

Registered number: 02606388

**Romans Professional Services Limited**  
**Annual Report and Financial Statements**  
**For the year ended 31 December 2018**



## Company information

<b>Directors</b>	P Kavanagh MEJ Palmer
<b>Company secretary</b>	MEJ Palmer
<b>Registered number</b>	02606388
<b>Registered office</b>	Crowthorne House Nine Mile Ride Wokingham Berkshire RG40 3GZ
<b>Independent auditor</b>	BDO LLP Level 12 Thames Tower Station Road Reading Berkshire RG1 1LX

## Contents

	Page
Directors' Report	4
Directors' Responsibility Statement	4
Independent Auditor's Report	6
Profit and Loss Account	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12

## **Directors' Report for the Year ended 31 December 2018**

The directors present their report together with the audited financial statements for the year ended 31 December 2018. Comparative information is provided for the period from 1 April 2017 to 31 December 2017 for the company.

### **Principal activity**

The principal activity of the company is that of chartered surveyors.

### **Results and dividends**

The profit and loss account is set out on page 9 and shows the profit for the year. No dividends were paid during the year.

The directors do not recommend the payment of a dividend (period ended 31 December 2017 - £Nil).

### **Directors**

The directors of the company during the year and post year end were as follows:

PA Coles (resigned 23 April 2019)  
AS Gill (resigned 31 December 2018)  
P Kavanagh  
PD Loverdos (resigned 31 August 2018)  
MEJ Palmer

At 31 December 2018, third party indemnity provision for the benefit of the company's directors was in force.

### **Directors' responsibilities**

The directors are responsible for preparing 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 period. Under that law the directors have elected to prepare the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws including FRS 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.

## **Directors' Report for the Year ended 31 December 2018 (continued)**

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

### **Auditor**

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditor for the purposes of their audit and to establish that the auditor is aware of that information. The directors are not aware of any relevant audit information of which the auditor is unaware.

The auditor, BDO LLP is deemed to have been reappointed in accordance with section 487 of the Companies Act 2006.



On behalf of the Board

M E J Palmer

8 July 2019

## **INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF ROMANS PROFESSIONAL SERVICES LIMITED**

### **Opinion**

We have audited the financial statements of Romans Professional Services Limited ("the company") for the year ended 31 December 2018 which comprise the profit and loss account for the ended 31 December, the balance sheet as at 31 December and the statement of changes in equity for the year ended 31 December, and the 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 31 December 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 auditor's 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.

**INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF ROMANS PROFESSIONAL SERVICES LIMITED  
(continued)**

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the directors' report for the year ended 31 December 2018, other than the financial statements and our auditor's 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.

**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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; 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 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.

**INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF ROMANS PROFESSIONAL SERVICES LIMITED  
(continued)**

**Responsibilities of Directors**

As explained more fully in the directors' report for the year ended 31 December 2018, 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.

**Auditor's 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 auditor's 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 at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**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 auditor's 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.



Simon Brooker (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Reading, UK

9 July 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



**Profit and loss account for the year ended 31 December 2018**

	<b>Note</b>	<b>Year ended 31 December 2018 £</b>	<b>9 months ended 31 December 2017 £</b>
Turnover	4	<u>3,216,683</u>	<u>3,578,529</u>
<b>Gross profit</b>		3,216,683	3,578,529
Administrative expenses		<u>(3,265,299)</u>	<u>(2,790,022)</u>
<b>Operating (loss) / profit</b>	5	(48,616)	788,507
Income from investments in group undertakings	8	-	1,083,113
Impairment of investments		-	(829,032)
Interest receivable and similar income		<u>70,000</u>	<u>17,484</u>
<b>Profit before taxation</b>		21,384	1,060,072
Taxation	9	<u>1,611</u>	<u>2,331</u>
<b>Profit and total comprehensive income for the financial year / period</b>		22,995	1,062,403
<b>Profit for the financial year / period attributable to: The Company's equity shareholders</b>		<u>22,995</u>	<u>1,062,403</u>

All amounts relate to continuing operations.

The notes on page 12 to 26 form part of these financial statements.

