

COMPANY REGISTRATION NUMBER: 04716632

R & M WILLIAMS (HOLDINGS) LIMITED
FINANCIAL STATEMENTS
30 NOVEMBER 2017



R & M WILLIAMS (HOLDINGS) LIMITED

FINANCIAL STATEMENTS

Period from 31 January 2017 to 30 November 2017

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R & M WILLIAMS (HOLDINGS) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

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

Period from 31 January 2017 to 30 November 2017

The group's main goals for 2017 were to continue to develop the business as one of Wales' leading multi-disciplined contractors, deliver strong profits for its shareholders and demonstrate its strong commercial standing.

The return to profit over a ten-month accounting period has been a result of maximising the value within existing contracts, the award of new contracts with improved commercial terms and a reduction in overhead and controllable costs. Ultimately the combined effect has resulted in a much improved bottom line performance.

Whilst also improving performance across the business, the internal management of cash has been a key component of this strong performance and we have enhanced our cash in hand position significantly over this accounting period.

Another underlying factor in this return to profitability in the financial period to November 2017 is the increased margins on current contracts within R& M Williams Ltd.

Business review

The group's main goals and achievements for 2017 were:

1) To maintain the group's profile as one of Wales' leading multi-disciplined construction contractor; this has been achieved by further contract awards in the residential sector, as well as an appointment to Cardiff City Council's framework across all lots, Cardiff University and Swansea City Council Housing Maintenance Framework.

2) Development of the R&M Homes brand: following entry to the new build housing market R&M has now developed a bespoke private sale brand of new build homes. This will be rolled out over the next few years across Wales, in various developments already owned by the group. It is considered a move away from low margin, turn key opportunities with housing associations. The first site to commence in August 2018 will be Station Road, Narberth.

3) Improve quality and scale of construction contracts; this has been achieved through award of the £4.3m new fire station at Bristol Airport and Coastal Housing's High Street building in Swansea, where R&M Williams received recognition through LABC awards as Wales' Best Social Housing Development.

4) To gain market share in the West of England; the group's geographical expansion and entry to new markets has been achieved in Bristol with the establishment of a satellite office at Fishponds and the awarding of high profile contracts such as Bristol Airport Fire Rescue Centre, as well as notable trade contractor appointments.

5) Investment in staff and infrastructure has been significant, with the investment and relocation of our Swansea regional office. Further investment in staff recruitment and development, has included the appointments of 4 graduate trainees from Cardiff University and the University of South Wales.

6) Implementation of advanced contract management software, along with an enhanced contract value reporting protocol has improved the accuracy and transparency in contract reporting and results. Significant investment in IT, on and off-site data storage also ensures the business intellectual property and records are suitably catered for.

The group continues to develop both its offering and service delivery, although it has been recognised that saturation within certain sectors of the Responsive and Planned Maintenance sectors has created a race to "the bottom", leaving contractors chasing high volume, low margin opportunities. R&M Williams Ltd has made a strategic decision to focus its efforts on client retention and the development of relationships within key sectors.

R & M WILLIAMS (HOLDINGS) LIMITED

STRATEGIC REPORT

Period from 31 January 2017 to 30 November 2017

Across the business it continues to strive for efficiencies and productivity. It has established an Executive Board to look aggressively at inter-company trading and efficiency of overhead costs across all sectors, such as purchasing, administration and cash management. Alongside this, there will be a greater emphasis on the contract pipeline to avoid any slippage in forecasted sales.

Commensurate with the construction industry, the Director believes the key business performance indicators are turnover, gross margin and profit before tax.

Performance of the group was as follows:

	Nov 2017	Jan 2017
	£'000	£'000
Turnover	32,759	40,420
Gross profit (%)	9	6
Profit/(Loss) before taxation	707	(656)

Risks and uncertainties

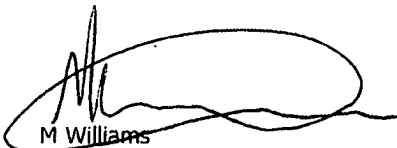
We need to recognise the potential risk and uncertainty with BREXIT. A significant proportion of group turnover is from the public sector in Wales, which is highly supported by European funding. As this support is withdrawn and, if not supported by central government, we could see a downturn in opportunity and revenue in the social housing sector and within publicly funded education projects.

