

**Registered number: 02954707**

## **G K R Scaffolding Limited**

**Annual report and financial statements**

**For the year ended 31 October 2017**

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## **G K R Scaffolding Limited**

### **Company Information**

<b>Directors</b>	G Rowswell L Rowswell N Rowswell
<b>Company secretary</b>	Y Rowswell
<b>Registered number</b>	02954707
<b>Registered office</b>	94A High Street Sevenoaks Kent TN13 1LP
<b>Independent auditors</b>	Kreston Reeves LLP Chartered Accountants & Statutory Auditors Third Floor 24 Chiswell Street London EC1Y 4YX
<b>Accountants</b>	Thain Osborne & Co 94A High Street Sevenoaks Kent TN13 1LP

## **G K R Scaffolding Limited**

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# **G K R Scaffolding Limited**

## **Strategic report For the year ended 31 October 2017**

### **Introduction**

The Directors present their strategic report and the financial statements for the year ended 31 October 2017.

### **Principal activity**

The company's principal activity continues to be that of scaffolding suppliers.

### **Business review**

In the year to 31st October 2017, sales decreased by 6.5% to £26,209,607. Gross profit margins decreased slightly from 43.6% to 41.6%. The company made a profit after tax of £3,018,643 (2016: £5,475,326).

### **Principal risks and uncertainties**

#### **Commercial Risks**

The principal risks facing the business arise from non-payment of work completed, due to companies going into liquidation. Vigorous checks are carried out on new contracts and there is a policy to only tender for work with larger established contractors.

The company continues to abide by all areas of legislation which remains a major burden on organisations.

#### **Financial Risks**

Maintaining margins whilst containing operating costs are the major risks. All sales are to UK Customers and all suppliers are UK based: the company has therefore not entered into any hedging arrangements in respect of risks relating to trade debtors or trade creditors. New customers are assessed for credit risks and credit limits apply where necessary. Sales for 2017 are expected to remain similar. The company is fortunate in that it has no long term commitments for the supply of labour and can access a pool of skilled unemployed labour as activity increases.

All risks are constantly monitored and appropriate action is taken where necessary. Cash flow is monitored daily and professional staff are employed to ensure new legislation is complied with.

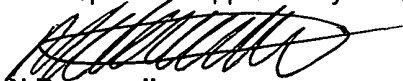
#### **Financial key performance indicators**

Key performance indicators for the company are turnover, gross margins, operating costs and profitability all of which are regularly reported on and reviewed.

#### **Future developments**

The company continues to invest in scaffold plant, the hiring out of which is the company's principal activity. The decrease in activity during 2017 is not to be expected to repeat in 2018 as the company is always looking to grow. The company is in a healthy position to take advantage of any upturn in the economic environment.

This report was approved by the board on 15 May 2018 and signed on its behalf.

  
**N Rowswell**  
Director

## **G K R Scaffolding Limited**

### **Directors' report**

#### **For the year ended 31 October 2017**

The directors present their report and the financial statements for the year ended 31 October 2017.

### **Directors**

The directors who served during the year were:

G Rowswell  
L Rowswell  
N Rowswell

### **Directors' responsibilities statement**

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Results and dividends**

The profit for the year, after taxation, amounted to £3,018,643 (2016 - £5,475,326).

A Dividend of £1,460,548 (2016: £1,099,372 ) has been paid in the year.

### **Employee involvement**

GKR Scaffolding Limited use a bespoke Integrated Management System in order to communicate to all employees across the company, for which all employees have personal login details and inboxes. This includes access to Company documents such as Policies and Handbooks.

Further communication is achieved via regular meetings and site tool box talks with Management, operatives and non-operatives.

**G K R Scaffolding Limited**

**Directors' report (continued)**  
**For the year ended 31 October 2017**

**Disclosure of information to auditors**

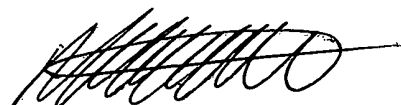
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

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

**Auditors**

The auditors, Kreston Reeves LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 15 May 2018 and signed on its behalf.

A handwritten signature in black ink, appearing to be 'N Rowsell', with a long horizontal stroke extending to the right.

**N Rowsell**  
Director

## **G K R Scaffolding Limited**

### **Independent auditors' report to the shareholders of G K R Scaffolding Limited**

#### **Opinion**

We have audited the financial statements of G K R Scaffolding Limited (the 'Company') for the year ended 31 October 2017, which comprise the Profit and loss account, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 October 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

## **G K R Scaffolding Limited**

### **Independent auditors' report to the shareholders of G K R Scaffolding Limited (continued)**

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

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

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

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

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

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

#### **Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement on page 2, 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.



