue to develop their portfolio and experience in delivering larger and more complex construction contracts with a strong emphasis on repeat and negotiated business across all clients. Following success on Llanishen High School, as part of LCW LLP; R&M have retained and strengthened the position with award of SEWSCAP 2.
- 6) IT investment : As the demands on the business become ever greater the need for fast and improved IT systems are more essential and the year has seen significant investment across the group with installation of new hard & software systems to improve the connectivity and process with the business.

The group continues to be successful in securing new opportunities from existing clients and new sectors and our geographical area is now being extended to cover both Bristol and London where high value opportunities can be procured on a selective basis. To support this process we continue to recruit new staff with enhanced skills and recognised track records whilst also continuing to focus on efficiencies and re-examination of long term practices of the operation to improve both our performance and profitability. The group is fully committed to continual development of staff and operatives across the business.

RISKS AND UNCERTAINTIES

- 1) The group considers its major risks are that other contractors tender uncommercial prices for work thus restricting turnover and margin. However the group remains highly flexible and competitive and the construction industry is now seeing growth in the sectors in which the group works.
- 2) Finance risks are low as the group has cash funds. Working capital and asset purchases have been funded out of group profits and reserves and consequently shortage of capital is not an issue.
- 3) As housing associations conclude their welsh quality housing programmes the company is mitigating the potential downturn in opportunity by seeking new clients within the facilities management sector. To date this strategy has resulted in securing contracts with Merthyr County Borough Council and Welsh Government.

Signed by
M Williams
Director

Approved by the director on10/9/15

R & M WILLIAMS (HOLDINGS) LIMITED

DIRECTOR'S REPORT

YEAR ENDED 31 JANUARY 2015

The director presents his report and the financial statements of the group for the year ended 31 January 2015.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £203,311. Particulars of dividends paid are detailed in note 9 to the financial statements.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The group's principal financial instruments comprise bank balances, bank overdrafts, bank loans, trade creditors, trade debtors and finance lease agreements. The main purpose of these instruments is to raise funds to finance the group's operations.

Due to the nature of the financial instruments used by the group there is no exposure to price risk. The group's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

DIRECTOR

The director who served the company during the year was as follows:

Mr M J Williams

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, Director's Report 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 they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year.

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 group will continue in business.

R & M WILLIAMS (HOLDINGS) LIMITED

DIRECTOR'S REPORT *(continued)*

YEAR ENDED 31 JANUARY 2015

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DONATIONS

During the year the company made the following contributions:

	Year to 31 January 2015	Period from 1 December 2012 to 31 January 2014
	£	£
Charitable	<u>6,967</u>	<u>11,462</u>

STRATEGIC REPORT

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 we 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.

AUDITOR

Kilsby & Williams LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

The director at the date of the approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the group's auditor is unaware; and
- the director has taken all steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed by

M Williams
Director

Approved by the director on10/9/15.....

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS
OF R & M WILLIAMS (HOLDINGS) LIMITED
YEAR ENDED 31 JANUARY 2015**

We have audited the group and parent company financial statements of R & M Williams (Holdings) Limited for the year ended 31 January 2015 which comprise the Consolidated Profit and Loss Account, Group Statement of Total Recognised Gains and Losses, Consolidated Balance Sheet and Company Company Balance Sheet, Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR

As explained more fully in the Director's Responsibilities Statement set out on pages 3 to 4, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 January 2015 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS
OF R & M WILLIAMS (HOLDINGS) LIMITED (CONTINUED)
YEAR ENDED 31 JANUARY 2015**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

 14th September 2015

SIMON TEE (Senior Statutory Auditor)
For and on behalf of,
Kilsby & Williams LLP
Chartered Accountants & Statutory Auditor