To counteract this uncertainty, R&M, as noted above, has expanded geographically and seek to reduce exposure in the social housing new-build sector, whilst reinforcing its position within the social housing maintenance sector.

Separately, it has looked at work streams such as the industry response to Grenfell Tower tragedy and has developed an experienced management team and supply chain to react to the changes brought from this tragic event, which has been borne out with the award to re-clad three 12-storey towers for Newport City Homes.

The implementation of the aforementioned strategies and policies has delivered results and are continuing to show within the next financial year, R&M Williams (Holdings) Ltd return strongly to sustained profitability and growth.

This report was approved by the board of directors on 11/6/2018 and signed on behalf of the board by:


M Williams
Director

R & M WILLIAMS (HOLDINGS) LIMITED

DIRECTOR'S REPORT

Period from 31 January 2017 to 30 November 2017

The director presents his report and the financial statements of the group for the period ended 30 November 2017.

Director

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

Mr M J Williams

Dividends

The director does not recommend the payment of a dividend.

Employment of disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group and the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group and the Company. This is achieved through formal and informal meetings. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

Disclosure of information in the 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.

Director's responsibilities statement

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 period. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the group and the company and the profit or loss of the group for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

R & M WILLIAMS (HOLDINGS) LIMITED

DIRECTOR'S REPORT *(continued)*

Period from 31 January 2017 to 30 November 2017

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

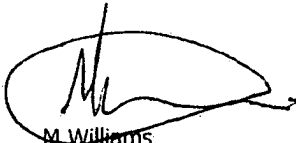
Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

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

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 11/6/2018 and signed on behalf of the board by:



M Williams
Director



**KILSBY
WILLIAMS**
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF R & M WILLIAMS (HOLDINGS) LIMITED

Period from 31 January 2017 to 30 November 2017

Opinion

We have audited the financial statements of R & M Williams (Holdings) Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 30 November 2017 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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



**KILSBY
WILLIAMS**
Chartered Accountants

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF R & M WILLIAMS
(HOLDINGS) LIMITED *(continued)***

Period from 31 January 2017 to 30 November 2017

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the director's report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of the director

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF R & M WILLIAMS (HOLDINGS) LIMITED *(continued)*

Period from 31 January 2017 to 30 November 2017

from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



**KILSBY
WILLIAMS**
Chartered Accountants

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF R & M WILLIAMS
(HOLDINGS) LIMITED *(continued)***

Period from 31 January 2017 to 30 November 2017

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Simon Tee 13th June 2018

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 STATEMENT OF COMPREHENSIVE INCOME

Period from 31 January 2017 to 30 November 2017

		Period from 31 Jan 17 to 30 Nov 17 £	Year to 30 Jan 17 £
TURNOVER	Note 4	32,759,372	40,420,245
Cost of sales		(29,701,479)	(38,136,248)
GROSS PROFIT		<u>3,057,893</u>	<u>2,283,997</u>
Administrative expenses		(2,359,250)	(3,846,163)
Other operating Income	5	4,070	221,138
Profit/(Loss) on disposal of shares in group undertakings		–	680,095
OPERATING PROFIT/(LOSS)	6	<u>702,713</u>	<u>(660,933)</u>
Share of profit of joint ventures	14	3,802	581
Interest receivable	11	<u>155</u>	<u>4,767</u>
PROFIT/(LOSS) BEFORE TAXATION		<u>706,670</u>	<u>(655,585)</u>
Taxation on ordinary activities	12	(129,544)	158,825
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD AND TOTAL COMPREHENSIVE INCOME		<u><u>577,126</u></u>	<u><u>(496,760)</u></u>
Profit for the financial period attributable to:			
The owners of the parent company		518,980	(455,791)
Non-controlling interests		<u>58,146</u>	<u>(40,969)</u>
		<u><u>577,126</u></u>	<u><u>(496,760)</u></u>

All the activities of the group are from continuing operations.

