

## **Allmat (East Surrey) Limited**

**Directors' Report and Financial Statements  
for the year ended 31 March 2019**



Registered number 2812101

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## Directors' Report

The Directors present their annual report and the audited financial statements for the year ended 31 March 2019. The Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to small companies' exemption.

### Principal activities

The principal activity of the Company is the supply of building products to the building industry.

### Brexit

Brexit has caused continuous market uncertainty in the building trade, it is difficult to measure what the full impact will be until the terms of the final withdrawal deal are completed. We have already seen turnover reduced this year and costs increased. The building market is extremely competitive currently so passing on the costs is not always an option.

### Results and dividends

The Company paid a dividend of £nil during the year (2018: £196,000). The profit after tax for the year is £102,934 (2018: £230,595). Profit fell during the year due to a reduction in turnover of £139,581 with a reduced GP margin of 30.8% (2018: 33.7%) due to supplier increases, competition and uncertainty in the market.

### Directors

The Directors in office during the year were as follows:

JR Chadwick (Resigned 27<sup>th</sup> September 2018)

AJD Ferrar

P Kerr (appointed 27<sup>th</sup> September 2018)

### Directors' Indemnities and Insurance

There are contractual entitlements in place for the directors of the company to claim indemnification by the Company in respect of certain liabilities which might be incurred by them in the course of their duties as directors. These arrangements which constitute qualifying third-party indemnity provisions, have been established in compliance with relevant provisions of the Companies Act 2006 and have been in force throughout the financial year. They include provision for the company to fund the cost incurred by the directors in defending against them in relation to their duties as directors of the Company.

The company also maintains an appropriate level of directors' and officers' liability insurance.

### Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### Donations

The Company made no political or charitable donations in the year (2018: £nil).

#### Appointment of auditors

Pursuant to Section 487 of the Companies Act 2006, KPMG LLP is the auditor at the date of this report. PricewaterhouseCoopers LLP (PwC) will replace KPMG LLP following the approval of these accounts at which time KPMG LLP will not seek reappointment. PwC will be appointed by Directors as auditors for the financial year ending 31 March 2020 onwards, and their appointment is subject to shareholder approval at the Annual General Meeting.

By order of the Board



AJD Ferrar  
Director

66-74 London Road  
Redhill  
Surrey  
RH1 1LJ

// October 2019

## **Statement of Directors' Responsibilities in respect of the Strategic report, the Directors' Report and the Financial Statements**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 101 Reduced Disclosure Framework.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF Allmat (East Surrey) Limited

### Opinion

We have audited the financial statements of Allmat (East Surrey) Limited ("the company") for the year ended 31 March 2019 which comprise the Profit and Loss Account, Balance Sheet, and Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*
- 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Brexit other matter paragraph

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

### Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in the

However, as we cannot predict all future events or conditions and as such that are inconsistent with judgements that were reasonable at the time the to a material uncertainty in this auditor's report is not a guarantee that the c

### Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and

- in our opinion that report has been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

#### **Directors' responsibilities**

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

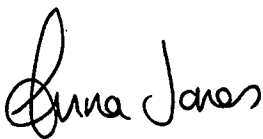
#### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

#### **The purpose of our audit work and to whom we owe our responsibilities**

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.



**Anna Jones (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL  
16 October 2019

## Profit and loss account

for the year ended 31 March 2019

	Note	2019 £	2018 £
Turnover	2	3,384,267	3,523,848
Cost of sales	3	(2,341,775)	(2,335,803)
<b>Gross profit</b>		<b>1,042,492</b>	<b>1,188,045</b>
Distribution costs		(567,508)	(520,018)
Administrative expenses		(380,699)	(384,993)
<b>Operating profit</b>		<b>94,285</b>	<b>283,034</b>
Net Interest receivable/ (payable)	4	148	(183)
<b>Profit before tax</b>		<b>94,433</b>	<b>282,851</b>
Tax credit / (charge) on profit	8	8,501	(52,256)
<b>Profit for the financial year</b>		<b>102,934</b>	<b>230,595</b>

The Company's profit arose solely from continuing activities. There were no recognised gains and losses in either year other than those reported in the profit and loss account above and therefore no statement of other comprehensive income is presented. Reported profits are equivalent to historic cost profits.

The notes on page 10 to 17 form part of these financial statements.



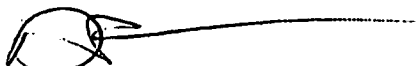
## Balance sheet

at 31 March 2019

	Note	2019	2018
		£	£
<b>Non-current assets</b>			
Tangible assets	10	251,245	283,783
<b>Current assets</b>			
Stock	11	316,892	314,456
Debtors	12	231,820	256,487
Cash at bank and in hand		280,545	131,381
		<u>829,257</u>	<u>702,324</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(365,584)</u>	<u>(374,388)</u>
<b>Net current assets</b>		<u>463,673</u>	<u>327,936</u>
<b>Total assets less current liabilities</b>		<u>714,918</u>	<u>611,719</u>
<b>Provisions for liabilities and charges</b>			
Deferred tax	14	(1,196)	(931)
<b>Net assets</b>		<u>713,722</u>	<u>610,788</u>
<b>Capital and reserves</b>			
Called up share capital	17	100	100
Share premium	18	19,990	19,990
Profit and loss account		693,632	590,698
<b>Shareholders' funds</b>		<u>713,722</u>	<u>610,788</u>

The notes on pages 10 to 17 form part of these Financial Statements.

These Financial Statements were approved by the Board of Directors on 11 October 2019 and were signed on its behalf by:

  
AJD Ferrar  
Director

## Statement of changes in equity

at 31 March 2019

	Note	Share Premium £	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 April 2017		19,990	100	556,103	576,193
Profit for the year		-	-	230,595	230,595
Total comprehensive income for the period		-	-	230,595	230,595
Transactions with owners, recorded directly within equity:					
Dividends	9			(196,000)	(196,000)
Total distributions to owners		-	-	(196,000)	(196,000)
Balance at 31 March 2018		19,990	100	590,698	610,788

	Note	Share Premium £	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 April 2018		19,990	100	590,698	610,788
Profit for the year		-	-	102,934	102,934
Total comprehensive income for the period		-	-	102,934	102,934
Transactions with owners, recorded directly within equity:					
Dividends	9			-	-
Total distributions to owners		-	-	-	-
Balance at 31 March 2019		19,990	100	693,632	713,722