Cedar House
Hazell Drive
Newport
South Wales
NP10 8FY

R & M WILLIAMS (HOLDINGS) LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT YEAR ENDED 31 JANUARY 2015

		Year to 31 Jan 15	Period from 1 Dec 12 to 31 Jan 14 (restated)
	Note	£	£
GROUP TURNOVER (including share of joint venture)	2	38,090,293	43,479,142
Less: share of joint venture turnover.		(1,512,366)	(481,774)
Group Turnover		36,577,927	42,997,368
Cost of sales		(32,523,389)	(38,664,969)
GROSS PROFIT		4,054,538	4,332,399
Administrative expenses excluding exceptional items		(3,848,467)	(4,696,408)
Exceptional administrative expenses	5	–	(278,773)
Administrative expenses		(3,848,467)	(4,975,181)
Other operating income		38,155	16,406
OPERATING PROFIT/(LOSS)	3	244,226	(626,376)
Share of joint venture operating profit/loss		5,903	(6,483)
TOTAL OPERATING PROFIT/LOSS: GROUP AND SHARE OF JOINT VENTURES		250,129	(632,859)
Interest receivable and similar income		8,864	38,957
Interest payable and similar charges	6	(239)	(1,365)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		258,754	(595,267)
Tax on profit/(loss) on ordinary activities	7	(78,635)	(89,368)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		180,119	(684,635)
Minority interests		23,192	449,539
PROFIT/(LOSS) ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY	8	203,311	(235,096)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		203,311	(235,096)

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

The company has taken advantage of section 408 of the Companies Act 2006
not to publish its own Profit and Loss Account.

The notes on pages 12 to 24 form part of these financial statements.

R & M WILLIAMS (HOLDINGS) LIMITED

GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 31 JANUARY 2015

	Year to 31 Jan 15	Period from 1 Dec 12 to 31 Jan 14 (restated)
	£	£
Profit/(Loss) for the financial year excluding share of profit/(loss) of joint venture joint venture	197,408	(228,613)
Share of joint venture profit/(loss) for the year of joint venture	5,903	(6,483)
Profit/(Loss) attributable to shareholders of the parent company	203,311	(235,096)
Total recognised gains and losses relating to the year	203,311	(235,096)
Prior year adjustment (see note 10)	(244,951)	—
Total gains and losses recognised since the last annual report	<u>(41,640)</u>	<u>(235,096)</u>

The notes on pages 12 to 24 form part of these financial statements.

R & M WILLIAMS (HOLDINGS) LIMITED

CONSOLIDATED BALANCE SHEET

31 JANUARY 2015

	Note	2015 £	2014 (restated) £
FIXED ASSETS			
Tangible assets	11	1,136,599	1,090,662
Investments	12		
Investments in joint ventures:			
Share of gross assets		26,124	24,459
Share of gross liabilities		(16,704)	(20,942)
		<u>9,420</u>	<u>3,517</u>
Other investments		18,379	18,379
		<u>27,799</u>	<u>21,896</u>
		<u>1,164,398</u>	<u>1,112,558</u>
CURRENT ASSETS			
Stocks	13	1,616,799	1,257,521
Debtors	14	6,264,969	7,931,881
Cash at bank and in hand		2,764,258	2,685,034
		<u>10,646,026</u>	<u>11,874,436</u>
CREDITORS: Amounts falling due within one year	15	(6,148,958)	(7,511,234)
NET CURRENT ASSETS		<u>4,497,068</u>	<u>4,363,202</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,661,466</u>	<u>5,475,760</u>
PROVISIONS FOR LIABILITIES			
Deferred taxation	16	(66,525)	(40,938)
		<u>5,594,941</u>	<u>5,434,822</u>
MINORITY INTERESTS		<u>(97,702)</u>	<u>(120,894)</u>
		<u>5,497,239</u>	<u>5,313,928</u>
CAPITAL AND RESERVES			
Called up equity share capital	20	2,400,000	2,400,000
Other reserves	21	(2,398,000)	(2,398,000)
Profit and loss account	21	5,495,239	5,311,928
SHAREHOLDERS' FUNDS	22	<u>5,497,239</u>	<u>5,313,928</u>

These accounts were approved and signed by the director and authorised for issue on 10/9/15

Mr M J Williams

The notes on pages 12 to 24 form part of these financial statements.