The notes on pages 16 to 30 form part of these financial statements.

R & M WILLIAMS (HOLDINGS) LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 November 2017

	Note	30 Nov 17 £	30 Jan 17 £
FIXED ASSETS			
Tangible assets	13	882,132	833,197
Investments:	14		
Investments in joint-ventures		13,907	10,106
Other fixed asset investments		18,525	18,525
		<u>914,564</u>	<u>861,828</u>
CURRENT ASSETS			
Stocks	15	1,920,421	2,036,328
Debtors	16	8,645,284	7,031,808
Cash at bank and in hand		2,320,325	1,775,691
		<u>12,886,030</u>	<u>10,843,827</u>
CREDITORS: amounts falling due within one year	17	(7,742,271)	(6,287,002)
NET CURRENT ASSETS		<u>5,143,759</u>	<u>4,556,825</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,058,323</u>	<u>5,418,653</u>
PROVISIONS			
Taxation including deferred tax	18	(48,666)	80,878
Other provisions	18	(106,250)	(106,250)
		<u>(154,916)</u>	<u>(25,372)</u>
NET ASSETS		<u><u>5,903,407</u></u>	<u><u>5,393,281</u></u>
CAPITAL AND RESERVES			
Called up share capital	22	2,400,000	2,400,000
Other reserves	23	(2,398,000)	(2,398,000)
Profit and loss account	23	5,656,518	5,137,538
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY		<u>5,658,518</u>	<u>5,139,538</u>
NON-CONTROLLING INTERESTS		<u>244,889</u>	<u>253,743</u>
		<u><u>5,903,407</u></u>	<u><u>5,393,281</u></u>

These financial statements were approved by the board of directors and authorised for issue on 11.12.2017, and are signed on behalf of the board by:


M Williams
Director

Company registration number: 04716632

The notes on pages 16 to 30 form part of these financial statements.

R & M WILLIAMS (HOLDINGS) LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION

30 November 2017

	Note	30 Nov 17 £	30 Jan 17 £
FIXED ASSETS			
Investments	14	2,160,010	2,160,010
CURRENT ASSETS			
Stocks	15	896,219	893,120
Debtors	16	1,568,127	1,499,927
Cash at bank and in hand		110,319	433,005
		<u>2,574,665</u>	<u>2,826,052</u>
CREDITORS: amounts falling due within one year	17	(3,701)	(450,760)
NET CURRENT ASSETS		<u>2,570,964</u>	<u>2,375,292</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,730,974</u>	<u>4,535,302</u>
NET ASSETS		<u>4,730,974</u>	<u>4,535,302</u>
CAPITAL AND RESERVES			
Called up share capital	22	2,400,000	2,400,000
Profit and loss account	23	2,330,974	2,135,302
SHAREHOLDERS FUNDS		<u>4,730,974</u>	<u>4,535,302</u>

The profit for the financial period of the parent company was £195,672 (2017: £532,101).

These financial statements were approved by the board of directors and authorised for issue on 11/06/2018, and are signed on behalf of the board by:


M Williams
Director

Company registration number: 04716632

The notes on pages 16 to 30 form part of these financial statements.

R & M WILLIAMS (HOLDINGS) LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Period from 31 January 2017 to 30 November 2017

