

REGISTERED NUMBER: 00604114 (England and Wales)

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2018

FOR

M.PRICE LIMITED

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for the Year Ended 30 APRIL 2018

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M.PRICE LIMITED

COMPANY INFORMATION
for the Year Ended 30 APRIL 2018

DIRECTORS:

C F Chapman
B P Chapman
A Waring
D Fletcher

SECRETARY:

C F Chapman

REGISTERED OFFICE:

1 Haslemere Business Centre
Lincoln Way
Enfield
Middlesex
EN1 1DX

REGISTERED NUMBER:

00604114 (England and Wales)

AUDITORS:

Burnside
Chartered Accountants
and Statutory Auditor
61 Queen Square
Bristol
BS1 4JZ

CHIEF EXECUTIVE'S STATEMENT
for the Year Ended 30 APRIL 2018

REVIEW OF PERFORMANCE

M Price continues to be one of the largest UK façade contractors, particularly in London and the Home Counties, completing unitised and complex façade installations to high rise residential and commercial developments between £2m and £20m.

The company is completing its group restructuring to enable dynamic performance delivery across all operations. The value of UK construction work in current prices continued to rise in 2017/18 to its highest level on record at £109bn, according to The Office for National Statistics. We have perceived a level of uncertainty in this market but contracts have been secured across a more diverse range of customers and projects, thereby reducing the business risk profile and providing new growth opportunities.

Under the new group structure, operations will be conducted through group companies, with a contracting division supported by M Price Design Limited, which has developed technical skills over many years, resolving complex design challenges. As regulations in the construction industry become more complex, we recognise the importance of technical and innovative solutions. We have acquired new BIM (Building Information Modelling) software as well as recruiting specialist staff. BIM is an intelligent 3D model-based process which aids efficient planning and design.

After sales care and maintenance services will operate through M Price Maintenance Limited, a group company which will independently target new business and continue to support the contracting division.

OUTLOOK

The UK construction market is sound but foreign investors in UK property who have helped drive demand for luxury residential property are now waiting to see the impact of BREXIT. It is the uncertainty of the potential outcome which is damaging confidence and causing the market to slow down, rather than the direct economic impact of whatever BREXIT arrangement takes place.

Our company has been a contractor of choice for many years and in the future will build further on a reputation spanning 138 years. The experience of our design teams and ongoing investment in new technology gives us the capability to design, manufacture and install large scale, complex facades. Combined with years of experience and constantly improving technical skills, we can value engineer design projects and deliver cost competitive build solutions of the highest standards.

We are pursuing a growing share of a fundamentally sound market, offering our customers an unrivalled package of design skills, on time delivery and an ability to react quickly to changes in project plans. As the market settles and finds its confidence, we are both financially and geographically well placed to achieve long term growth.

C F Chapman
Chief Executive

31 January 2019

STRATEGIC REPORT
for the Year Ended 30 APRIL 2018

The directors present their strategic report for the year ended 30 April 2018.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was the manufacture and installation of aluminium and other glass systems to provide building envelope solutions.

REVIEW OF BUSINESS

A review of the business is given in the Chief Executive's Statement on page 2.

PRINCIPAL RISKS AND UNCERTAINTIES

The company finances its operations through the generation of cash from operating activities and therefore only has interest rate exposure on financial liabilities in relation to a long term loan secured on investment property, and this was repaid in full after the year-end following the sale of the related investment property. This exposure is not considered significant to the company. Liquidity risk is mitigated through forecasting the future cash flow requirements of the business and managing cash generation from its operations to maintain sufficient cash at bank balances.

KEY PERFORMANCE INDICATORS

The commercial activities of the company are subject to risks which are constantly monitored and evaluated by the directors. Key areas of risk include the financial stability of clients and suppliers together with the economic activity of the construction industry as a whole, particularly in the Greater London area.

Key performance indicators include the following (monetary values shown in £'000):

	2018	2017
Turnover (thousands)	£34,102	£34,769
Gross profit margin	18%	18%
Gross profit (thousands)	£6,122	£6,196
Net assets (thousands)	£6,960	£6,027
Employee numbers	146	160

The profit for the year, after taxation, amounted to £933,032 (2017 - £811,670).

The company actively monitors the following financial and non-financial key performance indicators in managing its operations:

Programme budgets

Actual programme costs to date and future costs to completion are continuously monitored and compared with budgeted costs. We are successful in ensuring that actual programme costs continue to be controlled in line with budget. Budget controls are based upon an historic cost code structure built over many years.

