

**Group Strategic Report, Report of the Directors and
Audited Consolidated Financial Statements for the Year Ended 31 December 2020**

for

**M & J Group (Construction & Roofing)
Limited**

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for the Year Ended 31 December 2020**

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**M & J Group (Construction & Roofing)
Limited**

**Company Information
for the Year Ended 31 December 2020**

DIRECTORS:

P Henrickson
D Henrickson
J W Henrickson

SECRETARY:

Mrs C Henrickson

REGISTERED OFFICE:

Hammond Road
Elms Farm Industrial Estate
Bedford
Bedfordshire
MK41 0UD

REGISTERED NUMBER:

01371473 (England and Wales)

AUDITORS:

Godfrey Laws & Co Limited
1 Doolittle Yard
Froghall Road
Amphill
Bedfordshire
MK45 2NW

**Group Strategic Report
for the Year Ended 31 December 2020**

The directors present their strategic report of the company and the group for the year ended 31 December 2020.

REVIEW OF BUSINESS

We have consolidated our position within the roofing sector both with flat roofing and pitched roofing. We feel that we will continue to grow in both sectors.

KEY PERFORMANCE INDICATORS

The key performance indicators for us are turnover and gross margin. Our turnover has increased by 11.6% compared to the previous year whilst our gross margin has slightly decreased to 43% from 45% in the previous year. We feel that this is still a healthy gross margin and means our direct costs to turnover have remained constant. The company remains in a strong financial position. The results for the year and the financial position of the group are as shown in the annexed financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties would be the overall state of the economy and the impact of the COVID-19 pandemic. The impact on the companies operations has been limited to date. The business does a large amount of work with the public sector whether any squeeze on public sector finances in the future would affect the level of business of business available from that source and the need to concentrate more work in the private sector.

Due to the nature of the work health and safety is a constant concern. The group provides regular and continual training to mitigate the risk.

Failure to fulfil contractual obligations from clients could subject the company to action and claims made. A strong emphasis on appropriate business conduct by all employees and contractor's provides mitigation to this risk as well as its insurance cover.

FUTURE DEVELOPMENTS

We anticipate continued growth in both sectors of the roofing industry.

ON BEHALF OF THE BOARD:

J W Henrickson - Director

11 June 2021

**Report of the Directors
for the Year Ended 31 December 2020**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2020.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of the supply and installation of flat and pitched roofing materials in the construction industry.

DIVIDENDS

The total distribution of dividends for the year ended 31 December 2020 will be £ 6,220,000 .

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

P Henrickson
D Henrickson
J W Henrickson

POLITICAL DONATIONS AND EXPENDITURE

During the year the company made charitable donations totalling £26,704 which were comprised as follows:

Teenage Cancer Trust £24,800
Other charities £1,904

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Report of the Directors
for the Year Ended 31 December 2020**

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 group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:

J W Henrickson - Director

11 June 2021

**Report of the Independent Auditors to the Members of
M & J Group (Construction & Roofing)
Limited**

Opinion

We have audited the financial statements of M & J Group (Construction & Roofing) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 group's and of the parent company affairs as at 31 December 2020 and of the group's 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 group 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions 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 Group 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 Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
M & J Group (Construction & Roofing)
Limited**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 three, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Members of
M & J Group (Construction & Roofing)
Limited**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:-

Based on our understanding of the Group, the industry and discussions with management we identified Financial Reporting Standard 102 and Companies Act 2006 and UK taxation legislation.

We obtained an understanding of how the Group complies with these requirements by discussions with management and those charged with governance.

We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur and whether there had been known instances of non-compliance or suspected non-compliance with laws and regulations.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of the financial statements of the financial statements, whether due to fraud and error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, misrepresentations, or intentional omissions.

Enquiries of management regarding compliance of Laws & Regulations and any known instances of non-compliance,;

Examining supporting documentation for all material balances, transactions and disclosures;

Evaluation of the selection and application of accounting policies;

Reviewing the appropriateness of journal entries made in the general ledger and other adjustments made in the preparation of financial statements;

Review of accounting estimates for bias.

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 & J Group (Construction & Roofing)
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.