	Called up share capital £	Other reserves £	Profit and loss account £	Equity attributable to the owners of the parent company £	Non-controlli ng interests £	Total £
AT 1 FEBRUARY 2016	2,400,000	(2,398,000)	5,593,329	5,595,329	370,623	5,965,952
Loss for the period			(455,791)	(455,791)	(40,969)	(496,760)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	(455,791)	(455,791)	(40,969)	(496,760)
Dividends paid and payable	-	-	-	-	(134,301)	(134,301)
Disposal of subsidiary with minority interest	-	-	-	-	58,390	58,390
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	-	-	-	-	(75,911)	(75,911)
AT 30 JANUARY 2017	2,400,000	(2,398,000)	5,137,538	5,139,538	253,743	5,393,281
Profit for the period			518,980	518,980	58,146	577,126
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	518,980	518,980	58,146	577,126
Dividends paid and payable	-	-	-	-	(67,000)	(67,000)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	-	-	-	-	(67,000)	(67,000)
AT 30 NOVEMBER 2017	<u>2,400,000</u>	<u>(2,398,000)</u>	<u>5,656,518</u>	<u>5,658,518</u>	<u>244,889</u>	<u>5,903,407</u>

The notes on pages 16 to 30 form part of these financial statements.

R & M WILLIAMS (HOLDINGS) LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

Period from 31 January 2017 to 30 November 2017

	Called up share capital £	Profit and loss account £	Total £
AT 1 FEBRUARY 2016	2,400,000	1,603,201	4,003,201
Profit for the period		532,101	532,101
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	—	532,101	532,101
AT 30 JANUARY 2017	2,400,000	2,135,302	4,535,302
Profit for the period		195,672	195,672
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	—	195,672	195,672
AT 30 NOVEMBER 2017	<u>2,400,000</u>	<u>2,330,974</u>	<u>4,730,974</u>

The notes on pages 16 to 30 form part of these financial statements.

R & M WILLIAMS (HOLDINGS) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

Period from 31 January 2017 to 30 November 2017

	30 Nov 17 £	30 Jan 17 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) for the financial period	577,126	(496,760)
<i>Adjustments for:</i>		
Depreciation of tangible assets	184,604	232,187
Amortisation of intangible assets	–	5,844
Share of profit of joint ventures	(3,802)	(581)
Interest receivable	(155)	(4,767)
(Gains)/loss on disposal of tangible assets	(38,281)	61,241
Taxation on ordinary activities	129,544	(158,825)
Accrued expenses/(income)	621,650	(177,470)
(Profit)/Loss on disposal of subsidiary	–	(180,193)
<i>Changes in:</i>		
Stocks	115,907	149,610
Trade and other debtors	(1,573,055)	(357,354)
Trade and other creditors	1,273,173	319,527
Provisions and employee benefits	–	106,250
Cash generated from operations	1,286,711	(501,291)
Interest received	155	4,767
Tax paid	–	(69,449)
Net cash from/(used in) operating activities	<u>1,286,866</u>	<u>(565,973)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(297,132)	(229,553)
Proceeds from sale of tangible assets	101,874	149,513
Proceeds from sale of subsidiaries	–	(16,542)
Net cash used in investing activities	<u>(195,258)</u>	<u>(96,582)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of borrowings	(479,974)	(374,354)
Dividends paid	(67,000)	(134,301)
Net cash used in financing activities	<u>(546,974)</u>	<u>(508,655)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	544,634	(1,171,210)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>1,775,691</u>	<u>2,946,901</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>2,320,325</u>	<u>1,775,691</u>

The notes on pages 16 to 30 form part of these financial statements.

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period from 31 January 2017 to 30 November 2017

1. GENERAL INFORMATION

The company is a private company limited by shares, registered in England & Wales. The address of the registered office is West Point Industrial Estate, Penarth Road, Cardiff, CF11 8JQ.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets measured at fair value through profit or loss.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Consolidation

The financial statements consolidate the financial statements of R & M Williams (Holdings) Limited and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the period are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

Non-controlling interests

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

The proportions of profit or loss and changes in equity allocated to the owners of the parent and to the minority interests are determined on the basis of existing ownership interests and do not reflect the possible exercise or conversion of options or convertible instruments.

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Period from 31 January 2017 to 30 November 2017

3. ACCOUNTING POLICIES *(continued)*

Judgements and key sources of estimation uncertainty

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying value of the property, plant and equipment, and the depreciation accounting policy for the useful economic lives for each class of asset.