R & M WILLIAMS (HOLDINGS) LIMITED

COMPANY BALANCE SHEET

31 JANUARY 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	11	193,434	193,434
Investments	12	2,160,621	2,160,620
		<u>2,354,055</u>	<u>2,354,054</u>
CURRENT ASSETS			
Stocks	13	654,371	676,696
Debtors	14	1,355,897	1,094,311
Cash at bank		492,630	318,978
		<u>2,502,898</u>	<u>2,089,985</u>
CREDITORS: Amounts falling due within one year	15	(354,580)	(6,174)
NET CURRENT ASSETS		<u>2,148,318</u>	<u>2,083,811</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,502,373</u>	<u>4,437,865</u>
CAPITAL AND RESERVES			
Called up equity share capital	20	2,400,000	2,400,000
Profit and loss account	21	2,102,373	2,037,865
SHAREHOLDERS' FUNDS		<u>4,502,373</u>	<u>4,437,865</u>

These accounts were approved and signed by the director and authorised for issue on 10/9/15

Mr M J Williams

Company Registration Number: 04716632

The notes on pages 12 to 24 form part of these financial statements.

R & M WILLIAMS (HOLDINGS) LIMITED

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31 JANUARY 2015

		Year to 31 Jan 15	Period from 1 Dec 12 to 31 Jan 14 (restated)
	Note	£	£
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	23	452,941	(1,086,296)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		8,864	38,957
Interest paid		(239)	(1,365)
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		8,625	37,592
TAXATION		(75,123)	(103,700)
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets		(324,915)	(384,788)
Receipts from sale of fixed assets		36,271	24,603
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(288,644)	(360,185)
EQUITY DIVIDENDS PAID		(20,000)	(185,000)
INCREASE/(DECREASE) IN CASH	23	<u>77,799</u>	<u>(1,697,589)</u>

The notes on pages 12 to 24 form part of these financial statements.

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. The addition of the parent has been accounted for as a group reconstruction and in accordance with the principles of merger accounting. Therefore the results have been presented as if the group has always been in existence. As a consolidated profit and loss account is published, a separate profit and loss accounts for the company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Joint ventures and associates are accounted for using the equity method which involves recognition in the consolidated profit and loss account the groups share of the operating results of the joint ventures and associates for the year. The groups interest in joint ventures and associates is carried in the balance sheet as its share of net assets of the entity.

Related parties transactions

In accordance with FRS8, transactions with other group companies that are included within these consolidated accounts are not disclosed.

Turnover

The turnover shown in the profit and loss account is derived from ordinary activities and represents the value of work done in the financial year, exclusive of Value Added Tax.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

Leasehold Property	- 4% straight line
Plant & Machinery	- 35% reducing balance
Fixtures & Fittings	- 25% reducing balance
Motor Vehicles	- 25% reducing balance

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

1. ACCOUNTING POLICIES *(continued)*

Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with SSAP 19 which, unlike the Companies Act 2006, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Operating lease agreements

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

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the consolidated profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the director considers that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

1. ACCOUNTING POLICIES (*continued*)

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

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

Employer financed retirement benefit schemes (efrbs)

During the current accounting period the Group made an additional contribution to a previously established employer financed retirement benefit scheme for the benefit of its officers, employees and their wider families, The R & M Williams Limited 2012 EFRBS ("the Scheme").

In accordance with UITF Abstract 32 "Employee Benefits Trusts and other intermediate payment arrangements", the Group does not include the assets and liabilities of the Scheme on its balance sheet to the extent that it considers that it will not retain any future economic benefit from the assets of the Scheme and will not have control of the rights or other access to those future economic benefits.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below:

	Year to 31 Jan 15	Period from 1 Dec 12 to 31 Jan 14 (restated)
	£	£
United Kingdom	<u>36,577,927</u>	<u>42,997,368</u>

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 JANUARY 2015

3. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging:

	Year to 31 Jan 15	Period from 1 Dec 12 to 31 Jan 14 (restated)
	£	£
Director's remuneration	35,662	15,868
Depreciation of owned fixed assets	222,082	257,252
Loss on disposal of fixed assets	20,625	46,626
Auditor's remuneration		
- as auditor	18,400	18,400
Operating lease costs:		
- Plant and equipment	74,143	27,213

4. PARTICULARS OF EMPLOYEES

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

	Year to 31 Jan 15	Period from 1 Dec 12 to 31 Jan 14 (restated)
	No	No
Production staff	118	121
Administrative staff	46	43
	164	164

The aggregate payroll costs of the above were:

	Year to 31 Jan 15	Period from 1 Dec 12 to 31 Jan 14 (restated)
	£	£
Wages and salaries	3,835,738	4,541,514
Social security costs	414,143	452,708
Other pension costs	73,086	27,087
Employer financed retirement benefit scheme contributions	–	494,900
	4,322,967	5,516,209

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

5. EXCEPTIONAL ITEMS

	Year to 31 Jan 15	Period from 1 Dec 12 to 31 Jan 14 (restated)
	£	£
Recognised in arriving at operating profit/(loss):		
Loss on part disposal of investment in subsidiary undertaking	-	(278,773)

6. INTEREST PAYABLE AND SIMILAR CHARGES

	Year to 31 Jan 15	Period from 1 Dec 12 to 31 Jan 14 (restated)
	£	£
Other similar charges payable	239	1,365

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	Year to 31 Jan 15	Period from 1 Dec 12 to 31 Jan 14 (restated)
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 20% (2014 - 20%)	61,609	44,048
(Over)/under provision in prior year	(8,561)	25,646
Total current tax	53,048	69,694
Deferred tax:		
Origination and reversal of timing differences (note 16)		
Capital allowances	26,664	23,447
Other	(1,077)	(3,773)
Total deferred tax (note 16)	25,587	19,674
Tax on profit/(loss) on ordinary activities	78,635	89,368

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

7. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20% (2014 - 20%).

	Year to 31 Jan 15	Period from 1 Dec 12 to 31 Jan 14 <i>(restated)</i>
	£	£
Profit/(loss) on ordinary activities before taxation	258,754	(595,267)
Profit/(loss) on ordinary activities by rate of tax	51,750	(24,841)
Expenses not deductible for tax purposes	7,713	98,223
Capital allowances for period in excess of depreciation	(26,659)	(28,248)
Utilisation of tax losses	-	9,343
Tax chargeable at lower rates	3,178	(8,426)
Adjustments to tax charge in respect of previous periods	(8,561)	25,646
Sundry tax adjusting items	25,627	(2,003)
Total current tax (note 7(a))	53,048	69,694

8. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £64,508 (2014 - £(97,854)).

9. DIVIDENDS

Equity dividends

	Year to 31 Jan 15	Period from 1 Dec 12 to 31 Jan 14 <i>(restated)</i>
	£	£
Paid during the year:		
Dividends on equity shares	20,000	185,000

10. PRIOR YEAR ADJUSTMENT

The 2014 accounts have been adjusted to correct contracts that were incorrectly accounted for. Accrued costs were understated by £475,130 and accrued income understated by £4,070. The adjustment has reduced P&L reserves by £244,951 and minority interests by £226,109.

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

11. TANGIBLE ASSETS

Group	Investment Property £	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST						
At 1 Feb 2014	193,434	125,007	660,891	223,932	1,255,446	2,458,710
Additions	–	–	95,527	76,358	153,030	324,915
Disposals	–	–	–	–	(225,179)	(225,179)
At 31 Jan 2015	<u>193,434</u>	<u>125,007</u>	<u>756,418</u>	<u>300,290</u>	<u>1,183,297</u>	<u>2,558,446</u>
DEPRECIATION						
At 1 Feb 2014	–	29,383	508,980	152,529	677,156	1,368,048
Charge for the year	–	5,000	48,851	21,021	147,210	222,082
On disposals	–	–	–	–	(168,283)	(168,283)
At 31 Jan 2015	<u>–</u>	<u>34,383</u>	<u>557,831</u>	<u>173,550</u>	<u>656,083</u>	<u>1,421,847</u>
NET BOOK VALUE						
At 31 Jan 2015	<u>193,434</u>	<u>90,624</u>	<u>198,587</u>	<u>126,740</u>	<u>527,214</u>	<u>1,136,599</u>
At 31 Jan 2014	<u>193,434</u>	<u>95,624</u>	<u>151,911</u>	<u>71,403</u>	<u>578,290</u>	<u>1,090,662</u>
Company					Investment Property £	
COST						
At 1 February 2014 and 31 January 2015						<u>193,434</u>
DEPRECIATION						
At 1 February 2014 and 31 January 2015						<u>–</u>
NET BOOK VALUE						
At 31 January 2015						<u>193,434</u>
At 31 January 2014						<u>193,434</u>

The investment property was valued by the director at the year end on the basis of open market value.

