

FOURMDRYWALL LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
PAGES FOR FILING WITH REGISTRAR



FOURMDRYWALL LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 8

FOURMDRYWALL LIMITED

BALANCE SHEET

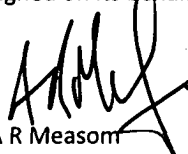
AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Current assets					
Debtors	6	602,095		745,428	
Cash at bank and in hand		165,769		200,045	
		<u>767,864</u>		<u>945,473</u>	
Creditors: amounts falling due within one year	7	<u>(376,782)</u>		<u>(545,373)</u>	
Net current assets			391,082		400,100
Creditors: amounts falling due after more than one year	8		(725,898)		(605,898)
Net liabilities			<u>(334,816)</u>		<u>(205,798)</u>
Capital and reserves					
Called up share capital	9		100		100
Profit and loss reserves	10		(334,916)		(205,898)
Total equity			<u>(334,816)</u>		<u>(205,798)</u>

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

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

The financial statements were approved by the board of directors and authorised for issue on 30 September 2019 and are signed on its behalf by:


A R Measom
Director

Company Registration No. 08644607

FOURMDRYWALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

FourMDrywall Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2 Merus Court, Meridian Business Park, Leicester, LE19 1RJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with 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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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.

FourMDrywall Limited is a subsidiary of Measom Holdings Limited and the results of FourMDrywall Limited are included in the consolidated financial statements of Measom 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 and other sales related taxes. The fair value of consideration takes into account trade discounts. When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional 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. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

FOURMDRYWALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.3 Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When costs incurred in securing a contract are recognised as an expense in the period in which they are incurred, they are not included in contract costs if the contract is obtained in a subsequent period.

The "percentage of completion method" is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented as stocks, prepayments or other assets depending on their nature, and provided it is probable they will be recovered.

1.4 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.

1.5 Financial instruments

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

Debtors and creditors with no stated interest rate and receivable or payable within one year are measured at transaction price. Any losses arising from impairment are recognised in the profit and loss account.

Investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value which is normally the transaction price excluding transaction costs. Such assets are subsequently measured at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Derivative financial instruments are initially measured at fair value at the date on which a derivative contract is entered into and are subsequently measured at fair value through profit or loss.

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.

FOURMDRYWALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

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.

1.6 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.

1.7 Taxation

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

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. 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.

1.8 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. Company contributions to defined contribution plans for the benefit of employee's are expensed as they become payable.

1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

FOURMDRYWALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

1.10 Going concern

The accounts are prepared on a going concern basis which assumes the continuing support of the company's parent company, and fellow subsidiaries.

2 Auditor's remuneration

	2018	2017
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	6,170	5,325
	<u>6,170</u>	<u>5,325</u>

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 77 (2017 - 82).

4 Taxation

	2018	2017
	£	£
Current tax		
UK corporation tax on profits for the current period	(2,038)	14,976
	<u>(2,038)</u>	<u>14,976</u>

5 Dividends

	2018	2017
	£	£
Final payable	120,000	120,000
	<u>120,000</u>	<u>120,000</u>

Preference dividends in arrears total £325,898 (2017 - £205,898).

6 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	560,474	698,581
Corporation tax recoverable	2,038	-
Other debtors	39,583	46,847
	<u>602,095</u>	<u>745,428</u>

FOURMDRYWALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

7 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	162,887	344,492
Amounts owed to group undertakings	81,444	81,444
Corporation tax	-	14,976
Other taxation and social security	64,105	57,696
Other creditors	68,346	46,765
	<u>376,782</u>	<u>545,373</u>

8 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Other creditors	<u>725,898</u>	<u>605,898</u>

9 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
51 Ordinary A shares of £1 each	51	51
49 Ordinary B shares of £1 each	49	49
	<u>100</u>	<u>100</u>

10 Profit and loss reserves

	2018 £	2017 £
At the beginning of the year	(205,898)	(146,838)
(Loss)/profit for the year	(9,018)	60,940
Dividends declared and paid in the year	(120,000)	(120,000)
At the end of the year	<u>(334,916)</u>	<u>(205,898)</u>

11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

FOURMDRYWALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

11 Audit report information (Continued)

The senior statutory auditor was Thomas Mayfield BA ACA.
The auditor was Mayfield & Co..

12 Operating lease commitments

Lessee

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

	2018	2017
	£	£
	13,200	13,200

13 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales		Purchases	
	2018	2017	2018	2017
	£	£	£	£
Other related parties	14,308	-	1,521,811	2,160,456

	Loan interest		Dividends payable	
	2018	2017	2018	2017
	£	£	£	£
Entities with control, joint control or significant influence over the company	22,270	11,369	120,000	120,000
Other related parties	-	3,294	-	-

The following amounts were outstanding at the reporting end date:

	2018	2017
	£	£
Amounts due to related parties		
Entities with control, joint control or significant influence over the company	843,898	701,627
Other related parties	104,147	287,554

FOURMDRYWALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

13 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

	2018	2017
	£	£
Amounts due from related parties		
Other related parties	-	258
	<u> </u>	<u> </u>

14 Parent company

The company is a subsidiary of Measom Holdings Limited, a company incorporated in England & Wales whose registered office address is 2 Merus Court, Meridian Business Park, Leicester.