**Balance Sheet as at 31 December 2018**

	Note	31 December 2018 £	31 December 2017 £
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	10	25,514	33,995
Tangible assets	11	6,302	18,907
Investments	12	2	2
		<u>31,818</u>	<u>52,904</u>
<b>Current assets</b>			
Debtors	13	5,862,875	4,884,240
Cash at bank and in hand		26,800	31,160
		<u>5,889,675</u>	<u>4,915,400</u>
<b>Creditors: amounts falling due within one year</b>	14	<u>(2,351,270)</u>	<u>(1,417,423)</u>
<b>Net current assets</b>		<u>3,538,405</u>	<u>3,497,977</u>
<b>Provisions for liabilities</b>			
Deferred tax		-	(3,653)
<b>Net assets</b>		<u>3,570,223</u>	<u>3,547,228</u>
<b>Capital and reserves</b>			
Share capital	17	114	114
Profit and loss account reserve		<u>3,570,109</u>	<u>3,547,114</u>
<b>Shareholders' funds</b>		<u>3,570,223</u>	<u>3,547,228</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1 A - small entities.

The financial statements were approved by the Board of Directors and authorised for issue on 8 July 2019 and were signed on its behalf by:



MEJ Palmer  
Director

Company registration number: 02606388

The notes on page 12 to 26 form part of these financial statements.

**Statement of Changes in Equity for the year ended 31 December 2018**

**For the year ended 31 December 2018**

	Share capital £	Profit and loss account reserve £	Total £
Balance at 1 January 2018	114	3,547,114	3,547,228
Profit for the year	-	22,995	22,995
<b>Total comprehensive income for the year</b>	-	22,995	22,995
<b>At 31 December 2018</b>	<b>114</b>	<b>3,570,109</b>	<b>3,570,223</b>

**For the 9 months ended 31 December 2017**

	Share capital £	Profit and loss account reserve £	Total £
Balance at 1 April 2017	114	2,484,711	2,484,825
Profit for the period	-	1,062,403	1,062,403
<b>Total comprehensive income for the period</b>	-	1,062,403	1,062,403
<b>Balance at 31 December 2017</b>	<b>114</b>	<b>3,547,114</b>	<b>3,547,228</b>

The notes on page 12 to 26 form part of these financial statements.

## Notes to the financial statements for the year ended 31 December 2018

### 1. Nature of operations and general information

Romans Professional Services Limited is a private company limited by shares incorporated in England & Wales. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the report of the directors.

### 2. Principal Accounting Policies

#### 2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1 A of 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 Section 1 A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

#### *Exemption from preparation of consolidated financial statements*

The financial statements contain information about Romans Professional Services Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken advantage of the exemption conferred by s401 of the Companies Act 2006 not to produce consolidated financial statements as it is included in the consolidated accounts of a larger group.

#### 2.2 Turnover

Turnover comprises amounts recognised in respect of goods and services, supplied during the period and is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured, based on when performance obligations have been satisfied

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

#### 2.3 Interest income and costs

Interest income and expense is recognised using the effective interest method which calculates the amortised cost of a financial asset or liability and allocates the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability to the net carrying amount of the financial asset or liability.

#### 2.4 Goodwill

Goodwill represents the future economic benefits arising from business combinations which are not individually identified and separately recognised.

Goodwill is initially at cost as established at the date of acquisition of the business less accumulated impairment losses, if any and is amortised over the directors' estimate of its useful life of 2 years.

## Notes to the financial statements

### 2.5 Intangible assets

#### ***Acquired intangible assets***

An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

The useful lives of all intangible assets are assessed as finite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in the profit and loss account as administrative expenses. Useful economic lives of intangible assets are based on expected future cash flows.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit and loss account when the asset is derecognised

Amortisation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Customer relationships	Over 7 years
Non-compete	Over 3 years
Brand	Over 1 year

### 2.6 Tangible fixed assets

Tangible fixed assets are stated at historical cost less depreciation less any recognised impairment losses. Cost includes expenditure that is directly attributable to the acquisition or construction of these items. Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the costs can be measured reliably. All other costs, including repairs and maintenance costs, are charged to the profit and loss account in the period in which they are incurred.

## Notes to the financial statements

Depreciation is provided on all tangible fixed assets and is calculated as follows:

Fixtures, fittings and equipment	10 - 25% per annum on cost
----------------------------------	----------------------------

Depreciation is provided on cost less residual value. The residual value, depreciation methods and useful lives are annually reassessed.

Each asset's estimated useful life has been assessed with regard to its own physical life limitations and to possible future variations in those assessments. Estimates of remaining useful lives are made on a regular basis for all vehicles, fixtures, fittings and equipment, with annual reassessments for major items. Changes in estimates are accounted for prospectively.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

The gain or loss arising on disposal or scrapping of an asset is determined as the difference between the sales proceeds, net of selling costs, and the carrying amount of the asset and is recognised in the profit and loss account.