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

12. INVESTMENTS

Group	Total £
COST	
At 1 February 2014 and 31 January 2015	<u>18,379</u>
AMOUNTS WRITTEN OFF	
NET BOOK VALUE	
At 31 January 2015 and 31 January 2014	<u>18,379</u>

	Holding	Nature of business
Subsidiary Undertakings		
R & M Williams Limited	90% Ordinary shares	Painting and maintenance contractors
Williams PM Electrical Limited	52% Ordinary shares	Electrical contractors
The Crown Penally Limited	100% Ordinary shares	Dormant
FRS Contractor Solutions Limited	100% Ordinary shares	Contractor consultancy
Fay Construction Limited*	100% Ordinary shares	Dormant

All subsidiary undertakings are incorporated in England and Wales.

* Subsidiary of R & M Williams Limited

Joint Venture

Local Consortium Wales LLP**	Painting and maintenance contractors
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The year end of this entity is 31 October.

** R&M Williams Limited is a designated member

Share of assets of associates:

Share of assets of joint ventures

JV assets a/c title	26,124	24,459
JV liabilities a/c title	<u>(16,704)</u>	<u>(20,942)</u>
Share of net assets	<u>9,420</u>	<u>3,517</u>

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

Company	Group companies £
COST	
At 1 February 2014	2,160,620
Additions	1
At 31 January 2015	<u>2,160,621</u>
NET BOOK VALUE	
At 31 January 2015	<u>2,160,621</u>
At 31 January 2014	<u>2,160,620</u>

13. STOCKS

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Stock	200,316	218,967	–	–
Work in progress	1,416,483	1,038,554	654,371	676,696
	<u>1,616,799</u>	<u>1,257,521</u>	<u>654,371</u>	<u>676,696</u>

14. DEBTORS

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	3,338,156	4,211,949	–	–
Amounts owed by group undertakings	–	–	1,187,920	987,978
Corporation tax repayable	57,225	35,150	–	–
Amounts recoverable on contract	2,582,604	3,374,177	–	–
Other debtors	225,125	46,144	167,977	952
Directors current accounts	–	105,381	–	105,381
Prepayments and accrued income	61,859	159,080	–	–
	<u>6,264,969</u>	<u>7,931,881</u>	<u>1,355,897</u>	<u>1,094,311</u>

The debtors above include the following amounts falling due after more than one year:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Amounts owed by group undertakings	<u>738,796</u>	<u>–</u>	<u>738,796</u>	<u>787,978</u>

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

15. CREDITORS: Amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Overdrafts	1,425	–	–	–
Trade creditors	3,520,930	4,800,605	–	–
Director's loan account	347,591	–	347,591	–
PAYE and social security	327,676	364,116	2,955	–
VAT	231,982	293,180	1,934	4,074
Other creditors	56,557	133,720	100	100
Accruals and deferred income	1,662,797	1,919,613	2,000	2,000
	<u>6,148,958</u>	<u>7,511,234</u>	<u>354,580</u>	<u>6,174</u>

16. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	Group		Company	
	Year to	Period from	Year to	Period from
	31 Jan 15	1 Dec 12 to 31 Jan 14	31 Jan 15	1 Dec 12 to 31 Jan 14
	£	£	£	£
Provision brought forward	40,938	21,264	–	–
Increase in provision	25,587	19,674	–	–
Provision carried forward	<u>66,525</u>	<u>40,938</u>	<u>–</u>	<u>–</u>

	Group		Company	
	Year to	Period from	Year to	Period from
	31 Jan 15	1 Dec 12 to 31 Jan 14	31 Jan 15	1 Dec 12 to 31 Jan 14
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	73,464	46,800	–	–
Other timing differences	(6,939)	(5,862)	–	–
	<u>66,525</u>	<u>40,938</u>	<u>–</u>	<u>–</u>

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

17. COMMITMENTS UNDER OPERATING LEASES

At 31 January 2015 the group had annual commitments under non-cancellable operating leases as set out below.

