

Masonry Solutions (UK) Limited

Registered number: 05190844

Information for filing with the registrar

For the year ended 31 July 2017



MASONRY SOLUTIONS (UK) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2017

Business review

On 4th May 2017, we experienced a significant fire, caused by a third party. This has seriously hampered our profitability this year, despite the increase in sales turnover. The investigation into the fire is ongoing and the insurance claim for business interruption, increased working costs and material damage were agreed and concluded after the year end, so subsequently are not reflected in the financial statements presented herein.

I am pleased to report that no one was injured in the fire and that we have now returned to full operating capacity. We have since taken on a third manufacturing facility which significantly increases our output and the ability to meet the continued, increased demand for our products by the housebuilding sector.

Finally, I would like to pass on my sincere thanks to all the staff and emergency services for their significant efforts, during this time.

This report was approved by the board and signed on its behalf.

D Bourne
Director



Date: 17 April 2018

MASONRY SOLUTIONS (UK) LIMITED

Registered number: 05190844

BALANCE SHEET AS AT 31 JULY 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	377,506	501,085
		<u>377,506</u>	<u>501,085</u>
Current assets			
Stocks		113,230	74,373
Debtors: amounts falling due within one year	5	1,603,596	1,340,889
Cash at bank and in hand		111,993	172,765
		<u>1,828,819</u>	<u>1,588,027</u>
Creditors: amounts falling due within one year	6	(1,540,253)	(1,492,228)
Net current assets		<u>288,566</u>	<u>95,799</u>
Total assets less current liabilities		<u>666,072</u>	<u>596,884</u>
Creditors: amounts falling due after more than one year	7	(10,639)	(21,560)
Provisions for liabilities			
Deferred tax		(59,256)	(41,771)
		<u>(59,256)</u>	<u>(41,771)</u>
Net assets		<u><u>596,177</u></u>	<u><u>533,553</u></u>
Capital and reserves			
Called up share capital		250	250
Other reserves		49,950	49,950
Profit and loss account		545,977	483,353
		<u><u>596,177</u></u>	<u><u>533,553</u></u>

The Directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

MASONRY SOLUTIONS (UK) LIMITED

Registered number: 05190844

BALANCE SHEET (CONTINUED) AS AT 31 JULY 2017

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

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

D Bourne
Director



Date: 17 April 2018

The notes on pages 3 to 7 form part of these financial statements.

MASONRY SOLUTIONS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

1. General information

Masonry Solutions (UK) Limited presents its financial statements for the year ended 31 July 2017. The presentation currency for the financial statements is Pounds Sterling (£). The Company is a private Company, limited by shares and is registered in England. Its registered office address is Cedar House, Units 1 & 2 Cedar Park, Ninian Way, Tame Valley Industrial Estate, Tamworth, Staffordshire, B77 5ES. The principal activity during the year continued to be that of the manufacture and sale of prefabricated masonry.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The transition date to FRS 102 is 1 August 2015. The end of the last period presented under previously accepted accounting guidance is the entity's most recent financial statements to 31 July 2016.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

MASONRY SOLUTIONS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

2. Accounting policies (continued)

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Plant & machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures & fittings	- 15% and 25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss account.

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

Work in progress is valued on the basis of direct material and labour costs plus attributable overheads based on a normal level of activity.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

MASONRY SOLUTIONS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

2. Accounting policies (continued)

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Finance costs

Finance costs are charged to the profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.13 Interest income

Interest income is recognised in the profit and loss account using the effective interest method.

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account and is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

MASONRY SOLUTIONS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

3. Employees

The average monthly number of employees, including directors, during the year was 70 (2016 - 67).

4. Tangible fixed assets

	Freehold property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation					
At 1 August 2016	207,794	391,878	137,670	179,674	917,016
Additions	-	137,881	16,545	9,226	163,652
Disposals	(207,794)	-	(16,300)	-	(224,094)
At 31 July 2017	-	529,759	137,915	188,900	856,574
Depreciation					
At 1 August 2016	4,849	264,612	52,146	94,324	415,931
Charge for the year	-	39,640	23,880	15,266	78,786
Disposals	(4,849)	-	(10,800)	-	(15,649)
At 31 July 2017	-	304,252	65,226	109,590	479,068
Net book value					
At 31 July 2017	-	225,507	72,689	79,310	377,506
At 31 July 2016	202,945	127,266	85,524	85,350	501,085

5. Debtors

	2017 £	2016 £
Trade debtors	962,893	934,360
Amounts owed by group undertakings	350,000	250,000
Other debtors	211,814	63,440
Prepayments and accrued income	78,889	93,089
	<u>1,603,596</u>	<u>1,340,889</u>

MASONRY SOLUTIONS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

6. Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans	-	125,052
Trade creditors	537,585	467,846
Corporation tax	23,451	60,000
Other taxation and social security	215,951	224,768
Hire purchase contracts	10,921	10,201
Other creditors	734,664	573,820
Accruals and deferred income	17,681	30,541
	<u>1,540,253</u>	<u>1,492,228</u>

The hire purchase contracts and an amount of £646,452 (2016: £531,094), included within other creditors, are secured against the assets to which they relate.

7. Creditors: amounts falling due after more than one year

	2017 £	2016 £
Hire purchase contracts	<u>10,639</u>	<u>21,560</u>

The hire purchase contracts are secured against the assets to which they relate.

8. Related party transactions

At 1 August 2016 the Company was owed £53,741 by D Bourne and E Bourne, both Directors of the Company. During the year repayments of £53,741 were made by D Bourne and E Bourne. Payments of £200,739 were advanced to the Directors, leaving a balance of £200,739 owing to the Company.

All payments were interest free and repayable upon demand.

9. Controlling party

The parent company is MSOL Holdings Limited, a company registered in England and Wales.

The ultimate controlling party is D Bourne by virtue of his shareholding in MSOL Holdings Limited.

10. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.