### 2.7 Investments

Fixed asset investments in subsidiaries are stated at cost. Investments are tested for impairment when circumstances indicate that the carrying value may be impaired.

### 2.8 Impairment of non-financial assets

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units that is expected to benefit from the synergies of the combination. Each unit to which goodwill is allocated represents the lowest level within the Company that independent cash flows are monitored.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired.

At each balance sheet date the Directors review the carrying amounts of the Company's non-current assets, other than goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Directors estimate the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

## Notes to the financial statements

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. The impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

An impairment loss is recognised as an expense immediately.

An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where an impairment loss on other non-financial assets subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior periods. A reversal of an impairment loss is recognised in the profit and loss account immediately.

### 2.9 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 2.10 Financial instruments

#### *Recognition and derecognition*

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

#### *Classification and initial measurement of financial assets*

All financial assets are classified as held at amortised cost and initially measured at fair value adjusted for transaction costs (where applicable).

#### *Subsequent measurement of financial assets*

After initial recognition, financial assets are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

#### *Impairment of financial assets*

Financial assets are impaired if there is objective evidence of impairment. The impairment loss is the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

#### *Classification and measurement of financial liabilities*

The Company's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

## Notes to the financial statements

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

### 2.11 Current taxation

Current taxation for each taxable entity in the Company is based on the local taxable income at the local statutory tax rate enacted or substantively enacted at the balance sheet date and includes adjustments to tax payable or recoverable in respect of previous periods.

### 2.12 Deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or 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.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the company can control their reversal and such reversal is not considered probable in the foreseeable future.

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 and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax liabilities are provided in full, and are not discounted. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.



## Notes to the financial statements

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the profit and loss account, except where they relate to items that are charged or credited directly to equity in which case the related deferred tax is also charged or credited directly to equity.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

### 2.13 Employment benefits

Provision is made in the financial statements for all employee benefits. Liabilities for wages and salaries, including non-monetary benefits and annual leave obliged to be settled within 12 months of the balance sheet date, are recognised in accruals.

#### *Pension costs*

The company operates defined contribution pension schemes for the benefit of employees. The assets of the schemes are administered by trustees in funds independent from those of the company. The pension costs charged against profits represent the amount of contributions payable to the schemes in respect of the accounting period.

#### *Holiday pay accrual*

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

### 2.14 Operating leases

All leases held by the Company are treated as operating leases. Their annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

### 2.15 Equity

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares issued.
- "Profit and loss account reserve" represents the accumulated profits and losses attributable to equity shareholders.

## Notes to the financial statements

### 3. Significant management judgements in applying accounting policies and key sources of estimation uncertainty

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 reporting date and the reported amounts of turnover and expenses during the reporting period.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Assumptions and accounting estimates are subject to regular review. Any revisions required to accounting estimates are recognised in the period in which the revisions are made including all future periods affected.

#### **Significant management judgements**

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

#### ***Trade debtor impairment loss***

A provision is made for any balances beyond an age where they are expected to be recovered. This is based on past experience across the sales ledger and requires a degree of judgement in assessing which periods to review and whether to isolate exceptions in forming a general rule.

#### ***Useful lives of intangible assets***

Intangible assets are amortised over their estimated useful lives with the charge recorded in administrative expenses. Useful lives are based on management's estimates of the period that the assets will generate turnover which are periodically renewed for continued appropriateness. Changes to estimates can result in significant variations in the carrying value and amounts charged to the profit and loss account in specific periods.

### 4. Turnover

The Company's turnover is all derived from surveying services performed in the UK.

## Notes to the financial statements

### 5. Operating profit / (loss)

	Year ended 31 December 2018 £	9 months ended 31 December 2017 £
Operating profit is stated after charging:		
Impairment of fixed asset investments	-	829,032
Depreciation of tangible fixed assets	13,649	15,270
Amortisation of intangible assets	8,481	67,386
Operating lease costs	22,940	18,746
Auditors' remuneration - fees payable to the Company's Auditor and its Associates for:		
- the audit of the Company's annual accounts	8,000	5,350

The company has taken advantage of the exemption from the requirement to disclose details of the auditor's remuneration for non-audit services. This is disclosed in the consolidated financial statements of its ultimate parent company, The Leaders Romans Group Limited.

### 6. Employees

The aggregate payroll costs of the employees were as follows:

	Year ended 31 December 2018 £	9 months ended 31 December 2017 £
<b>Staff costs</b>		
Wages and salaries	1,839,442	1,511,934
Social security costs	209,157	202,523
Pension costs	35,792	22,975
	<u>2,084,391</u>	<u>1,737,438</u>

## Notes to the financial statements

Included within staff costs and average number of employees are staff that are subcontracted from LRG Employees Limited, a fellow group company.