STRATEGIC REPORT
for the Year Ended 30 APRIL 2018

KEY PERFORMANCE INDICATORS - continued

Treasury

Actual cash balances are reviewed daily and compared with cash flow forecasts. Cash management is particularly important because the company receives a small number of large payments and any failure to control the timing of those payments would result in material variances from forecast cash flow.

Production targets

A key component of production is labour and production time is carefully budgeted and then monitored against the actual time taken to meet production targets. This is important because extended production time impacts on cost budgets but most importantly, can extend delivery and installation schedules.

ON BEHALF OF THE BOARD:

C F Chapman - Director

31 January 2019

REPORT OF THE DIRECTORS
for the Year Ended 30 APRIL 2018

The directors present their report with the financial statements of the company for the year ended 30 April 2018.

DIVIDENDS

No dividends will be distributed for the year ended 30 April 2018.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2017 to the date of this report.

C F Chapman
B P Chapman
A Waring
D Fletcher

Other changes in directors holding office are as follows:

B Chambers ceased to be a director after 30 April 2018 but prior to the date of this report.

GOING CONCERN

No material uncertainties that cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors.

DISCLOSURE IN THE STRATEGIC REPORT

A review of the business, together with details of principal risks and uncertainties, key performance indicators, future developments and employee matters, are all given in the Strategic Report on pages 3 to 4 and the Chief Executive's Statement on page 2.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are 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. They are 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.

REPORT OF THE DIRECTORS
for the Year Ended 30 APRIL 2018

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Burnside, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

C F Chapman - Director

31 January 2019

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF M.PRICE LIMITED

Opinion

We have audited the financial statements of M.Price Limited (the 'company') for the year ended 30 April 2018 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, and Notes to the Financial Statements, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Annual Report, but does not include the financial statements and our Report of the Auditors thereon.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF M.PRICE LIMITED

Opinion 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are 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 directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
M.PRICE LIMITED

Use of our report

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 a Report of the Auditors 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.

Steven Coombe FCA (Senior Statutory Auditor)
for and on behalf of Burnside
Chartered Accountants
and Statutory Auditor
61 Queen Square
Bristol
BS1 4JZ

31 January 2019

STATEMENT OF COMPREHENSIVE INCOME
for the Year Ended 30 APRIL 2018

	Notes	2018 £	£	2017 £	£
TURNOVER	3		34,102,470		34,768,534
Cost of sales			27,980,486		28,572,748
GROSS PROFIT			6,121,984		6,195,786
Distribution costs		429,230		449,940	
Administrative expenses		4,623,049		4,676,594	
			5,052,279		5,126,534
			1,069,705		1,069,252
Other operating income			2,398		5,355
OPERATING PROFIT	6		1,072,103		1,074,607
Interest receivable and similar income			80,970		8,707
			1,153,073		1,083,314
Loss/(gain) on revaluation of investment property			-		(26,709)
			1,153,073		1,056,605
Interest payable and similar expenses	7		14,658		19,451
PROFIT BEFORE TAXATION			1,138,415		1,037,154
Tax on profit	8		205,383		225,484
PROFIT FOR THE FINANCIAL YEAR			933,032		811,670
OTHER COMPREHENSIVE INCOME			-		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			933,032		811,670

The notes form part of these financial statements

BALANCE SHEET
30 APRIL 2018

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Tangible assets	9		488,442		601,966
Investments	10		-		-
Investment property	11		225,000		975,000
			713,442		1,576,966
CURRENT ASSETS					
Stocks	12	69,748		66,428	
Debtors	13	15,111,285		12,381,267	
Cash at bank and in hand		2,344,014		3,155,939	
		17,525,047		15,603,634	
CREDITORS					
Amounts falling due within one year	14	11,192,187		10,800,063	
NET CURRENT ASSETS			6,332,860		4,803,571
TOTAL ASSETS LESS CURRENT LIABILITIES			7,046,302		6,380,537
CREDITORS					
Amounts falling due after more than one year	15		(33,112)		(264,433)
PROVISIONS FOR LIABILITIES	19		(53,346)		(89,292)
NET ASSETS			6,959,844		6,026,812
CAPITAL AND RESERVES					
Called up share capital	20		11,401		11,401
Capital redemption reserve	21		13,599		13,599
Retained earnings	21		6,934,844		6,001,812
SHAREHOLDERS' FUNDS			6,959,844		6,026,812

The financial statements were approved by the Board of Directors on 31 January 2019 and were signed on its behalf by:

C F Chapman - Director

STATEMENT OF CHANGES IN EQUITY
for the Year Ended 30 APRIL 2018

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 May 2016	11,401	5,190,142	13,599	5,215,142
Changes in equity				
Total comprehensive income	-	811,670	-	811,670
Balance at 30 April 2017	11,401	6,001,812	13,599	6,026,812
Changes in equity				
Total comprehensive income	-	933,032	-	933,032
Balance at 30 April 2018	11,401	6,934,844	13,599	6,959,844

CASH FLOW STATEMENT
for the Year Ended 30 APRIL 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	(645,305)	(374,271)
Interest paid		(6,008)	(8,594)
Interest element of hire purchase payments paid		(8,650)	(10,857)
Tax paid		(247,734)	(298,095)
Net cash from operating activities		<u>(907,697)</u>	<u>(691,817)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(36,983)	(128,575)
Sale of tangible fixed assets		55,000	38,575
Sale of investment property		750,000	-
Acquisition of debt instruments		(1,453,766)	(2,380,000)
Debt instruments repaid		1,000,000	3,235,982
Interest received		80,970	8,707
Net cash from investing activities		<u>395,221</u>	<u>774,689</u>
Cash flows from financing activities			
Loan repayments in year		(216,193)	(26,523)
HP capital repayments in year		(83,256)	(103,702)
Net cash from financing activities		<u>(299,449)</u>	<u>(130,225)</u>
Decrease in cash and cash equivalents		<u>(811,925)</u>	<u>(47,353)</u>
Cash and cash equivalents at beginning of year	2	3,155,939	3,203,292
Cash and cash equivalents at end of year	2	<u>2,344,014</u>	<u>3,155,939</u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 30 APRIL 2018

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2018	2017
	£	£
Profit before taxation	1,138,415	1,037,154
Depreciation charges	107,338	147,333
Profit on disposal of fixed assets	(11,831)	(24,825)
Loss on revaluation of fixed assets	-	26,709
Finance costs	14,658	19,451
Finance income	(80,970)	(8,707)
	1,167,610	1,197,115
Increase in stocks	(3,320)	(1,935)
Increase in trade and other debtors	(1,995,068)	(837,127)
Increase/(decrease) in trade and other creditors	185,473	(732,324)
Cash generated from operations	<u>(645,305)</u>	<u>(374,271)</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 April 2018

	30.4.18	1.5.17
	£	£
Cash and cash equivalents	<u>2,344,014</u>	<u>3,155,939</u>

Year ended 30 April 2017

	30.4.17	1.5.16
	£	£
Cash and cash equivalents	<u>3,155,939</u>	<u>3,203,292</u>

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 30 APRIL 2018

1. STATUTORY INFORMATION

M.Price Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date are discussed below.

Revenue and profit/margin recognition

The company's revenue recognition and long-term service contracts policies are set out below. These policies are central to the way in which the company values the work it has carried out at each reporting date and the estimation of the percentage completion of the contract. These policies require forecasts to be made of the outcome of long-term service contracts and require assessments and judgements to be made on the recovery of precontract costs, variations in work scopes, claim recoveries, expected contract costs to complete and the progress on contract programmes. The company has appropriate control procedures in place to ensure estimates are calculated on a consistent basis.

Turnover

Turnover represents the value of sales of goods and services rendered during the year, excluding value added tax and trade discounts. Turnover in respect of contracts ongoing at the year end is measured in accordance with valuations of work completed as certified by customers.

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

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 APRIL 2018

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Short leasehold improvements	- over the term of the lease
Furniture, fittings and equipment	- 10% to 50% on cost
Motor vehicles	- 25% on cost

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Stocks

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 APRIL 2018

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

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.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Employee benefits

Short term employee benefits including holiday pay and annual bonuses are accrued as services are rendered. Contributions to defined pension schemes are charged to profit or loss as they become payable in accordance with the rules of the scheme. Differences between contributions payable in the year and those actually paid are shown as either accruals or prepayments in the balance sheet.

Long-term contracts

Long-term contracts are assessed on a contract by contract basis. Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. The attributable profit is recognised in the statement of comprehensive income as the difference between the reported turnover and related costs for that contract. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Investments

Fixed asset investments are stated at cost less any provision for impairment.

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 APRIL 2018**

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and liabilities are recognised in the balance sheet when the company becomes party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and are measured on initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the company may not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of any direct issue costs.