**Independent auditors' report to the shareholders of G K R Scaffolding Limited (continued)**

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or 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, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**G K R Scaffolding Limited**

**Independent auditors' report to the shareholders of G K R Scaffolding Limited (continued)**

*Kreston Reeves LLP*

Michael Cook BA(Hons) FCA (Senior statutory auditor)

for and on behalf of

**Kreston Reeves LLP**

Chartered Accountants & Statutory Auditors

London

15 May 2018

## G K R Scaffolding Limited

### Profit and loss account For the year ended 31 October 2017

	Note	2017 £	2016 £
Turnover	3	26,209,607	28,036,323
Cost of sales		(15,312,599)	(15,823,581)
<b>Gross profit</b>		<b>10,897,008</b>	<b>12,212,742</b>
Distribution costs		(554,638)	(48,124)
Administrative expenses		(6,524,107)	(5,388,502)
<b>Operating profit</b>	4	<b>3,818,263</b>	<b>6,776,116</b>
Interest receivable and similar income	7	3,189	9,797
Interest payable and expenses	8	-	(11,402)
<b>Profit before tax</b>		<b>3,821,452</b>	<b>6,774,511</b>
Tax on profit	9	(802,809)	(1,299,185)
<b>Profit for the financial year</b>		<b>3,018,643</b>	<b>5,475,326</b>

There were no recognised gains and losses for 2017 or 2016 other than those included in the profit and loss account.

There was no other comprehensive income for 2017 (2016:£NIL).

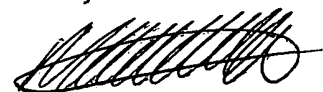
The notes on pages 11 to 20 form part of these financial statements.

**G K R Scaffolding Limited**  
**Registered number: 02954707**

**Balance sheet**  
**As at 31 October 2017**

	<b>Note</b>	<b>2017 £</b>	<b>2016 £</b>
<b>Fixed assets</b>			
Tangible assets	10	<b>4,926,113</b>	4,015,518
Investments	11	<b>875,814</b>	875,814
		<b>5,801,927</b>	4,891,332
<b>Current assets</b>			
Stocks	12	<b>3,350</b>	570
Debtors: amounts falling due within one year	13	<b>8,445,974</b>	6,450,872
Cash at bank and in hand	14	<b>4,697,593</b>	5,345,782
		<b>13,146,917</b>	11,797,224
Creditors: amounts falling due within one year	15	<b>(3,575,821)</b>	(2,873,628)
<b>Net current assets</b>		<b>9,571,096</b>	8,923,596
<b>Net assets</b>		<b>15,373,023</b>	13,814,928
<b>Capital and reserves</b>			
Called up share capital	18	<b>120</b>	120
Profit and loss account	19	<b>15,372,903</b>	13,814,808
		<b>15,373,023</b>	13,814,928

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 May 2018.



**N Rowswell**  
Director

The notes on pages 11 to 20 form part of these financial statements.

**G K R Scaffolding Limited**

**Statement of changes in equity  
For the year ended 31 October 2017**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	£	£	£
At 1 November 2016	120	13,814,808	13,814,928
Profit for the year	-	3,018,643	3,018,643
Dividends: Equity capital	-	(1,460,548)	(1,460,548)
<b>At 31 October 2017</b>	<b>120</b>	<b>15,372,903</b>	<b>15,373,023</b>

**Statement of changes in equity  
For the year ended 31 October 2016**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	£	£	£
At 1 November 2015	120	9,438,854	9,438,974
Profit for the year	-	5,475,326	5,475,326
Dividends: Equity capital	-	(1,099,372)	(1,099,372)
<b>At 31 October 2016</b>	<b>120</b>	<b>13,814,808</b>	<b>13,814,928</b>

The notes on pages 11 to 20 form part of these financial statements.

**Notes to the financial statements  
For the year ended 31 October 2017**

**1. General information**

G K R Scaffolding Limited is a private company, limited by shares and domiciled in England and Wales, registration number 02954707. The registered office is 94a High Street, Sevenoaks, Kent, TN13 1LP and the principle place of business is Independent House, Arnolde Close, Medway City Estates, Rochester, Kent, ME2 4QW. Their principal activity is disclosed in the Strategic report on page 1.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

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

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

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of G K R Logistics Limited as at 31 October 2017 and these financial statements may be obtained from Companies House.

**2.3 Turnover**

Turnover comprises revenue recognised by the company in respect of services relating to the erection and dismantling of scaffolding during the year, exclusive of Value Added Tax and trade discounts.