Average monthly number of persons employed by the Company during the year was as follows:

	Year ended 31 December 2018 Number	9 months ended 31 December 2017 Number
<b>By activity:</b>		
Surveyors	28	26
Management and administration	14	13
	<hr/> 42	<hr/> 39

### 7. Directors' Remuneration

	Year ended 31 December 2018 £	9 months ended 31 December 2017 £
Directors' emoluments	59,003	106,466
Pension contributions	871	1,560
Compensation for loss of office	611	-
	<hr/> 60,485	<hr/> 108,026

Directors' remuneration includes amounts recharged from group companies.

There were no directors in the company's defined contribution pension scheme (period ended 31 December 2017 - £Nil).

Emoluments of the highest paid director were £13,406 (period ended 31 December 2017 - £19,456). Company pension contributions of £Nil (period ended 31 December 2017 - £178) were made to a money purchase scheme on their behalf.

## Notes to the financial statements

### 8. Income from investments

	Year ended 31 December 2018 £	9 months ended 31 December 2017 £
Dividend income from investments in subsidiaries	-	1,083,113

### 9. Taxation on ordinary activities

#### Analysis of charge in the year

	Year ended 31 December 2018 £	9 months ended 31 December 2017 £
Corporation tax – current year:		
Adjustment in respect of previous periods	-	(4,563)
Deferred tax – current year:		
Origination and reversal of timing differences	(1,611)	17,866
Adjustment in respect of previous periods	-	(15,634)
<b>Total tax charge</b>	<b>(1,611)</b>	<b>(2,331)</b>
<b>Profit before taxation</b>	<b>21,384</b>	<b>1,060,072</b>
Profit by rate of tax (2018: 19%; 2017: 19%)	4,063	201,414
Expenses not deductible for tax purposes	186	157,789
Adjustments to tax in respect of prior periods	-	(4,563)
Fixed asset timing differences	-	13,899
Effect of change in tax rate	(87)	(2,102)
Adjustments to deferred tax in respect of prior periods	-	(15,634)
Group relief claimed	(3,427)	(147,343)
Income not deductible for tax purposes	-	(205,791)
Other items	(2,346)	-
<b>Total tax</b>	<b>(1,611)</b>	<b>(2,331)</b>

## Notes to the financial statements

The effect of changes to the corporation tax rates substantively enacted as part of the Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016) includes reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020. This will impact the company's future tax charge accordingly. There were no other factors that may affect future tax charges. The deferred tax asset at 31 December 2017 has been calculated based on the rates substantively enacted at the date of the balance sheet.

### Deferred tax:

Deferred tax assets and liabilities are offset where the Company has a legal enforceable right to do so. The deferred tax liability consists of the following amounts:

	31 December 2018 £	31 December 2017 £
Accelerated capital allowances	10,733	10,733
Short term timing differences	443	443
Other	(5,946)	(7,557)
	<u>5,230</u>	<u>3,619</u>

### 10. Intangible assets

	Customer Relationships £	Brand £	Non- Compete £	Goodwill £	Total £
<b>Cost</b>					
At 1 April 2017	48,009	33,262	5,856	247,307	334,434
At 31 December 2017	48,009	33,262	5,856	247,307	334,434
<b>At 31 December 2018</b>	<b>48,009</b>	<b>33,262</b>	<b>5,856</b>	<b>247,307</b>	<b>334,434</b>
<b>Accumulated Depreciation</b>					
At 1 April 2017	9,347	33,262	3,038	187,406	233,053
Charge for year	5,649	-	1,836	59,901	67,386
<b>At 31 December 2017</b>	<b>14,996</b>	<b>33,262</b>	<b>4,874</b>	<b>247,307</b>	<b>300,439</b>
Charge for year	7,499	-	982	-	8,481
<b>At 31 December 2017</b>	<b>22,495</b>	<b>33,262</b>	<b>5,856</b>	<b>247,307</b>	<b>308,920</b>
<b>Net book value</b>					
At 31 December 2018	25,514	-	-	-	25,514
At 31 December 2017	33,013	-	982	-	33,995

The amortisation charge is included within administrative expenses.

