

**ROBERT WOODHEAD LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 OCTOBER 2019**

## ROBERT WOODHEAD LIMITED

### COMPANY INFORMATION

#### Directors

D P Woodhead  
H A Cheshire  
G S Slater  
C D Pygall (resigned 7 May 2020)  
T A Westwood  
T P Woodhead  
L R Woodhead  
J Borderick (appointed 14 March 2019)  
S J Sargent (appointed 1 April 2020)

#### Company secretary

H A Cheshire

#### Registered number

01360957

#### Registered office

Edwinstowe House  
High Street  
Edwinstowe  
Mansfield  
Nottinghamshire  
NG21 9PR

#### Independent auditors

Smith Cooper Audit Limited  
Chartered Accounts and Statutory Auditors  
St Helen's House  
Cathedral Quarter  
King Street  
Derby  
DE1 3EE

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**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 OCTOBER 2019**

**Business review**

As well as continued growth in turnover here are some of our other achievements

- Embedded the Entrepreneurial Operating System (EOS) to bring clarity of expectation and accountability to all in the group.
- Who we are and what we stand for is expressed through our core values and the behaviours that underpin them.
  - o Show Respect for everyone - Always
  - o Collaboration. One team that works – Together
  - o Integrity in all our business dealings – Everyone
  - o Have the Courage to be the best you can be - Everyday
- Secured places two new public sector frameworks, EEM Improvements and EN: Procure demonstrating that we are trusted partners, we have delivered excellent social value returns and as a company we are passionate about working collaboratively to hand over successful projects.
- As we celebrated 100 years of social housing, the local authority housing sector went from strength to strength, achieving a milestone of delivering 500 homes through the EEM New Building Framework, the successful B@Home Partnership entered its 4th year and our 5 year partnership with Newark and Sherwood Homes entered its 3rd year having delivered almost 100 homes across the district, whilst also securing new clients in Leicester City Council and Chesterfield Borough Council.
- Following the successful delivery of the Research Accelerator Building, we secured our largest ever contract for the University of Nottingham, the £13 million PEMC Building
- Winners of 16 industry awards, highly commended in a further 3 & finalist for 15 more.

Looking ahead for the Woodhead Group 2020, we write this in June 2020 in the middle of the covid-19 pandemic, and it is clear that this will be a testing year. All activity on site ceased for a period of six weeks with a further period of partial opening. This has however been a golden opportunity to take the time to reset and while the climate is uncertain we are optimistic about the future as we:

- Build Resilience for All, our goal is to be a resilient group of businesses that add value to the local economy, the community and the environment.
- Build a culture of resilience so that our people flourish and our supply chain thrives
- Provide systems that serve our people and customers, and establish a Resilience Framework
- Create a financially healthy and stable future through accurate and timely reporting, robust cash management and dynamic data led decision making.
- Establish key clients with long term (10 year) potential and develop products and services that help our customers to take small steps towards a resilient, sustainable and low carbon future.
- Always consider performance as a Balanced Score card, the quadruple bottom line of People, Planet, Profit and Purpose.
- Strive for Operational Excellence by finding regular small improvements in keeping with LEAN principles, making sure everything we do adds value
- Every employee in the group has been issued a "Game Plan Journal" setting out the vision and focus for each area of the group

The cornerstone continues to be living our values to "create better experiences for all".

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 OCTOBER 2019**

**Principal risks and uncertainties**

As for many businesses our size, the business environment in which we operate continues to be challenging.

With these risks and uncertainties in mind though, we are aware that any plans for future development of the business may be subject to unforeseen events outside of our control.

Our main objective remains "making building a better experience for all" whilst embedding our core values throughout the Company. We believe that by focusing on customers, process and our people we will continue to deliver positive results in a competitive environment.

**Financial key performance indicators**

The Company's key performance indicators are turnover, gross profit, net profit margin and working capital.

This report was approved by the board on 16 July 2020 and signed on its behalf.

**H A Cheshire**  
Director

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 OCTOBER 2019**

The directors present their report and the financial statements for the year ended 31 October 2019.

**Directors' responsibilities statement**

The directors are responsible for preparing the Strategic report, the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 to 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.

**Results and dividends**

The profit for the year, after taxation, amounted to £225,322 (2018 - £226,153).

No dividends were paid or proposed during the year (2018 : £nil).

**Directors**

The directors who served during the year were:

D P Woodhead  
H A Cheshire  
G S Slater  
C D Pygall (resigned 7 May 2020)  
T A Westwood  
T P Woodhead  
L R Woodhead  
J Borderick (appointed 14 March 2019)

**Future developments**

There are no future developments that significantly affect the Company.

**Financial instruments**

The Company's operations expose it to a variety of financial risks that include the effects of changes in credit risk and liquidity risk. The Company has a risk management programme that seeks to limit the adverse effects on the financial performance of the Company by monitoring levels of cash and any related finance costs. The Company has implemented policies that require appropriate checks before a sale is made.