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 16 for the net carrying amount of the debtors and the associated impairment provision.

(iii) Accounting for construction contracts

Recognition of turnover and profit is based on judgements made in respect of the ultimate profitability of a contract. Such judgements are arrived at through the use of estimate in relation to costs and value of work performed to date and to be performed in bringing contracts to completion, including satisfaction of maintenance responsibilities. These estimates are made by reference to recovery of pre-contract costs, surveys of progress against the construction programme, changes in work scope, the contractual terms under which the work is being performed, including the recoverability of any un-agreed income from variations and the likely outcome of discussions on claims, costs incurred and external certification of the work performed. The company has appropriate control procedures to ensure all estimates are determined on a consistent basis and subject to appropriate review and authorisation.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Period from 31 January 2017 to 30 November 2017

3. ACCOUNTING POLICIES *(continued)*

Exceptional items

Exceptional items are disclosed separately in the financial statements in order to provide further understanding of the financial performance of the entity. They are material items of income or expense that have been shown separately because of their nature or amount.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Lease income is recognised in profit or loss on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Period from 31 January 2017 to 30 November 2017

3. ACCOUNTING POLICIES *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

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

Leasehold property	-	4% straight line
Plant & machinery	-	25% reducing balance
Fixtures & fittings	-	25% reducing balance
Motor vehicles	-	25% reducing balance

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in joint ventures

Investments in joint ventures are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the joint venture.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Period from 31 January 2017 to 30 November 2017

3. ACCOUNTING POLICIES *(continued)*

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Period from 31 January 2017 to 30 November 2017

3. ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. TURNOVER

Turnover arises from:

	Period from 31 Jan 17 to 30 Nov 17 £	Year to 30 Jan 17 £
Rendering of services	–	7,800,523
Construction contracts	32,759,372	32,619,722
	<u>32,759,372</u>	<u>40,420,245</u>

The whole of the turnover is attributable to the principal activity of the group wholly undertaken in the United Kingdom.

5. OTHER OPERATING INCOME

	Period from 31 Jan 17 to 30 Nov 17 £	Year to 30 Jan 17 £
Rental income	–	1,855
Other operating income	4,070	219,283
	<u>4,070</u>	<u>221,138</u>

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Period from 31 January 2017 to 30 November 2017

6. OPERATING PROFIT

Operating profit or loss is stated after charging/crediting:

	Period from 31 Jan 17 to 30 Nov 17 £	Year to 30 Jan 17 £
Amortisation of intangible assets	-	5,844
Depreciation of tangible assets	185,222	232,209
(Gains)/loss on disposal of tangible assets	(38,281)	61,241
Impairment of trade debtors	(5,851)	(1,283)
(Profit)/loss on disposal of shares in group undertakings	-	(180,095)
	<u>-</u>	<u>(180,095)</u>

7. AUDITOR'S REMUNERATION

	Period from 31 Jan 17 to 30 Nov 17 £	Year to 30 Jan 17 £
Fees payable for the audit of the financial statements	<u>10,900</u>	<u>10,900</u>

8. PARTICULARS OF EMPLOYEES

The average number of persons employed by the group during the period, including the director, amounted to:

	30 Nov 17 No.	30 Jan 17 No.
Production staff	87	313
Administrative staff	<u>45</u>	<u>48</u>
	<u>132</u>	<u>361</u>

The aggregate payroll costs incurred during the period, relating to the above, were:

	Period from 31 Jan 17 to 30 Nov 17 £	Year to 30 Jan 17 £
Wages and salaries	3,522,406	10,683,150
Social security costs	316,781	382,613
Other pension costs	<u>57,666</u>	<u>72,801</u>
	<u>3,896,853</u>	<u>11,138,564</u>

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Period from 31 January 2017 to 30 November 2017

9. DIRECTOR'S REMUNERATION

The director's aggregate remuneration in respect of qualifying services was:

	Period from 31 Jan 17 to 30 Nov 17 £	Year to 30 Jan 17 £
Remuneration	<u>5,112</u>	<u>–</u>