Howard Ashmore FCA (Senior Statutory Auditor)
for and on behalf of Godfrey Laws & Co Limited
1 Doolittle Yard
Froghall Road
Amphill
Bedfordshire
MK45 2NW

11 June 2021

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Consolidated Income Statement
for the Year Ended 31 December 2020**

	Notes	31.12.20 £	31.12.19 £
TURNOVER		32,181,075	28,824,731
Cost of sales		<u>18,184,427</u>	<u>15,570,059</u>
GROSS PROFIT		13,996,648	13,254,672
Administrative expenses		<u>7,019,476</u>	<u>6,599,723</u>
		6,977,172	6,654,949
Other operating income		<u>88,721</u>	-
OPERATING PROFIT	4	7,065,893	6,654,949
Interest receivable and similar income		<u>9,093</u>	<u>18,319</u>
PROFIT BEFORE TAXATION		7,074,986	6,673,268
Tax on profit	5	<u>1,414,899</u>	<u>733,356</u>
PROFIT FOR THE FINANCIAL YEAR		5,660,087	5,939,912
Profit attributable to: Owners of the parent		<u>5,660,087</u>	<u>5,939,912</u>

The notes form part of these financial statements

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Consolidated Other Comprehensive Income
for the Year Ended 31 December 2020**

	Notes	31.12.20 £	31.12.19 £
PROFIT FOR THE YEAR		5,660,087	5,939,912
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>5,660,087</u>	<u>5,939,912</u>
Total comprehensive income attributable to: Owners of the parent		<u>5,660,087</u>	<u>5,939,912</u>

The notes form part of these financial statements

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Consolidated Balance Sheet
31 December 2020**

	Notes	31.12.20 £	£	31.12.19 £	£
FIXED ASSETS					
Intangible assets	8		34,416		68,831
Tangible assets	9		1,140,083		1,086,908
Investments	10		-		-
			<u>1,174,499</u>		<u>1,155,739</u>
CURRENT ASSETS					
Stocks	11	128,786		182,869	
Debtors	12	5,809,013		5,252,129	
Cash at bank and in hand		<u>5,577,956</u>		<u>4,928,383</u>	
		11,515,755		10,363,381	
CREDITORS					
Amounts falling due within one year	13	<u>5,913,725</u>		<u>4,207,500</u>	
NET CURRENT ASSETS			<u>5,602,030</u>		<u>6,155,881</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			6,776,529		7,311,620
PROVISIONS FOR LIABILITIES	14		<u>76,197</u>		<u>51,375</u>
NET ASSETS			<u>6,700,332</u>		<u>7,260,245</u>
CAPITAL AND RESERVES					
Called up share capital	15		120		120
Retained earnings	16		<u>6,700,212</u>		<u>7,260,125</u>
SHAREHOLDERS' FUNDS			<u>6,700,332</u>		<u>7,260,245</u>

The financial statements were approved by the Board of Directors and authorised for issue on 11 June 2021 and were signed on its behalf by:

J W Henrickson - Director

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Company Balance Sheet
31 December 2020**

	Notes	31.12.20 £	£	31.12.19 £	£
FIXED ASSETS					
Intangible assets	8		-		-
Tangible assets	9		1,040,657		1,010,684
Investments	10		100		520,010
			1,040,757		1,530,694
CURRENT ASSETS					
Stocks	11		107,395		162,362
Debtors	12		5,809,914		5,851,795
Cash at bank and in hand			5,387,657		4,087,345
			11,304,966		10,101,502
CREDITORS					
Amounts falling due within one year	13		6,475,915		4,798,737
NET CURRENT ASSETS			4,829,051		5,302,765
TOTAL ASSETS LESS CURRENT LIABILITIES			5,869,808		6,833,459
PROVISIONS FOR LIABILITIES	14		57,509		37,095
NET ASSETS			5,812,299		6,796,364
CAPITAL AND RESERVES					
Called up share capital	15		120		120
Retained earnings	16		5,812,179		6,796,244
SHAREHOLDERS' FUNDS			5,812,299		6,796,364
Company's profit for the financial year			5,235,935		5,578,075

The financial statements were approved by the Board of Directors and authorised for issue on 11 June 2021 and were signed on its behalf by:

J W Henrickson - Director

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Consolidated Statement of Changes in Equity
for the Year Ended 31 December 2020**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2019	120	5,320,213	5,320,333
Changes in equity			
Dividends	-	(4,000,000)	(4,000,000)
Total comprehensive income	-	5,939,912	5,939,912
Balance at 31 December 2019	<u>120</u>	<u>7,260,125</u>	<u>7,260,245</u>
Changes in equity			
Dividends	-	(6,220,000)	(6,220,000)
Total comprehensive income	-	5,660,087	5,660,087
Balance at 31 December 2020	<u>120</u>	<u>6,700,212</u>	<u>6,700,332</u>