Group	2015		2014	
	Land and buildings	Other items	Land and buildings (restated)	Other items
	£	£	£	£
Operating leases which expire:				
Within 1 year	2,400	3,972	-	2,360
Within 2 to 5 years	10,333	27,508	10,333	40,513
	<u>12,733</u>	<u>31,480</u>	<u>10,333</u>	<u>42,873</u>

18. CONTINGENCIES

In line with their common practice HMRC are reviewing transactions made by the group in connection with its employer financed retirement benefit scheme. HMRC are reviewing the contributions made and their view is additional tax is due although they have not provided a figure of liability. Whilst HMRC have not provided any figures, if HMRC are successful the group may be liable to additional taxes of up to £222k. The group and its advisors remain confident that no further tax is due, although if proven otherwise, given the groups's strong cash position there would be no impact upon trading capability.

19. RELATED PARTY TRANSACTIONS

The company is controlled by M Williams by virtue of his sole directorship and shareholding.

During the year the company purchased goods and services amounting to £305,352 (2014 - £437,974) from R & M Williams Limited, a subsidiary undertaking. At the year end there was a balance of £1,181,729 (2014 - £528,541) included within other debtors due from this company.

Also included within other creditors is a balance of £374,591 (2014 - £(105,380)) due from the director:

In respect of the overdrawn director's loan account, the following transactions took place between the director and the company:

	M Williams
	£
Opening balance	(105,380)
Amounts drawn	(443,153)
Amounts repaid	923,124
Closing balance	<u>374,591</u>
Maximum overdrawn balance	<u>(105,380)</u>

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

20. SHARE CAPITAL

Allotted, called up and fully paid:

	2015		2014 (restated)	
	No	£	No	£
Ordinary shares of £1 each	<u>2,400,000</u>	<u>2,400,000</u>	<u>2,400,000</u>	<u>2,400,000</u>

21. RESERVES

Group	Merger Reserve £	Profit and loss account (restated) £
Balance brought forward as previously reported	(2,398,000)	5,556,879
Prior year adjustment (note 10)	—	(244,951)
Restated balance as at 1 February 2014	(2,398,000)	5,311,928
Profit for the year	—	203,311
Equity dividends	—	(20,000)
Balance carried forward	<u>(2,398,000)</u>	<u>5,495,239</u>

Company	Profit and loss account £
Balance brought forward as previously reported	2,037,865
Profit for the year	64,508
Balance carried forward	<u>2,102,373</u>

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015 £	2014 (restated) £
Profit/(Loss) for the financial year	203,311	(235,096)
Equity dividends	(20,000)	(185,000)
Net addition/(reduction) to shareholders' funds	183,311	(420,096)
Opening shareholders' funds	5,558,879	5,734,024
Prior year adjustment (see note 10)	(244,951)	—
Closing shareholders' funds	<u>5,497,239</u>	<u>5,313,928</u>

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

23. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	Year to 31 Jan 15	Period from 1 Dec 12 to 31 Jan 14 (restated)
	£	£
Operating profit/(loss)	244,226	(626,376)
Depreciation	222,082	257,252
Loss on disposal of fixed assets	20,625	46,626
Increase in stocks	(359,278)	(393,147)
Decrease/(increase) in debtors	1,688,987	(1,700,481)
(Decrease)/increase in creditors	(1,363,701)	1,051,057
Loss on part disposal of investment in subsidiary undertaking	–	278,773
Net cash inflow/(outflow) from operating activities	<u>452,941</u>	<u>(1,086,296)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2015	2014 (restated)
	£	£
Increase/(Decrease) in cash in the period	<u>77,799</u>	<u>(1,697,589)</u>
Movement in net funds in the period	<u>77,799</u>	<u>(1,697,589)</u>
Net funds at 1 February 2014	<u>2,685,034</u>	<u>4,317,664</u>
Net funds at 31 January 2015	<u>2,762,833</u>	<u>2,685,034</u>

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Feb 2014 £	Cash flows £	At 31 Jan 2015 £
Net cash:			
Cash in hand and at bank	2,685,034	79,224	2,764,258
Overdrafts	–	(1,425)	(1,425)
Net funds	<u>2,685,034</u>	<u>77,799</u>	<u>2,762,833</u>