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 OCTOBER 2019**

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Post balance sheet events**

There have been no significant events affecting the Company since the year end.

**Auditors**

Under section 487(2) of the Companies Act 2006, Smith Cooper Audit Limited will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 16 July 2020 and signed on its behalf.

H A Cheshire  
Director

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROBERT WOODHEAD LIMITED**

**Opinion**

We have audited the financial statements of Robert Woodhead Limited (the 'Company') for the year ended 31 October 2019, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 31 October 2019 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 United Kingdom, including the Financial Reporting Council'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.

**Material uncertainty related to going concern**

We draw attention to note 2.3 in the financial statements, which indicates that there remains significant uncertainty around the long term effects of the Covid 19 outbreak on the global economy and the knock on affect this will have on the Company and it's Group. As stated in note 2.3, these events or conditions, along with the other matters as set forth in note 2.3, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report 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.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROBERT WOODHEAD LIMITED (CONTINUED)**

**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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

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

- adequate accounting records have not been kept, 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 Directors' responsibilities statement on page 3, 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 is 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 an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROBERT WOODHEAD LIMITED (CONTINUED)

**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 an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

James Delve (Senior statutory auditor)  
for and on behalf of  
**Smith Cooper Audit Limited**  
Chartered Accounts and Statutory Auditors  
St Helen's House  
Cathedral Quarter  
King Street  
Derby  
DE1 3EE  
20 July 2020

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 OCTOBER 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
Turnover	4	<b>57,752,337</b>	54,928,881
Cost of sales		<b>(54,639,984)</b>	(51,997,319)
<b>Gross profit</b>		<b>3,112,353</b>	2,931,562
Administrative expenses		<b>(2,833,992)</b>	(2,655,030)
<b>Operating profit</b>	5	<b>278,361</b>	276,532
Interest receivable and similar income	8	<b>20</b>	1,599
Interest payable and expenses	9	<b>(205)</b>	(18)
<b>Profit before tax</b>		<b>278,176</b>	278,113
Tax on profit	10	<b>(52,854)</b>	(51,960)
<b>Profit for the financial year</b>		<b>225,322</b>	226,153

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 11 to 22 form part of these financial statements.

**BALANCE SHEET**  
**AS AT 31 OCTOBER 2019**

	<b>Note</b>	<b>2019</b> <b>£</b>	<b>2018</b> <b>£</b>
<b>Fixed assets</b>			
Intangible assets	11	<b>29,828</b>	82,264
Tangible assets	12	<b>111,643</b>	171,310
		<b>141,471</b>	253,574
<b>Current assets</b>			
Stocks	13	<b>3,682,782</b>	1,640,676
Debtors: amounts falling due within one year	14	<b>7,866,828</b>	5,020,068
Cash at bank and in hand	15	-	1,113,863
		<b>11,549,610</b>	7,774,607
Creditors: amounts falling due within one year	16	<b>(8,219,358)</b>	(4,709,205)
<b>Net current assets</b>		<b>3,330,252</b>	3,065,402
<b>Total assets less current liabilities</b>		<b>3,471,723</b>	3,318,976
Creditors: amounts falling due after more than one year	17	-	(52,175)
<b>Provisions for liabilities</b>			
Deferred tax	18	<b>(24,826)</b>	(45,226)
<b>Net assets</b>		<b>3,446,897</b>	3,221,575
<b>Capital and reserves</b>			
Called up share capital	19	<b>100,000</b>	100,000
Profit and loss account	20	<b>3,346,897</b>	3,121,575
		<b>3,446,897</b>	3,221,575

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16 July 2020.

**D P Woodhead**  
Director

**H A Cheshire**  
Director

The notes on pages 11 to 22 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 OCTOBER 2019**

	<b>Called up share capital £</b>	<b>Profit and loss account £</b>	<b>Total equity £</b>
<b>At 1 November 2017</b>	<b>100,000</b>	<b>2,895,422</b>	<b>2,995,422</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	226,153	226,153
	<hr/>	<hr/>	<hr/>
<b>At 1 November 2018</b>	<b>100,000</b>	<b>3,121,575</b>	<b>3,221,575</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	225,322	225,322
	<hr/>	<hr/>	<hr/>
<b>At 31 October 2019</b>	<b>100,000</b>	<b>3,346,897</b>	<b>3,446,897</b>

The notes on pages 11 to 22 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019**

**1. General information**

Robert Woodhead Limited is a private company limited by shares and incorporated in England. The registered office is Edwinstowe House, High Street, Edwinstowe, Mansfield, Nottinghamshire, NG21 9PR. The Company registration number is 01360957. The nature of the Company's operations and principal activities is that of building contractors and developers.