## Notes to the financial statements

### 11. Tangible fixed assets

	Fixtures, & Fittings £
<b>Cost</b>	
At 1 April 2017	182,740
At 31 December 2017	182,740
Additions	1,044
<b>At 31 December 2018</b>	<b>183,784</b>
<b>Accumulated Depreciation</b>	
At 1 April 2017	148,563
Charge for year	15,270
At 31 December 2017	163,833
Charge for year	13,649
<b>At 31 December 2018</b>	<b>177,482</b>
<b>Net book value</b>	
At 31 December 2018	6,302
At 31 December 2017	18,907

Depreciation is included within administrative expenses.

### 12. Investments

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 1 April 2017	829,034
At 31 December 2017 and 31 December 2018	829,034
<b>Impairment</b>	
At 1 April 2017	-
Charge for the period ended 31 December 2017	829,032
At 31 December 2017 and 2018	829,032
<b>Net book value</b>	
At 31 December 2018	2
At 31 December 2017	2

## Notes to the financial statements

On 22 December 2017 Lennon Planning Limited and Romans Projects Limited completed a capital reduction. As a result, the company has impaired its investments in both companies to their recoverable amount. The total impairment charge recognised in the period ended 31 December 2017 was £829,032.

Details of the Company's subsidiaries (both of which were dissolved after the year end) are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	% ownership held by the Company	
			2018	2017
Lennon Planning Limited	Dormant	England & Wales	100	100
Romans Projects Limited	Dormant	England & Wales	100	100

All undertakings' registered office is Crowthorne House, Nine Mile Ride, Wokingham, Berkshire, RG40 3GZ.

### 13. Debtors

	31 December 2018 £	31 December 2017 £
Trade debtors	583,209	1,849,039
Amounts owed by group undertakings	5,160,677	2,941,407
Other debtors	8,089	6,827
Prepayments and accrued income	105,670	75,132
Corporation tax recoverable	-	4,563
Deferred tax	5,230	7,272
	<u>5,862,875</u>	<u>4,884,240</u>

The Directors consider the carrying value of trade and other receivables is approximate to its fair value.



## Notes to the financial statements

### 14. Creditors: amounts falling due within one year

	31 December 2018 £	31 December 2017 £
Trade creditors	25,455	30,599
Amounts owed to group undertakings	2,057,661	505,449
Other taxation and social security	134,664	385,498
Other creditors	29,815	36,462
Accruals and deferred income	103,675	459,415
	<u>2,351,270</u>	<u>1,417,423</u>

### 15. Leasing arrangements

#### Operating Leases

Operating leases primarily relate to land and buildings.

The Company does not have an option to purchase any of the operating leased assets at the expiry of the lease periods.

Payments recognised as an expense are disclosed in note 5.

#### Aggregate future minimum lease payments under non-cancellable operating lease commitments

	31 December 2018 £	31 December 2017 £
Not later than 1 year	10,497	14,850
After 1 year and not later than 5 years	-	11,138
	<u>10,497</u>	<u>25,988</u>

### 16. Retirement benefit plans

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the fund and amounted to £35,792 for the year (period ended 31 December 2017 - £22,974). Contributions totalling £Nil (2017 - £4,077) were payable to the funds at the reporting date and are included in other payables.

## Notes to the financial statements

### 17. Share capital

The total allotted share capital of the Company is:

**Allotted, issued and fully paid**

	2018 Number	2018 £	2017 Number	2017 £
Ordinary shares of £1 each	114	114	114	114

### 18. Contingent liabilities

The company has guaranteed the borrowings of The Leaders Romans Bidco Limited, a fellow subsidiary of The Leaders Romans Group Limited. The borrowings subject to the guarantee at 31 December 2018 totalled £124,985,000 (31 December 2017 - £126,734,000).

### 19. Related party transactions

The company is a wholly owned subsidiary within the group headed by The Leaders Romans Group Limited and has taken advantage of the exemption conferred by FRS 102 'Related Party Disclosures' not to disclose related party transactions with The Leaders Romans Group Limited or other wholly owned subsidiaries within the group.

### 20. Ultimate controlling party

The company is a subsidiary of The Romans Group (UK) Limited. At 31 December 2018, the company's ultimate parent company was The Leaders Romans Group Limited. Both companies are registered at Crowthorne House, Nine Mile Ride, Wokingham, Berkshire RG40 3GZ or Companies House.

The Leaders Romans Midco 2 Limited is the smallest group in which the results of the company are consolidated.

The Leaders Romans Group Limited is the largest group in which the results of the company are consolidated.

Both of the consolidated accounts which include the results of this company are available to the public and may be obtained from Romans Professional Services Limited, Crowthorne House, Nine Mile Ride, Wokingham, Berkshire RG40 3GZ or Companies House.

The company is ultimately controlled by funds managed by Bowmark Capital LLP.