The notes form part of these financial statements

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Company Statement of Changes in Equity
for the Year Ended 31 December 2020**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2019	120	5,218,169	5,218,289
Changes in equity			
Dividends	-	(4,000,000)	(4,000,000)
Total comprehensive income	-	5,578,075	5,578,075
Balance at 31 December 2019	<u>120</u>	<u>6,796,244</u>	<u>6,796,364</u>
Changes in equity			
Dividends	-	(6,220,000)	(6,220,000)
Total comprehensive income	-	5,235,935	5,235,935
Balance at 31 December 2020	<u>120</u>	<u>5,812,179</u>	<u>5,812,299</u>

The notes form part of these financial statements

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Consolidated Cash Flow Statement
for the Year Ended 31 December 2020**

	Notes	31.12.20 £	31.12.19 £
Cash flows from operating activities			
Cash generated from operations	1	7,718,098	6,855,599
Tax paid		<u>(590,248)</u>	<u>(1,120,374)</u>
Net cash from operating activities		<u>7,127,850</u>	<u>5,735,225</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(275,324)	(385,254)
Sale of tangible fixed assets		11,074	21,139
Interest received		<u>9,093</u>	<u>18,319</u>
Net cash from investing activities		<u>(255,157)</u>	<u>(345,796)</u>
Cash flows from financing activities			
Increase on directors loan accounts		-	45,731
Amount withdrawn by directors		(3,120)	-
Equity dividends paid		<u>(6,220,000)</u>	<u>(4,000,000)</u>
Net cash from financing activities		<u>(6,223,120)</u>	<u>(3,954,269)</u>
Increase in cash and cash equivalents		<u>649,573</u>	<u>1,435,160</u>
Cash and cash equivalents at beginning of year	2	<u>4,928,383</u>	<u>3,493,223</u>
Cash and cash equivalents at end of year	2	<u><u>5,577,956</u></u>	<u><u>4,928,383</u></u>

The notes form part of these financial statements

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2020**

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

	31.12.20	31.12.19
	£	£
Profit before taxation	7,074,986	6,673,268
Depreciation charges	233,790	220,938
Loss on disposal of fixed assets	11,700	12,230
Finance income	(9,093)	(18,319)
	7,311,383	6,888,117
Decrease/(increase) in stocks	54,083	(20,930)
Increase in trade and other debtors	(556,884)	(665,681)
Increase in trade and other creditors	909,516	654,093
Cash generated from operations	7,718,098	6,855,599

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 31 December 2020

	31.12.20	1.1.20
	£	£
Cash and cash equivalents	5,577,956	4,928,383

Year ended 31 December 2019

	31.12.19	1.1.19
	£	£
Cash and cash equivalents	4,928,383	3,493,223

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20	Cash flow	At 31.12.20
	£	£	£
Net cash			
Cash at bank and in hand	4,928,383	649,573	5,577,956
	4,928,383	649,573	5,577,956
Total	4,928,383	649,573	5,577,956

**Notes to the Consolidated Financial Statements
for the Year Ended 31 December 2020**

1. STATUTORY INFORMATION

M & J Group (Construction & Roofing) 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 General Information page.

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.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2017, is being amortised evenly over its estimated useful life of five years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 25% on reducing balance

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 Consolidated Income Statement, 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.

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020**

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described above, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

There are no key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

Government grants

Grants are accounted for under the accruals model.

Grants of a revenue nature are recognised in 'other income' within profit and loss in the same period as the related expenditure. This includes the Government Coronavirus Job Retention Scheme.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

3. EMPLOYEES AND DIRECTORS

	31.12.20	31.12.19
	£	£
Wages and salaries	4,177,056	4,109,143
Social security costs	492,307	477,677
Other pension costs	174,539	29,208
	<u>4,843,902</u>	<u>4,616,028</u>

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

	31.12.20	31.12.19
Directors	3	3
Office and administration	58	52
	<u>61</u>	<u>55</u>

The average number of employees by undertakings that were proportionately consolidated during the year was NIL (2019 - NIL).