**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 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 judgment in applying the Company's accounting policies (see note 3).

The Company's functional and presentational currency is GBP.

The Company has prepared its financial statements to the nearest £.

The following principal accounting policies have been applied:

**2.2 Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Robert Woodhead Holdings Limited as at 31 October 2019 and these financial statements may be obtained from Companies House.

**2.3 Going concern**

The Directors believe that the Companies financial statements should be prepared on a going concern basis and have considered a period of twelve months from the date of approval of these financial statements.

Subsequent to the year end, as discussed in the Strategic Report, the outbreak of Covid 19 has had a significant effect on the global economy and at the date of signing the future consequences of the outbreak cannot be accurately predicted. Whilst the Group continues to trade it is reliant on the continued support of the Bank, which has a cross corporate charge across all Group entities.

Notwithstanding the above after reviewing the Group's forecasts and projections, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. As such the Group continues to adopt the going concern basis in preparing its financial statements however acknowledges there is material uncertainty around this relating to factors outside of its control as noted above.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019**

**2. Accounting policies (continued)**

**2.4 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:

Revenue is recognised on contracts when the outcome can be determined with reasonable certainty and the risks and rewards have passed to the customer, this is usually when the contract is practically complete.

**2.5 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

**2.6 Interest income**

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

**2.7 Finance costs**

Finance costs are charged to the Statement of comprehensive income 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.

**2.8 Borrowing costs**

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

**2.9 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 Statement of comprehensive income 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019

2. Accounting policies (continued)

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

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.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Computer software and licences	-	20-33% Straight Line
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2.12 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.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019

2. Accounting policies (continued)

2.12 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 33% Straight Line
Fixtures and fittings	- 10 - 33% Straight Line

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 Statement of comprehensive income.

2.13 Stocks

Work in progress is valued on the basis of direct costs on a contract by contract basis with provisions being made for any foreseeable losses where appropriate.

2.14 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.15 Long term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty; this is usually upon practical completion. 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. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

2.16 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.

2.17 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.

2.18 Financial instruments

The Company only enters into basic financial instrument 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, loans to related parties and investments in non-puttable ordinary shares.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019**

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The directors are of the opinion that there are no areas of the financial statements which require significant judgements or accounting estimates to be made with the exception of the deferred taxation and the work in progress valuation.

**4. Turnover**

The whole of the turnover is attributable to the Company's principal business activity.

All turnover arose within the United Kingdom.

**5. Operating profit**

The operating profit is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	76,850	78,972
Amortisation of intangible assets, including goodwill	52,436	34,015
Hire of plant and equipment	512,263	641,236
Defined contribution pension cost	117,498	193,744
<b>Fees payable to the Company's auditor for:</b>		
The audit of the Company's annual financial statements	15,750	15,750
Other services relating to taxation	<u>5,750</u>	<u>5,750</u>

**6. Employees**

Staff costs, including directors' remuneration, were as follows:

	2019 £	2018 £
Wages and salaries	6,830,502	4,582,964
Social security costs	533,595	600,439
Cost of defined contribution scheme	172,801	193,744
	<u>7,536,898</u>	<u>5,377,147</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2019 No.	2018 No.
Office and management	36	46
Production	103	123
	<u>139</u>	<u>169</u>



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019

7. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	452,213	502,130
Company contributions to defined contribution pension schemes	55,303	65,625
Amounts paid to third parties in respect of directors' services	192,000	200,000
	<u>699,516</u>	<u>767,755</u>

During the year retirement benefits were accruing to 6 directors (2018 - 7) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £106,978 (2018 - £138,816).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,456 (2018 - £31,911).

8. Interest receivable

	2019 £	2018 £
Other interest receivable	<u>20</u>	<u>1,599</u>

9. Interest payable and similar expenses

	2019 £	2018 £
Bank interest payable	<u>205</u>	<u>18</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019**

**10. Taxation**

	2019 £	2018 £
<b>Corporation tax</b>		
Current tax on profits for the year	73,254	64,793
Adjustments in respect of previous periods	-	(1,199)
<b>Total current tax</b>	<u>73,254</u>	<u>63,594</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(20,400)	(11,634)
<b>Total deferred tax</b>	<u>(20,400)</u>	<u>(11,634)</u>
<b>Taxation on profit on ordinary activities</b>	<u>52,854</u>	<u>51,960</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>278,176</u>	<u>278,113</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	52,854	52,841
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	20,400	318
Adjustments to tax charge in respect of prior periods	(20,400)	(1,199)
<b>Total tax charge for the year</b>	<u>52,854</u>	<u>51,960</u>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019