Interest bearing bank loans, overdrafts and other loans which meet the criteria of basic financial instruments are initially recorded at the present value of cash payable to the bank, usually being equivalent to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2018	2017
	£	£
United Kingdom	34,102,470	34,768,534
	34,102,470	34,768,534

4. EMPLOYEES AND DIRECTORS

	2018	2017
	£	£
Wages and salaries	5,599,508	5,977,105
Social security costs	616,522	669,041
Other pension costs	169,123	104,500
	6,385,153	6,750,646

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 APRIL 2018

4. EMPLOYEES AND DIRECTORS - continued

The average number of employees during the year was as follows:

	2018	2017
Number of production and sales staff	52	61
Number of office and management staff	94	99
	<u>146</u>	<u>160</u>

5. DIRECTORS' EMOLUMENTS

	2018	2017
	£	£
Directors' remuneration	421,077	400,346
Directors' pension contributions to money purchase schemes	92,817	42,181
Compensation to director for loss of office	-	<u>26,122</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>4</u>	<u>5</u>
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Information regarding the highest paid director is as follows:

	2018	2017
	£	£
Emoluments etc	251,292	189,378
Pension contributions to money purchase schemes	<u>52,162</u>	<u>10,000</u>

6. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2018	2017
	£	£
Other operating leases	329,859	344,514
Depreciation - owned assets	71,653	45,557
Depreciation - assets on hire purchase contracts	35,685	101,776
Profit on disposal of fixed assets	(11,831)	(24,825)
Auditors' remuneration	29,200	28,350
Auditors' remuneration for non audit work	4,150	3,950
Foreign exchange differences	<u>(1,636)</u>	<u>7,592</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 APRIL 2018**

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018	2017
	£	£
Bank loan interest	6,008	8,594
Hire purchase charges	8,650	10,857
	<u>14,658</u>	<u>19,451</u>

8. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2018	2017
	£	£
Current tax:		
UK corporation tax	241,329	247,330
Deferred tax:		
Origination and reversal of timing differences	(35,946)	(21,846)
Tax on profit	<u>205,383</u>	<u>225,484</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK.

The difference is explained below:

	2018	2017
	£	£
Profit before tax	<u>1,138,415</u>	<u>1,037,154</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.917%)	216,299	206,570
Effects of:		
Expenses not deductible for tax purposes	16,737	23,154
Depreciation in excess of capital allowances	8,280	17,920
Land remediation relief	-	(742)
Other short term timing differences	13	428
Movement in deferred tax	(35,946)	(21,846)
Total tax charge	<u>205,383</u>	<u>225,484</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 APRIL 2018

9. TANGIBLE FIXED ASSETS

	Short leasehold improvements £	Furniture, fittings and equipment £	Motor vehicles £	Totals £
COST				
At 1 May 2017	95,276	1,547,440	295,496	1,938,212
Additions	-	36,983	-	36,983
Disposals	-	-	(140,490)	(140,490)
At 30 April 2018	<u>95,276</u>	<u>1,584,423</u>	<u>155,006</u>	<u>1,834,705</u>
DEPRECIATION				
At 1 May 2017	48,014	1,104,260	183,972	1,336,246
Charge for year	4,975	73,078	29,285	107,338
Eliminated on disposal	-	-	(97,321)	(97,321)
At 30 April 2018	<u>52,989</u>	<u>1,177,338</u>	<u>115,936</u>	<u>1,346,263</u>
NET BOOK VALUE				
At 30 April 2018	<u>42,287</u>	<u>407,085</u>	<u>39,070</u>	<u>488,442</u>
At 30 April 2017	<u>47,262</u>	<u>443,180</u>	<u>111,524</u>	<u>601,966</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Furniture, fittings and equipment £	Motor vehicles £	Totals £
COST			
At 1 May 2017	119,500	213,918	333,418
Disposals	-	(140,490)	(140,490)
At 30 April 2018	<u>119,500</u>	<u>73,428</u>	<u>192,928</u>
DEPRECIATION			
At 1 May 2017	29,876	125,526	155,402
Charge for year	14,938	20,747	35,685
Eliminated on disposal	-	(97,321)	(97,321)
At 30 April 2018	<u>44,814</u>	<u>48,952</u>	<u>93,766</u>
NET BOOK VALUE			
At 30 April 2018	<u>74,686</u>	<u>24,476</u>	<u>99,162</u>
At 30 April 2017	<u>89,624</u>	<u>88,392</u>	<u>178,016</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 APRIL 2018**

10. FIXED ASSET INVESTMENTS

	Investments £
COST	
At 1 May 2017	
and 30 April 2018	<u>50</u>
PROVISIONS	
At 1 May 2017	
and 30 April 2018	<u>50</u>
NET BOOK VALUE	
At 30 April 2018	<u>-</u>
At 30 April 2017	<u>-</u>

The company's investment represents a 50% interest in Kangley Bridge Limited, a company incorporated in England & Wales. Full provision was made against the carrying value of the investment in a previous year after Kangley Bridge Limited was put into liquidation.

11. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 May 2017	975,000
Disposals	<u>(750,000)</u>
At 30 April 2018	<u>225,000</u>
NET BOOK VALUE	
At 30 April 2018	<u>225,000</u>
At 30 April 2017	<u>975,000</u>

During the year, one investment property was sold for it's fair value of £750,000 (2017 - £750,000).

The remaining investment property is valued at £225,000 (2017 - £225,000) by the directors at the year end on an open market basis.

12. STOCKS

	2018 £	2017 £
Raw materials	<u>69,748</u>	<u>66,428</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 APRIL 2018****13. DEBTORS**

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	2,509,584	1,042,939
Amounts recoverable on contracts	4,436,699	4,361,466
Other debtors	2,246,955	2,359,536
Directors' current accounts	1,064,117	1,329,144
VAT recoverable	791,468	627,747
Prepayments and accrued income	335,834	439,999
	<u>11,384,657</u>	<u>10,160,831</u>
Amounts falling due after more than one year:		
Trade debtors	860,699	389,457
Other debtors	2,584,745	1,830,979
Section 455 tax recoverable	281,184	-
	<u>3,726,628</u>	<u>2,220,436</u>
Aggregate amounts	<u>15,111,285</u>	<u>12,381,267</u>

Other debtors due after more than one year include debt instruments which carry interest at 3.5% per annum and which are repayable in equal capital instalments between three and six years from the year end. Further debt instruments are held which carry interest at 3.5% and are repayable at the end of their five year term.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Bank loan (see note 16)	-	26,230
Hire purchase contracts (see note 17)	32,059	73,957
Trade creditors	5,288,445	5,145,842
Corporation tax	522,105	247,326
Social security and other taxes	230,884	166,166
Other creditors	1,226	40,065
Accruals and deferred income	5,117,468	5,100,477
	<u>11,192,187</u>	<u>10,800,063</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 APRIL 2018

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018	2017
	£	£
Bank loan (see note 16)	-	189,963
Hire purchase contracts (see note 17)	33,112	74,470
	<u>33,112</u>	<u>264,433</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2018	2017
	£	£
Amounts falling due within one year or on demand:		
Bank loan	<u>-</u>	<u>26,230</u>
Amounts falling due between one and two years:		
Bank loan	<u>-</u>	<u>26,231</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>-</u>	<u>78,692</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more than 5 years	<u>-</u>	<u>85,040</u>

The bank loan was repaid in full during the year using proceeds from the sale of one of the company's investment properties, on which the loan had been secured.

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2018	2017
	£	£
Net obligations repayable:		
Within one year	32,059	73,957
Between one and five years	33,112	74,470
	<u>65,171</u>	<u>148,427</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 APRIL 2018

17. LEASING AGREEMENTS - continued

	Non-cancellable operating leases	
	2018	2017
	£	£
Within one year	244,381	234,283
Between one and five years	747,746	775,269
In more than five years	894,307	1,074,087
	<u>1,886,434</u>	<u>2,083,639</u>

18. SECURED DEBTS

The following secured debts are included within creditors:

	2018	2017
	£	£
Bank loan	-	216,193
Hire purchase contracts	65,171	148,427
	<u>65,171</u>	<u>364,620</u>

The hire purchase contracts are secured on the assets concerned.

The bank loan was secured on the company's investment property.

19. PROVISIONS FOR LIABILITIES

	2018	2017
	£	£
Deferred tax		
Accelerated capital allowances	50,625	56,011
Other timing differences	2,721	33,281
	<u>53,346</u>	<u>89,292</u>

	Deferred tax £
Balance at 1 May 2017	89,292
Charge for the year	(35,946)
Balance at 30 April 2018	<u>53,346</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 APRIL 2018

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number: Class:

11,401 Ordinary

Nominal value: £1	2018 £ <u>11,401</u>	2017 £ <u>11,401</u>
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21. RESERVES

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 May 2017	6,001,812	13,599	6,015,411
Profit for the year	933,032	-	933,032
At 30 April 2018	<u>6,934,844</u>	<u>13,599</u>	<u>6,948,443</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 APRIL 2018

22. CONTINGENT LIABILITIES

The company has unused banking facilities secured on the assets of the company under a Mortgage Debenture.