	31.12.20	31.12.19
	£	£
Directors' remuneration	<u>683,839</u>	<u>378,991</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020**

3. EMPLOYEES AND DIRECTORS - continued

Information regarding the highest paid director is as follows:

	31.12.20	31.12.19
	£	£
Emoluments etc	<u>313,986</u>	<u>176,023</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	31.12.20	31.12.19
	£	£
Hire of plant and machinery	3,138,826	1,954,378
Depreciation - owned assets	199,375	186,522
Loss on disposal of fixed assets	11,700	12,230
Goodwill amortisation	34,415	34,416
Auditors' remuneration	8,050	1,110
Auditors' remuneration for non audit work	<u>8,695</u>	<u>12,750</u>

5. TAXATION

Analysis of the tax charge

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

	31.12.20	31.12.19
	£	£
Current tax:		
UK corporation tax	1,390,077	1,291,835
Under prov Corp tax prev year	<u>-</u>	<u>(563,449)</u>
Total current tax	1,390,077	728,386
Deferred tax:		
Accelerated capital allowances	<u>24,822</u>	<u>4,970</u>
Tax on profit	<u>1,414,899</u>	<u>733,356</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020**

5. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.20	31.12.19
	£	£
Profit before tax	<u>7,074,986</u>	<u>6,673,268</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	1,344,247	1,267,921
Effects of:		
Expenses not deductible for tax purposes	36,018	12,461
Depreciation in excess of capital allowances	9,812	11,453
Adjustments to tax charge in respect of previous periods	-	(563,449)
Deferred taxation	24,822	4,970
Total tax charge	<u>1,414,899</u>	<u>733,356</u>

6. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

7. DIVIDENDS

	31.12.20	31.12.19
	£	£
Interim	<u>6,220,000</u>	<u>4,000,000</u>

8. INTANGIBLE FIXED ASSETS

Group

	Goodwill
	£
COST	
At 1 January 2020 and 31 December 2020	<u>172,078</u>
AMORTISATION	
At 1 January 2020	103,247
Amortisation for year	<u>34,415</u>
At 31 December 2020	<u>137,662</u>
NET BOOK VALUE	
At 31 December 2020	<u>34,416</u>
At 31 December 2019	<u>68,831</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020**

9. TANGIBLE FIXED ASSETS

Group

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 January 2020	14,877	1,024,751	662,207	1,701,835
Additions	-	110,864	164,460	275,324
Disposals	(1,723)	-	(75,048)	(76,771)
At 31 December 2020	<u>13,154</u>	<u>1,135,615</u>	<u>751,619</u>	<u>1,900,388</u>
DEPRECIATION				
At 1 January 2020	7,874	236,472	370,581	614,927
Charge for year	1,401	89,914	108,060	199,375
Eliminated on disposal	(1,723)	-	(52,274)	(53,997)
At 31 December 2020	<u>7,552</u>	<u>326,386</u>	<u>426,367</u>	<u>760,305</u>
NET BOOK VALUE				
At 31 December 2020	<u>5,602</u>	<u>809,229</u>	<u>325,252</u>	<u>1,140,083</u>
At 31 December 2019	<u>7,003</u>	<u>788,279</u>	<u>291,626</u>	<u>1,086,908</u>

Company

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 January 2020	13,681	1,024,751	521,038	1,559,470
Additions	-	110,864	108,135	218,999
Disposals	-	-	(73,832)	(73,832)
At 31 December 2020	<u>13,681</u>	<u>1,135,615</u>	<u>555,341</u>	<u>1,704,637</u>
DEPRECIATION				
At 1 January 2020	6,676	236,472	305,638	548,786
Charge for year	1,401	89,914	75,274	166,589
Eliminated on disposal	-	-	(51,395)	(51,395)
At 31 December 2020	<u>8,077</u>	<u>326,386</u>	<u>329,517</u>	<u>663,980</u>
NET BOOK VALUE				
At 31 December 2020	<u>5,604</u>	<u>809,229</u>	<u>225,824</u>	<u>1,040,657</u>
At 31 December 2019	<u>7,005</u>	<u>788,279</u>	<u>215,400</u>	<u>1,010,684</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020**

10. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 January 2020	520,010
Disposals	<u>(519,910)</u>
At 31 December 2020	<u>100</u>
NET BOOK VALUE	
At 31 December 2020	<u>100</u>
At 31 December 2019	<u>520,010</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Waterfall Group Limited

Registered office: Hammond Road, Elms Farm Industrial Estate, Bedford, Bedfordshire MK41 0UD

Nature of business: Dormant - Dissolved 6 October 2020

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.12.20	31.12.19
		£	£
Aggregate capital and reserves		<u>-</u>	<u>1</u>

Waterfall Insulation Limited

Registered office: Hammond Road, Elms Farm Industrial Estate, Bedford, Bedfordshire MK41 0UD

Nature of business: Dormant - Dissolved 6 October 2020

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.12.20	31.12.19
		£	£
Aggregate capital and reserves		<u>-</u>	<u>1</u>

