

COMPANY REGISTRATION NUMBER: 03320682

GUARANTEED ASPHALT LIMITED

FINANCIAL STATEMENTS

31 July 2022

GUARANTEED ASPHALT LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2022

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GUARANTEED ASPHALT LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 JULY 2022

The directors present their report and the financial statements of the company for the year ended 31 July 2022 .

DIRECTORS

The directors who served the company during the year were as follows:

Mr E J Taylor

Mr L J Taylor

Mr H I Taylor

Mr S A Taylor

DIRECTORS' RESPONSIBILITIES STATEMENT

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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the 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 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 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

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and - they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 28 April 2023 and signed on behalf of the board by:

Mr S A Taylor

Director

Registered office:

Guaranteed House

2 Mercury Way

London

United Kingdom

SE14 5RR

GUARANTEED ASPHALT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GUARANTEED ASPHALT LIMITED

YEAR ENDED 31 JULY 2022

OPINION

We have audited the financial statements of Guaranteed Asphalt Limited (the 'company') for the year ended 31 July 2022 which comprise the income statement, statement of financial position 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 FRS 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 July 2022 and of its profit for the year then ended; - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; - 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

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

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

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

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 has 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; or - the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement, 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. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below: We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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 evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud. 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 on the effectiveness of the 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 auditor's 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 auditor's 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 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.

Nicola Thirlwall FCA

(Senior Statutory Auditor)

For and on behalf of

Dyer & Co Services Limited

Chartered Accountants & Statutory Auditors

Onega House

112 Main Road

Sidcup

Kent

DA14 6NE

28 April 2023

GUARANTEED ASPHALT LIMITED

INCOME STATEMENT

YEAR ENDED 31 JULY 2022

		2022	2021
	Note	£	£
TURNOVER		7,187,718	8,549,910
Cost of sales		7,091,739	8,447,893
GROSS PROFIT		95,979	102,017
Administrative expenses		3,985,412	3,839,370
Other operating income		4,039,756	4,359,065
OPERATING PROFIT		150,323	621,712
Other interest receivable and similar income	5	—	198
PROFIT BEFORE TAXATION		150,323	621,910
Tax on profit		—	—
PROFIT FOR THE FINANCIAL YEAR		150,323	621,910

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the year as set out above.

GUARANTEED ASPHALT LIMITED

STATEMENT OF FINANCIAL POSITION

31 July 2022

	Note	2022 £	2021 £
CURRENT ASSETS			
Stocks		1,500,062	1,039,882
Debtors	6	6,596,345	6,668,196
Cash at bank and in hand		15,433	142,270
		<u>8,111,840</u>	<u>7,850,348</u>
CREDITORS: amounts falling due within one year	7	4,556,979	3,672,712
		<u>3,554,861</u>	<u>4,177,636</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		3,554,861	4,177,636
CREDITORS: amounts falling due after more than one year	8	300,000	300,000
		<u>3,254,861</u>	<u>3,877,636</u>
NET ASSETS			

GUARANTEED ASPHALT LIMITED
STATEMENT OF FINANCIAL POSITION *(continued)*

31 July 2022

	2022	2021
Note	£	£
CAPITAL AND RESERVES		
Called up share capital	1,100	1,100
Profit and loss account	3,253,761	3,876,536
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SHAREHOLDERS FUNDS	3,254,861	3,877,636
	-----	-----

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 28 April 2023 , and are signed on behalf of the board by:

Mr S A Taylor

Director

Company registration number: 03320682

GUARANTEED ASPHALT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2022

1. GENERAL INFORMATION

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Guaranteed House, 2 Mercury Way, London, SE14 5RR, United Kingdom.

2. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

3. AUDITOR'S REMUNERATION

	2022	2021
	£	£
Fees payable for the audit of the financial statements	9,500	9,000
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4. EMPLOYEE NUMBERS

The average number of persons employed by the company during the year amounted to 14 (2021: 13).

5. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2022	2021
	£	£
Interest on cash and cash equivalents	—	198
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6. DEBTORS

	2022	2021
	£	£
Trade debtors	1,177,832	967,773
Amounts owed by group undertakings and undertakings in which the company has a participating interest	2,998,893	3,449,996
Other debtors	2,419,620	2,250,427
	-----	-----
	6,596,345	6,668,196
	-----	-----

7. CREDITORS: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	940,082	534,971
Amounts owed to group undertakings and undertakings in which the company has a participating interest	3,343,685	2,936,418
Social security and other taxes	31,472	24,832
Other creditors	241,740	176,491
	<u>4,556,979</u>	<u>3,672,712</u>

8. CREDITORS: amounts falling due after more than one year

	2022	2021
	£	£
Other creditors	300,000	300,000
	<u>300,000</u>	<u>300,000</u>

9. GOVERNMENT GRANTS

The amounts recognised in the financial statements for government grants are as follows:

	2022	2021
	£	£
Recognised in other operating income:		
Government grants recognised directly in income	2,031	3,555
	<u>2,031</u>	<u>3,555</u>

10. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

During the year the directors did not enter into any advances, credits or guarantees with the company.

11. RELATED PARTY TRANSACTIONS

During the year, Guaranteed Waterproofing Systems Limited, a company which shares directors and shareholders with the same interests, invoiced Guaranteed Asphalt Limited £525,430 for consultancy fees (2021: £370,028). At 31 July 2022 Guaranteed Asphalt Limited owed Guaranteed Waterproofing Systems Limited £222,840 (2021: £71,334). During the year, Shield Membranes Limited, a company which shares directors and shareholders with the same interest, invoiced Guaranteed Asphalt Limited £1,398,293 for materials (2021: £2,313,750). Also, during the year, Guaranteed Asphalt Limited invoiced Shield Membranes Limited £2,681,500 for management charges (2021: £1,985,720) and Shield Membranes Limited invoiced Guaranteed Asphalt Limited £455,000 for management charges (2021: £nil). At 31 July 2022 Guaranteed Asphalt Limited owed Shield Membranes Limited £3,343,685 (2021: £2,936,418). During the year, Asphalt Plant Limited, a company which shares directors and shareholders with the same interests, invoiced Guaranteed Asphalt Limited £1,900,000 for management charges (2021: £2,275,000). Also, during the year, Guaranteed Asphalt Limited invoiced Asphalt Plant Limited £1,351,750 for management charges (2021: £2,360,000). At 31 July 2022, Asphalt Plant Limited owed Guaranteed Asphalt Limited £2,997,893 (2021: £3,448,996).

12. CONTROLLING PARTY

The company is a 91% owned subsidiary of Guaranteed Asphalt Holdings Limited.

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