10. EXCEPTIONAL ITEMS

	Group		Company	
	30 Nov 17 £	30 Jan 17 £	30 Nov 17 £	30 Jan 17 £
Taxation provision on EFURB contributions	<u>–</u>	<u>106,250</u>	<u>–</u>	<u>–</u>

11. INTEREST RECEIVABLE

	Period from 31 Jan 17 to 30 Nov 17 £	Year to 30 Jan 17 £
Interest on cash and cash equivalents	<u>155</u>	<u>4,767</u>

12. TAXATION ON ORDINARY ACTIVITIES

Major components of tax income

	Period from 31 Jan 17 to 30 Nov 17 £	Year to 30 Jan 17 £
Current tax:		
UK current tax income	–	22,437
Adjustments in respect of prior periods	<u>–</u>	<u>(17,769)</u>
Total current tax	<u>–</u>	<u>4,668</u>
Deferred tax:		
Origination and reversal of timing differences	128,995	(177,408)
Impact of change in tax rate	–	13,915
Other component of deferred tax expense	<u>549</u>	<u>–</u>
Total deferred tax	<u>129,544</u>	<u>(163,493)</u>
Taxation on ordinary activities	<u>129,544</u>	<u>(158,825)</u>

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Period from 31 January 2017 to 30 November 2017

12. TAXATION ON ORDINARY ACTIVITIES *(continued)*

Reconciliation of tax expense/(income)

The tax assessed on the profit/(loss) on ordinary activities for the period is lower than (2017: lower than) the standard rate of corporation tax in the UK of 19% (2017: 20%).

	Period from 31 Jan 17 to 30 Nov 17 £	Year to 30 Jan 17 £
Profit/(loss) on ordinary activities before taxation	706,670	(655,585)
Profit/(loss) on ordinary activities by rate of tax	134,286	(131,117)
Adjustment to tax charge in respect of prior periods	–	(4,715)
Effect of expenses not deductible for tax purposes	8,623	37,210
Effect of capital allowances and depreciation	1,261	(168)
Effect of different UK tax rates on some earnings	(15,175)	18,629
Rounding on tax charge	549	13,915
Exempt gain on share sale	–	(147,992)
Consolidation adjustments	–	30,149
Non group dividend income	–	(17,340)
Deferred tax asset not provided	–	42,603
Tax on profit	129,544	(158,826)

13. TANGIBLE ASSETS

Group	Long leasehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 31 January 2017	125,007	817,355	269,878	1,302,833	2,515,073
Additions	–	88,818	11,195	197,119	297,132
Disposals	–	(176,979)	–	(102,388)	(279,367)
At 30 November 2017	125,007	729,194	281,073	1,397,564	2,532,838
Depreciation					
At 31 January 2017	44,383	631,755	206,876	798,862	1,681,876
Charge for the period	4,167	43,386	13,954	123,097	184,604
Disposals	–	(139,809)	–	(75,965)	(215,774)
At 30 November 2017	48,550	535,332	220,830	845,994	1,650,706
Carrying amount					
At 30 November 2017	76,457	193,862	60,243	551,570	882,132
At 30 January 2017	80,624	185,600	63,002	503,971	833,197

The company has no tangible assets.

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Period from 31 January 2017 to 30 November 2017

14. INVESTMENTS

Group	Joint ventures	Other investments other than loans	Total
	£	£	£
Share of net assets/cost			
At 31 January 2017	10,106	18,525	28,631
Share of profit or loss	3,801		3,801
At 30 November 2017	<u>13,907</u>	<u>18,525</u>	<u>32,432</u>
Impairment			
At 31 January 2017 and 30 November 2017	<u>—</u>	<u>—</u>	<u>—</u>
Carrying amount			
At 30 November 2017	<u>13,907</u>	<u>18,525</u>	<u>32,432</u>
At 30 January 2017	<u>10,106</u>	<u>18,525</u>	<u>28,631</u>