Lee Moore & Sons Roofing Services Limited

Registered office: Hammond Road, Elms Farm Industrial Estate, Bedford, Bedfordshire MK41 0UD

Nature of business: Roofing services

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.12.20	31.12.19
		£	£
Aggregate capital and reserves		852,547	913,988
Profit for the year		<u>3,938,659</u>	<u>2,396,252</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020**

10. FIXED ASSET INVESTMENTS - continued

11. STOCKS

	Group		Company	
	31.12.20	31.12.19	31.12.20	31.12.19
	£	£	£	£
Stocks	<u>128,786</u>	<u>182,869</u>	<u>107,395</u>	<u>162,362</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.12.20	31.12.19	31.12.20	31.12.19
	£	£	£	£
Trade debtors	3,152,363	3,232,000	3,188,392	3,255,717
Other debtors	-	-	-	589,085
Retentions	778,186	883,214	778,186	883,214
Requests for payment	1,582,003	989,667	1,582,003	989,667
Prepayments and accrued income	<u>296,461</u>	<u>147,248</u>	<u>261,333</u>	<u>134,112</u>
	<u>5,809,013</u>	<u>5,252,129</u>	<u>5,809,914</u>	<u>5,851,795</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.12.20	31.12.19	31.12.20	31.12.19
	£	£	£	£
Trade creditors	994,915	783,711	775,531	644,056
Tax	877,738	77,909	265,044	-
Social security and other taxes	148,691	109,144	136,992	104,360
VAT	872,877	920,969	279,114	646,519
Other creditors	473,895	33,661	473,895	33,661
Directors' current accounts	42,611	45,731	42,611	45,731
Accrued expenses	<u>2,502,998</u>	<u>2,236,375</u>	<u>4,502,728</u>	<u>3,324,410</u>
	<u>5,913,725</u>	<u>4,207,500</u>	<u>6,475,915</u>	<u>4,798,737</u>

14. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.12.20	31.12.19	31.12.20	31.12.19
	£	£	£	£
Deferred tax				
Accelerated capital allowances	<u>76,197</u>	<u>51,375</u>	<u>57,509</u>	<u>37,095</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020**

14. PROVISIONS FOR LIABILITIES - continued

Group

	Deferred tax £
Balance at 1 January 2020	51,375
Accelerated capital allowances	<u>24,822</u>
Balance at 31 December 2020	<u><u>76,197</u></u>

Company

	Deferred tax £
Balance at 1 January 2020	37,095
Accelerated Capital Allowances	<u>20,414</u>
Balance at 31 December 2020	<u><u>57,509</u></u>

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.20 £	31.12.19 £
12,000	Ordinary 1p	.01p	<u>120</u>	<u>120</u>

16. RESERVES

Group

	Retained earnings £
At 1 January 2020	7,260,125
Profit for the year	5,660,087
Dividends	<u>(6,220,000)</u>
At 31 December 2020	<u><u>6,700,212</u></u>

Company

	Retained earnings £
At 1 January 2020	6,796,244
Profit for the year	5,235,935
Dividends	<u>(6,220,000)</u>
At 31 December 2020	<u><u>5,812,179</u></u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020**

17. RELATED PARTY DISCLOSURES

Roof Asset Management Consultancy Limited a company of which the directors are also directors		
	31.12.20	31.12.19
	£	£
Sales	631,157	206,870
Purchases	859,272	391,804
Amount due from related party	14,204	8,155
Amount due to related party	<u>98,304</u>	<u>105,070</u>
P Henrickson and D Henrickson directors of the company		
	31.12.20	31.12.19
	£	£
Rent paid	<u>160,000</u>	<u>160,000</u>
Summit Property Consultants Limited		
	31.12.20	31.12.19
	£	£
Sales	125	(20,128)
Purchases	21,000	74,993
Amount due from related party	<u>-</u>	<u>18,749</u>
Other related parties		
	31.12.20	31.12.19
	£	£
Sally Henrickson, wife of director and shareholder Dividend paid	601,267	386,667
Clare Henrickson, wife of director and shareholder Dividend paid	<u>1,244,000</u>	<u>800,000</u>

18. SUBSIDIARY

The subsidiary Lee Moore & Sons Roofing Services Limited (registered number 09565026) are exempt from the requirements of the Act relating to the audit of individual accounts by virtue of s479A of the Companies Act 2006 . A guarantee under 479C of the Companies Act 2006 has been provided by the company on behalf of each the subsidiary company.

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