Included within turnover are rents receivable net of Value Added Tax, credit for which is taken on an accruals basis.

**Notes to the financial statements  
For the year ended 31 October 2017**

**2. Accounting policies (continued)**

**2.4 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Plant & machinery	- 20% straight line
Motor Vehicles	- 25% reducing balance
Fixtures & fittings	- 33.33% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and loss account.

**2.5 Valuation of investments**

Investments held as fixed assets are shown at cost less accumulated impairment.

**2.6 Stocks**

Stocks are stated at the lower of cost and net realisable value.

**2.7 Financial instruments**

The company only enters into basic financial transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors.

**2.8 Operating leases**

Rentals paid under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

**2.9 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**Notes to the financial statements  
For the year ended 31 October 2017**

**2. Accounting policies (continued)**

**2.10 Current and deferred taxation**

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

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

**3. Turnover**

	2017 £	2016 £
Supply of scaffolding	26,189,312	28,012,972
Rental income	20,295	23,351
	<u>26,209,607</u>	<u>28,036,323</u>

All turnover arose within the United Kingdom.

**4. Operating profit**

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	2,046,991	1,599,676
Auditors remuneration	15,000	12,000
Rent - operating leases	198,642	177,350
Profit on sale of tangible assets	<u>(80,819)</u>	<u>(24,123)</u>



## G K R Scaffolding Limited

### Notes to the financial statements For the year ended 31 October 2017

#### 5. Employees

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

	2017 £	2016 £
Wages and salaries	11,899,588	11,523,279
Social security costs	1,346,313	1,276,657
Cost of defined contribution scheme	83,351	81,973
	<u>13,329,252</u>	<u>12,881,909</u>

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

	2017 No.	2016 No.
Administration	23	21
Scaffolders & Drivers	247	263
	<u>270</u>	<u>284</u>

#### 6. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	<u>259,025</u>	<u>201,726</u>

The highest paid director received remuneration of £143,563 (2016 - £117,460).

#### 7. Interest receivable

	2017 £	2016 £
Other interest receivable	3,189	5,717
Bank interest receivable	-	4,080
	<u>3,189</u>	<u>9,797</u>

#### 8. Interest payable and similar charges

	2017 £	2016 £
Other loan interest payable	-	11,402
	<u>-</u>	<u>11,402</u>

**Notes to the financial statements  
For the year ended 31 October 2017**

**9. Taxation**

	2017 £	2016 £
<b>Corporation tax</b>		
Current tax on profits for the year	937,481	1,544,164
Adjustments in respect of previous periods	(76,351)	(183,069)
<b>Total current tax</b>	<u>861,130</u>	<u>1,361,095</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(58,321)	(61,910)
<b>Taxation on profit on ordinary activities</b>	<u><u>802,809</u></u>	<u><u>1,299,185</u></u>

**Factors affecting tax charge for the year**

**The tax assessed for the year is higher than (2016 - lower than) the standard rate of corporation tax in the UK of 19.4% (2016 - 20%). The differences are explained below:**

	2017 £	2016 £
Profit on ordinary activities before tax	<u><u>3,821,452</u></u>	<u><u>6,774,511</u></u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.4% (2016 - 20%)	741,362	1,354,902
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	129,968	76,777
Capital allowances for year in excess of depreciation	103,218	118,989
Adjustments to tax charge in respect of prior periods	(76,351)	(183,069)
Deferred tax	(58,321)	(61,910)
Other adjustments	(37,067)	(6,504)
<b>Total tax charge for the year</b>	<u><u>802,809</u></u>	<u><u>1,299,185</u></u>

# G K R Scaffolding Limited

## Notes to the financial statements For the year ended 31 October 2017

### 10. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
<b>Cost or valuation</b>				
At 1 November 2016	7,895,033	153,528	83,089	8,131,650
Additions	2,879,785	60,426	27,588	2,967,799
Disposals	(734,305)	(47,269)	-	(781,574)
At 31 October 2017	<u>10,040,513</u>	<u>166,685</u>	<u>110,677</u>	<u>10,317,875</u>
<b>Depreciation</b>				
At 1 November 2016	3,947,026	110,589	58,517	4,116,132
Charge for the year on owned assets	2,005,148	24,457	17,386	2,046,991
Disposals	(734,305)	(37,056)	-	(771,361)
At 31 October 2017	<u>5,217,869</u>	<u>97,990</u>	<u>75,903</u>	<u>5,391,762</u>
<b>Net book value</b>				
At 31 October 2017	<u>4,822,644</u>	<u>68,695</u>	<u>34,774</u>	<u>4,926,113</u>
At 31 October 2016	<u>3,948,007</u>	<u>42,939</u>	<u>24,572</u>	<u>4,015,518</u>