Company	Shares in group undertakings
	£
Cost	
At 31 January 2017 and 30 November 2017	<u>2,160,010</u>
Impairment	
At 31 January 2017 and 30 November 2017	<u>—</u>
Carrying amount	
At 31 January 2017 and 30 November 2017	<u>2,160,010</u>
At 30 January 2017	<u>2,160,010</u>

Subsidiaries, associates and other investments

Details of the investments in which the group and the parent company have an interest of 20% or more are as follows:

Subsidiary undertakings	Class of share	Percentage of shares held
R & M Williams Limited	Ordinary	90

Investments in joint ventures

Summarised financial information of jointly controlled entities:

	30 Nov 17	30 Jan 17
	£	£
Current assets	26,257	31,645
Current liabilities	<u>12,350</u>	<u>21,540</u>
Revenues	1,316,208	671,430
Profit from continuing operations	<u>3,802</u>	<u>581</u>

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Period from 31 January 2017 to 30 November 2017

15. STOCKS

	Group		Company	
	30 Nov 17	30 Jan 17	30 Nov 17	30 Jan 17
	£	£	£	£
Raw materials	47,267	62,267	–	–
Work in progress	1,873,154	1,974,061	896,219	893,120
	<u>1,920,421</u>	<u>2,036,328</u>	<u>896,219</u>	<u>893,120</u>

16. DEBTORS

	Group		Company	
	30 Nov 17	30 Jan 17	30 Nov 17	30 Jan 17
	£	£	£	£
Trade debtors	2,799,219	2,846,789	–	–
Amounts owed by group undertakings	–	–	839,991	811,174
Prepayments and accrued income	84,953	44,858	904	148
Corporation tax repayable	22,735	24,339	–	–
Director's loan account	40,420	–	40,420	–
Amounts recoverable on contract	4,599,946	3,333,115	–	–
Other debtors	1,098,011	782,707	686,812	688,605
	<u>8,645,284</u>	<u>7,031,808</u>	<u>1,568,127</u>	<u>1,499,927</u>

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

	Group		Company	
	30 Nov 17	30 Jan 17	30 Nov 17	30 Jan 17
	£	£	£	£
Amounts recoverable on contract	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>

Trade debtors are stated after provisions for impairment of £29,866 (Jan 2017 - £35,717).

17. CREDITORS: amounts falling due within one year

	Group		Company	
	30 Nov 17	30 Jan 17	30 Nov 17	30 Jan 17
	£	£	£	£
Trade creditors	5,620,135	4,352,676	–	7,283
Accruals and deferred income	1,924,533	1,302,883	3,650	3,000
Social security and other taxes	184,431	180,907	–	872
Director loan accounts	–	439,554	–	439,554
Other creditors	13,172	10,982	51	51
	<u>7,742,271</u>	<u>6,287,002</u>	<u>3,701</u>	<u>450,760</u>

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Period from 31 January 2017 to 30 November 2017

18. PROVISIONS

Group	Deferred tax (note 19) £	Other provisions £	Total £
At 31 January 2017	(80,878)	106,250	25,372
Additions	129,544	—	129,544
At 30 November 2017	48,666	106,250	154,916

The company does not have any provisions.

Other provisions relate to PAYE and National Insurance Contributions which maybe due in connection with employer financed retirement benefit scheme contributions which will become payable on the issue of advanced payment notices and is an estimate. The actual amount payable will depend on any settlement agreed with HMRC.

19. DEFERRED TAX

The deferred tax included in the statement of financial position is as follows:

	Group		Company	
	30 Nov 17	30 Jan 17	30 Nov 17	30 Jan 17
	£	£	£	£
Included in provisions (note 18)	48,666	(80,878)	—	—

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group		Company	
	30 Nov 17	30 Jan 17	30 Nov 17	30 Jan 17
	£	£	£	£
Accelerated capital allowances	94,079	82,087	—	—
Unused tax losses	(44,776)	(162,627)	—	—
Deferred tax - other short term timing differences	(637)	(338)	—	—
	48,666	(80,878)	—	—

The deferred tax asset is expected to increase next year by approximately £58,000. This is due to the utilisation of losses and the origination of new timing differences on tangible fixed assets.

