

Company registration number 8487521 (England and Wales)

ABSOLUTE ROOFING SOLUTIONS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022
PAGES FOR FILING WITH REGISTRAR

ABSOLUTE ROOFING SOLUTIONS LIMITED

COMPANY INFORMATION

Directors	Mr A McManus Mrs S McManus Mr V A Pepperell Mrs D L Pepperell Mr L Yates Mr M Ross
Company number	8487521
Registered office	Jubilee Works Jubilee Estate Gorse Lane Coleshill West Midlands United Kingdom B46 1JU
Accountants	Azets 3Mc Middlemarch Business Park Siskin Drive Coventry United Kingdom CV3 4FJ

ABSOLUTE ROOFING SOLUTIONS LIMITED

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ABSOLUTE ROOFING SOLUTIONS LIMITED

BALANCE SHEET

AS AT 30 JUNE 2022

		2022		2021	
	Notes	£	£	as restated £	£
Fixed assets					
Tangible assets	4		364,792		316,322
Investments	5		2		2
			<u>364,794</u>		<u>316,324</u>
Current assets					
Stocks		258,786		249,986	
Debtors	6	2,957,656		1,897,790	
Cash at bank and in hand		293,937		346,180	
		<u>3,510,379</u>		<u>2,493,956</u>	
Creditors: amounts falling due within one year	7	<u>(3,245,590)</u>		<u>(2,264,489)</u>	
Net current assets			<u>264,789</u>		<u>229,467</u>
Total assets less current liabilities			<u>629,583</u>		<u>545,791</u>
Creditors: amounts falling due after more than one year	8		(333,955)		(264,791)
Provisions for liabilities			-		(4,671)
Net assets			<u>295,628</u>		<u>276,329</u>
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves			295,528		276,229
Total equity			<u>295,628</u>		<u>276,329</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 June 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

ABSOLUTE ROOFING SOLUTIONS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2022

The financial statements were approved by the board of directors and authorised for issue on 19 May 2023 and are signed on its behalf by:

Mr A McManus
Director

Mrs S McManus
Director

Mr V A Pepperell
Director

Mrs D L Pepperell
Director

Company Registration No. 8487521

ABSOLUTE ROOFING SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

Company information

Absolute Roofing Solutions Limited is a private company limited by shares incorporated in England and Wales. The registered office is Jubilee Works, Jubilee Estate, Gorsey Lane, Coleshill, West Midlands, United Kingdom, B46 1JU.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Absolute Roofing Solutions Limited is a wholly owned subsidiary of Absolute Group Holdings Limited.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods).

Revenue from contracts for roofing services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land	0% Straight Line
Plant and equipment	25% Straight Line
Fixtures and fittings	25% Straight Line
Computers	25% Straight Line
Motor vehicles	25% & 33.33% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

ABSOLUTE ROOFING SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

ABSOLUTE ROOFING SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

ABSOLUTE ROOFING SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

ABSOLUTE ROOFING SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	21	17

4 Tangible fixed assets

	Leasehold Improvements	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 July 2021	41,819	693,006	734,825
Additions	-	275,919	275,919
Disposals	-	(147,225)	(147,225)
At 30 June 2022	41,819	821,700	863,519
Depreciation and impairment			
At 1 July 2021	26,896	391,607	418,503
Depreciation charged in the year	10,455	162,904	173,359
Eliminated in respect of disposals	-	(93,135)	(93,135)
At 30 June 2022	37,351	461,376	498,727
Carrying amount			
At 30 June 2022	4,468	360,324	364,792
At 30 June 2021	14,923	301,399	316,322

5 Fixed asset investments

	2022 £	2021 £
Shares in group undertakings and participating interests	2	2

ABSOLUTE ROOFING SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

6 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	2,427,919	1,662,399
Amounts owed by group undertakings and undertakings in which the company has a participating interest	445,621	212,700
Other debtors	84,013	22,691
	<u>2,957,553</u>	<u>1,897,790</u>
Deferred tax asset	103	-
	<u>2,957,656</u>	<u>1,897,790</u>

7 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans	3,333	3,333
Trade creditors	1,763,031	1,172,921
Amounts owed to group undertakings and undertakings in which the company has a participating interest	814,745	425,947
Taxation and social security	123,445	302,358
Other creditors	541,036	359,930
	<u>3,245,590</u>	<u>2,264,489</u>

On the 27 February 2020 the company granted debentures, in favour of Lloyds Bank Commercial Finance Limited, charging all of its assets and undertakings by way of a fixed and floating charges. Included in other creditors is £307,101 relating to Lloyds Bank Commercial Finance Limited

Included in other creditors is £586 relating to hire purchase contracts, which are secured against the original assets.

8 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loans and overdrafts	43,333	46,667
Other creditors	290,622	218,124
	<u>333,955</u>	<u>264,791</u>

ABSOLUTE ROOFING SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

8 Creditors: amounts falling due after more than one year (Continued)

Creditors which fall due after five years are as follows:

	2022 £	2021 £
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Payable by instalments	-	6,667
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9 Finance lease obligations

	2022 £	2021 £
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Future minimum lease payments due under finance leases:

Within one year	83,672	73,377
In two to five years	290,622	204,043
	<u>374,294</u>	<u>277,420</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

10 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022 £	2021 £
	79,577	108,590
	<u>79,577</u>	<u>108,590</u>

11 Related party transactions

	2022 £	2021 £
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Amounts due to related parties

Entities with control, joint control or significant influence over the company	814,745	425,946
	<u>814,745</u>	<u>425,946</u>

The following amounts were outstanding at the reporting end date:

	2022 £	2021 £
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Amounts due from related parties

Entities with control, joint control or significant influence over the company	445,620	212,700
	<u>445,620</u>	<u>212,700</u>

Other information

ABSOLUTE ROOFING SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

11 Related party transactions

(Continued)

The company has taken advantage of the exemption in disclosing transactions with companies that are wholly owned subsidiaries.

The company has also not disclosed details of transactions with other related parties as these have been concluded under normal market conditions

12 Parent company

The parent company of Absolute Roofing Solutions Limited is Absolute Group Holdings Limited and its registered office is Jubilee Works, Jubilee Industrial Estate, Gorsey Lane, Coleshill B46 1JU.

13 Prior period adjustment

Reconciliation of changes in equity

	1 July 2020 £	30 June 2021 £
Adjustments to prior year		
Vehicle lease treatment correction	(2,296)	(421)
Equity as previously reported	233,656	276,750
Equity as adjusted	231,360	276,329

Analysis of the effect upon equity

Profit and loss reserves	(2,296)	(421)
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Reconciliation of changes in profit for the previous financial period

	2021 £
Adjustments to prior year	
Vehicle lease treatment correction	(421)
Profit as previously reported	535,390
Profit as adjusted	534,969

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