During the year HM Revenue and Customs ("HMRC") opened an enquiry into the company's tax affairs for the year ended 30 April 2014. The view of HMRC was that the company had made payments for the provision of services by individuals who could potentially be classed as employees for PAYE purposes. On 29 March 2018 HMRC protectively raised determinations and notices for PAYE and NIC it believed may have been due, and subsequently on 16 November 2018 HMRC issued a Follower Notice in respect of this. The additional tax assessed amounted to £289,725.

On 27 April 2018 HMRC then issued a protective corporation tax discovery assessment for the year ended 30 April 2014 - disallowing an element of these payments. The additional tax assessed amounted to £277,476.

The company consider all the above actions to be totally without merit or legal basis and subsequently lodged appeals against the PAYE and NIC and the corporation tax assessments. The company is due to respond to the Follower Notice by 19 February 2019, where it will continue to robustly defend its position.

In the directors' opinion there were no grounds on which to raise the assessment, nor do they consider that HMRC had made any discovery on which to base such an assessment, and therefore hold the view that the assessments raised are invalid.

HMRC have also protectively opened enquiries into the company's corporation tax returns for the years ended 30 April 2015, 2016 and 2017.

Accordingly the directors consider it is impracticable to reliably estimate, at this stage, the possible financial effect of the enquiries. There is significant uncertainty over the amount and timing of any potential outflow (if any) arising, which is dependent on legal arguments still being pursued by both parties, and whether there would be possible reimbursements receivable to offset any such outflows.

The resolution of the tax position for the periods under enquiry with HMRC could take several years to complete and the amounts could be significant and could be material to the company's financial statements. However, while it is difficult to predict the ultimate outcome, the directors do not currently anticipate that there will be any material impact upon the company's results of operations, financial position or liquidity.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 APRIL 2018

23. RELATED PARTY DISCLOSURES

The company paid rent during the year of £17,550 (2017 - £17,550) to C F Chapman for the provision of accommodation to employees.

During the year the company made rental payments of £179,780 (2017 - £179,780) to M Price Ltd Retirement Benefits Scheme for the rental of their premises. The company also met administrative costs in respect of the M Price Ltd Retirement Benefits Scheme as its principal employer totalling £4,229 (2017 - £nil) in the year.

At the start of the year C F Chapman owed £399,144 (2017 - £983,705) to the company. During the year C F Chapman repaid a total of £1,900,000 (2017 - £1,000,000), and the company loaned C F Chapman a total of £1,535,216 (2017 - £415,439). At the year end C F Chapman owed a total of £34,360 (2017 - £399,144) to the company. The loan was subject to interest chargeable at 3% per annum and repayable on demand.

At the start of the year B P Chapman owed £930,000 (2017 - £nil) to the company. During the year B P Chapman repaid a total of £930,000 (2017 - £nil) and the company loaned B P Chapman a total of £1,029,586 (2017 - £930,000). At the year end B P Chapman owed a total of £1,029,586 (2017 - £930,000) to the company. The loan was subject to interest chargeable at 3% per annum and repayable on demand.

During the year the company loaned A Waring a total of £15,263 (2017 - £nil). A Waring repaid a total of £15,092 (2017 - £nil) during the year. At the year end A Waring owed a total of £171 (2017 - £nil) to the company. The loan was subject to interest chargeable at 3% per annum and repayable on demand.

During the prior year the company made a loan of £2,350,000 to Interwall Limited, a related party by virtue of common significant influence by C F Chapman. No interest was charged on this loan in the prior year. On 27 April 2017 Interwall Limited formalised this loan by issuing preference share capital of equivalent value, which is repayable on demand, and carries interest at 10% per annum. No interest has been received in the year. Preference share capital of £300,000 has been repaid during the year. The balance outstanding at year end amounts to £2,050,000 and is included within other debtors.

During the year the company purchased consultancy services from Benchland Limited totalling £25,900 (2017 - £57,700), a company related by virtue of the common directorship of B Chambers. At the end of the year the company owed £3,360 (2017 - £840) to Benchland Limited.

During the year the company paid key management personnel compensation totalling £4,287,999 (2017 - £4,535,091).

24. ULTIMATE CONTROLLING PARTY

On 7 September 2017 the company was acquired by M Price Group Limited through a share for share exchange. The company continues to be ultimately controlled by C F Chapman.

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.