20. EMPLOYEE BENEFITS

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £57,666 (2017: £72,801).

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Period from 31 January 2017 to 30 November 2017

21. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

Financial assets that are debt instruments measured at amortised cost

	Group	
	30 Nov 17	30 Jan 17
	£	£
Financial assets that are debt instruments measured at amortised cost	<u>7,666,638</u>	<u>6,347,443</u>

Financial liabilities measured at amortised cost

	Group	
	30 Nov 17	30 Jan 17
	£	£
Financial liabilities measured at amortised cost	<u>7,550,148</u>	<u>6,091,421</u>

22. CALLED UP SHARE CAPITAL

Issued, called up and fully paid

	30 Nov 17		30 Jan 17	
	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>

23. RESERVES

Called up share capital - This represents the nominal value of shares that have been issued.

Merger reserve - This reserve records the nominal value of shares repurchased by the company.

Profit and loss account - This reserve records retained earnings and accumulated losses.

24. COMMITMENTS UNDER OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	30 Nov 17	30 Jan 17	30 Nov 17	30 Jan 17
	£	£	£	£
Not later than 1 year	174,409	122,535	–	–
Later than 1 year and not later than 5 years	<u>238,925</u>	<u>202,952</u>	<u>–</u>	<u>–</u>
	<u>413,334</u>	<u>325,487</u>	<u>–</u>	<u>–</u>

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Period from 31 January 2017 to 30 November 2017

25. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

During the period the director entered into the following advances and credits with the company and its subsidiary undertakings:

	30 Nov 17			
	Balance brought forward	Advances/ (credits) to the director	Amounts repaid	Balance outstanding
	£	£	£	£
Mr M J Williams	<u>(439,554)</u>	<u>–</u>	<u>479,974</u>	<u>40,420</u>

	30 Jan 17			
	Balance brought forward	Advances/ (credits) to the director	Amounts repaid	Balance outstanding
	£	£	£	£
Mr M J Williams	<u>(813,908)</u>	<u>(8,176)</u>	<u>382,530</u>	<u>(439,554)</u>

26. RELATED PARTY TRANSACTIONS

Group

During the period R&M Williams Limited purchased goods amounting to £1,618,167 (Jan 2017 - £2,697,176) and sold services totalling £93,549 (Jan 2017 - £247,509) to JT Merchants Limited. At the period end there was a balance of £575,155 (Jan 2017 - £645,286) due from and £362,717 (Jan 2017 - £284,073) due to R&M Williams Limited.

R&M Williams Limited is a subsidiary of R&M Williams (Holdings) Limited.

Mr M Williams is a director and controlling shareholder in JT Merchants Limited and R&M Williams (Holdings) Limited.

R & M WILLIAMS (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Period from 31 January 2017 to 30 November 2017

26. RELATED PARTY TRANSACTIONS *(continued)*

Company

During the period R&M Williams Limited recharged expenditure and management charges amounting to £3,694 (Jan 2017 - £202,006) to R&M Williams (Holdings) Limited. At the period end there was a balance of £839,991 (Jan 2017 - £811,854) due from R&M Williams (Holdings) Limited to R&M Williams Limited.

During the period R&M Williams (Holdings) Limited recharged expenditure amounting to £nil (Jan 2017 - £nil) to FRS Contractor Solutions Limited. At the period end there was a balance of £19,470 (Jan 2017 - £19,470) due from FRS Contractor Solutions Limited to R&M Williams (Holdings) Limited.

At the period end there was a balance of £165,664 (Jan 2017 - £165,664) due from JT Merchants Limited to R&M Williams (Holdings) Limited.

27. CONTROLLING PARTY

Mr MJ Williams, a director of the company, controls the company as a result of directly controlling, 100% of the issued share capital of the company.