11. Intangible assets

	Computer software and licenses £
<b>Cost</b>	
At 1 November 2018	321,171
At 31 October 2019	<u>321,171</u>
<b>Amortisation</b>	
At 1 November 2018	238,907
Charge for the year	52,436
At 31 October 2019	<u>291,343</u>
<b>Net book value</b>	
At 31 October 2019	<u><u>29,828</u></u>
<b>At 31 October 2018</b>	<u><u>82,264</u></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019**

**12. Tangible fixed assets**

	<b>Plant and machinery</b>	<b>Fixtures and fittings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 November 2018	7,151	536,903	544,054
Additions	6,847	13,387	20,234
Disposals	-	(6,987)	(6,987)
	<hr/>	<hr/>	<hr/>
At 31 October 2019	13,998	543,303	557,301
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 November 2018	7,151	365,593	372,744
Charge for the year on owned assets	1,662	75,239	76,901
Disposals	-	(3,987)	(3,987)
	<hr/>	<hr/>	<hr/>
At 31 October 2019	8,813	436,845	445,658
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 October 2019	<u>5,185</u>	<u>106,458</u>	<u>111,643</u>
<b>At 31 October 2018</b>	<u>-</u>	<u>171,310</u>	<u>171,310</u>

**13. Stocks**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Work in progress	<u>3,682,782</u>	<u>1,640,676</u>

**14. Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	5,431,289	3,694,847
Amounts owed by group undertakings	1,803,265	484,310
Other debtors	524,028	715,202
Prepayments and accrued income	108,246	125,709
	<hr/>	<hr/>
	<u>7,866,828</u>	<u>5,020,068</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019**

**15. Cash and cash equivalents**

	2019 £	2018 £
Cash at bank and in hand	-	1,113,863
Less: bank overdrafts	<u>(234,017)</u>	<u>-</u>

**16. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Bank overdrafts	234,017	-
Other loans	52,175	-
Payments received on account	2,319,964	851,623
Trade creditors	5,101,797	3,347,169
Amounts owed to group undertakings	2,255	3,888
Corporation tax	73,254	64,793
Other taxation and social security	246,097	237,458
Other creditors	170,249	181,786
Accruals and deferred income	19,550	22,488
	<u>8,219,358</u>	<u>4,709,205</u>

The loan is secured over land held in Woodhead Regeneration Limited. Interest on this loan is charged at 2.75% above the base rate.

**17. Creditors: Amounts falling due after more than one year**

	2019 £	2018 £
Other loans	<u>-</u>	<u>52,175</u>

The loan is secured over land held in Woodhead Regeneration Limited. Interest on this loan is charged at 2.75% above the base rate.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019**

**18. Deferred taxation**

	2019 £
At beginning of year	(45,226)
Credited to profit or loss	20,400
	<hr/>
<b>At end of year</b>	<b>(24,826)</b>
	<hr/>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(24,934)	(45,226)
Other timing differences	108	-
	<hr/>	<hr/>
	<b>24,826</b>	45,226
	<hr/>	<hr/>

The amount of net reversal of deferred tax expected to occur next year is not considered to be material.

**19. Share capital**

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
100,000 (2018 - 100,000) Ordinary shares of £1.00 each	<u>100,000</u>	<u>100,000</u>

**20. Reserves****Profit and loss account**

Includes all distributable current and prior period retained profits and losses.

**21. Contingent liabilities**

The Company has given an unlimited intercompany cross guarantee to secure the bank borrowings of the other group companies.

At 31 October 2019, total borrowings for the Group were £2,373,264 (2018: £2,726,335).

**22. Pension commitments**

The Company operates a defined benefit contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £172,801 (2018 - £193,744). There was a balance outstanding of £1,211 (2018 - £nil) at the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019**

**23. Commitments under operating leases**

At 31 October 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	76,345	74,117
Later than 1 year and not later than 5 years	322,522	218,640
	<u>398,867</u>	<u>292,757</u>

**24. Related party transactions**

During the year the Company made purchases from companies under common control totalling £361,068 (2018: £429,014). During the year the Company made sales to companies under common control totalling £3,306,791 (2018: £3,096,839).

At the balance sheet date the Company was owed £1,241,260 (2018: £480,422) from companies under common control.

During the year the Company made sales to joint venture companies totalling £771,193 (2018: £1,263,637)

At the balance sheet date the Company was owed £282,762 (2018: £16,066) from joint venture companies.

During the year the Company made sales to a director totalling £nil (2018: £22,586). At the balance sheet date the Company was owed £nil (2018: £22,586) from a director.

Payments made to key management during the period totalled £477,817 (2018: £577,238).

**25. Controlling party**

The directors consider the ultimate parent undertaking to be Robert Woodhead (Holdings) Limited, a company incorporated in England. Group financial statements are available from Companies House, Cardiff.

The ultimate controlling party is D Woodhead by virtue of his controlling interest in the equity capital of Robert Woodhead (Holdings) Limited.

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.