### 11. Fixed asset investments

	Investment in subsidiary company £
<b>Cost or valuation</b>	
At 1 November 2016	875,814
At 31 October 2017	<u>875,814</u>
<b>Net book value</b>	
At 31 October 2017	<u>875,814</u>
At 31 October 2016	<u>875,814</u>

## G K R Scaffolding Limited

### Notes to the financial statements For the year ended 31 October 2017

#### 11. Fixed asset investments (continued)

##### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Frindsbury Properties Limited	Ordinary	100 %	Property rental

#### 12. Stocks

	2017 £	2016 £
Finished goods and goods for resale	<u>3,350</u>	<u>570</u>

#### 13. Debtors

	2017 £	2016 £
Trade debtors	7,499,756	5,921,637
Other debtors	480,103	109,282
Prepayments and accrued income	285,205	297,364
Deferred taxation	180,910	122,589
	<u>8,445,974</u>	<u>6,450,872</u>

#### 14. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	<u>4,697,593</u>	<u>5,345,782</u>

# G K R Scaffolding Limited

## Notes to the financial statements For the year ended 31 October 2017

### 15. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans	-	56,514
Trade creditors	2,172,462	961,874
Corporation tax	-	415,414
Other taxation and social security	795,306	1,092,262
Other creditors	238,439	159,913
Accruals and deferred income	369,614	187,651
	<u>3,575,821</u>	<u>2,873,628</u>

### 16. Deferred taxation

	2017 £	2016 £
At beginning of year	122,589	60,679
Credited to profit or loss	58,321	61,910
<b>At end of year</b>	<u>180,910</u>	<u>122,589</u>

The deferred tax asset is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	<u>180,910</u>	<u>122,589</u>

### 17. Dividends

	2017 £	2016 £
Dividends paid on equity capital	<u>1,460,548</u>	<u>1,099,372</u>

### 18. Share capital

	2017 £	2016 £
<b>Allotted, called up and fully paid</b>		
120 Ordinary shares of £1 each	<u>120</u>	<u>120</u>

## **G K R Scaffolding Limited**

### **Notes to the financial statements For the year ended 31 October 2017**

#### **19. Reserves**

##### **Profit & loss account**

The Profit and loss account comprises all current and prior period retained profits and losses.

##### **Share capital**

This represents the nominal value of shares that have been issued by the company.

#### **20. Pension commitments**

The company operates a defined contribution pension scheme for three (2016: three) employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £14,808 (2016: £14,808).

In addition, the company's contributions to NEST in the year amounted to 68,542 (2016: £67,165). At the year end £14,974 (2016: £13,807) remained unpaid.

#### **21. Commitments under operating leases**

At 31 October 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	261,764	159,462
Later than 1 year and not later than 5 years	497,965	403,992
	<u>759,729</u>	<u>563,454</u>

#### **22. Related party transactions**

During the year the company was charged management charges of £420,000 (2016: £420,000) plus VAT and £163 (2016: £3,808) plus VAT for hire of vehicles by G K & Y Rowswell Partnership, a partnership of which all directors are partners of. During the year the company paid £420,163 (2016: £495,542) in respect of these costs. In addition, the company paid expenses on behalf of the partnership totalling £54,200 (2016: £32,038). At the balance sheet date the company was owed £54,200 (2016: owed £82,038) by the partnership and is included in other debtors in note 14 to the accounts.

During the year the company made a loan to G Rowswell of £23,158 (2016: £50,000). Repayments of £73,158 (2016: £Nil) was made. At the balance sheet date the company was owed £Nil (2016: £50,000).

During the year the company met expenditure on behalf of N Rowswell totalling £122,174 (2016: £820,837) and received £120,438 (2016: £822,515) from N Rowswell. At the balance sheet date the company was owed £12,904 (2016: £Nil) which is included in other debtors in note 14 of these accounts.

During the year the company met expenditure on behalf of L Rowswell totalling £113,804 (2016: Nil), of which £107,606 (2016: £Nil) was repaid. At the balance sheet date the company was owed £6,198 (2016: £Nil) which is included in other debtors in Note 14 of these accounts.

## **G K R Scaffolding Limited**

### **Notes to the financial statements For the year ended 31 October 2017**

#### **23. Controlling party**

The immediate and ultimate parent undertaking is G K R Logistics Limited, a company registered in England and Wales. L Rowswell and N Rowswell are directors of and control 89.2% of the shares of G K R Logistics Limited.