

Registration number: 005306249

IJM Enterprises Limited

Annual report and financial statements

for the year ended 31 December 2019



IJM Enterprises Limited

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IJM Enterprises Limited

Company information

Directors

D.M. Evans

A.R. Williams

TP Directors Limited

Company secretary

TPG Management Services Limited

Registered office

Lodge Way House

Lodge Way

Harlestone Road

Northampton

NN5 7UG

IJM Enterprises Limited

Directors' report for the year ended 31 December 2019

The Directors present their Annual report and the audited financial statements for the year ended 31 December 2019.

The Company has taken advantage of the exemption under section 414B of the Companies Act 2006 to not prepare a strategic report.

Principal activity and future developments

The Company is a wholly owned subsidiary of Travis Perkins plc, the ultimate parent company.

The principal activity of the Company in 2018 was the sale of bathrooms and related furnishings to the consumer market. The business together with trade and assets were transferred to City Plumbing Supplies Holdings Limited and subsequently the company ceased trading on 31 December 2018. The Company was dormant during the year ended 31 December 2019.

The Directors have no intention to change the principal activity of the Company in the foreseeable future.

Directors of the Company

The Directors who held office during the year were as follows:

A.D. Buffin (resigned 26 February 2019)

J.P. Carter (resigned 1 May 2019)

D.M. Evans

A.R. Williams

TP Directors Limited

Directors' liabilities

The Company made qualifying third party indemnity provisions for the benefits of its Directors during the year, which remain in force at the date of this report. This is a qualifying provision for the purposes of the Companies Act 2006.

Dividends

The Directors do not recommend the payment of a dividend (2018: £nil).

Political donations

During the year the Company made no political donations nor incurred any political expenditure (2018: £nil).

Going concern

The Directors have a reasonable expectation that the Company has the resources to continue in operational existence for the twelve months from the date of signing these financial statements. Thus, it adopted the going concern assumption in preparing the annual financial statements.

Modern slavery

The Company will not accept slavery or human trafficking and works with suppliers and colleagues to ensure positive steps are taken to ensure that slavery has no place in the business or supply chain. If issues are identified, investigations and remedial actions will be taken. No instances of slavery or human trafficking have been identified.

The Company's approach to this issue is set out in greater detail in the Travis Perkins plc Annual Report, which does not form part of this report.

IJM Enterprises Limited

Directors' report for the year ended 31 December 2019 (continued)

Approved by the Board on 14 December 2020 and signed on its behalf by:



.....
A.R. Williams
Director

Registered office:
Lodge Way House
Lodge Way
Harlestone Road
Northampton
NN5 7UG

IJM Enterprises Limited

Profit and loss account and other comprehensive income for the year ended 31 December 2019

	Note	2019 £000	2018 £000
Turnover	4	-	2,758
Cost of sales		-	(1,739)
Gross profit		-	1,019
Selling and distribution costs		-	(466)
Administrative expenses		-	(788)
Operating result/(loss) and result/(loss) before taxation	5	-	(235)
Tax credit	9	-	35
Result/(loss) and total comprehensive income for the year		-	(200)

There were no recognised gains or losses other than the results for the years as shown above.


IJM Enterprises Limited

Balance sheet as at 31 December 2019

	Note	2019 £000	2018 £000
Current assets			
Debtors	11	498	498
Net assets		498	498
Capital and reserves			
Called up share capital	13	-	-
Share premium account	14	-	-
Profit and loss account	14	498	498
Total equity		498	498

The notes on pages 7 to 12 form an integral part of these financial statements.

The financial statements of IJM Enterprises Limited, registered number 005306249, were approved and authorised by the Board on 14 December 2020 and signed on its behalf by:



.....
A.R. Williams
Director

IJM Enterprises Limited

Statement of changes in equity for the year ended 31 December 2019

	Share capital £000	Share premium £000	Profit and loss account £000	Total £000
At 1 January 2018	-	13,444	(18,304)	(4,860)
Loss for the year	-	-	(200)	(200)
Capitalisation of intercompany debt	-	5,558	-	5,558
Cancellation of share premium account	-	(19,002)	19,002	-
At 31 December 2018	-	-	498	498
Result and total comprehensive income for the year	-	-	-	-
At 31 December 2019	-	-	498	498

IJM Enterprises Limited

Notes to the financial statements for the year ended 31 December 2019

1 General information

The Company is a private company limited by share capital, incorporated in the United Kingdom under the Companies Act 2006.

The address of its registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Directors' Report on page 2.

2 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (as amended following its Triennial review in 2017).

Basis of preparation

These financial statements have been prepared using the historical cost convention, except that as disclosed in the accounting policies certain items are shown at fair value.

The presentation currency of these financial statements is Sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

Summary of disclosure exemptions

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

Going concern

After reviewing the Company's forecasts and projections, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the 12 months from the date of signing these financial statements. The Company therefore has adopted the going concern basis in preparing its financial statements.

Financial instruments

Recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in operating profit in the profit and loss account as a charge to administrative expenses.

IJM Enterprises Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

2 Accounting policies (continued)

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge, including UK corporation tax and foreign tax, is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

The tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Customer rebates

Where the Company has rebate agreements with its customers, the value of customer rebates paid or payable, calculated in accordance with the agreements in place, is deducted from turnover in the year in which the rebate is earned.

Revenue recognition

Turnover is recognised when goods are received by the customer and the risks and rewards of ownership have passed to them. Turnover is measured at the fair value of consideration received or receivable and represents amounts receivable for goods provided in the normal course of business, net of customer rebates, discounts and value added tax. The Company supplies all goods within the United Kingdom.

IJM Enterprises Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

3 Critical accounting judgements and key sources of estimation uncertainty

These financial statements have been prepared in accordance with the Company's accounting policies, which are described in note 2. The preparation of financial statements requires the Directors to make estimates and assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities. Future events and their effects cannot be determined with certainty. Therefore, the determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience, current and expected economic conditions. The Directors frequently re-evaluate these significant factors and make adjustments where facts and circumstances dictate.

Due to the simplicity of the company's operations, there are no critical accounting judgements and estimates made in the preparation of these financial statements.

4 Revenue

Turnover is recognised when goods are received by the customer and the risks and rewards of ownership have passed to them. Turnover is measured at the fair value of consideration received or receivable and represents amounts receivable for goods provided in the normal course of business, net of customer rebates, discounts and value added tax. The Company supplies all goods within the United Kingdom.

All turnover in the year ended 31 December 2018 was generated from the sale of goods.

5 Operating loss

Operating loss is stated after charging:

	2019 £000	2018 £000
Foreign exchange losses	-	7
Operating lease expense - plant and equipment	-	36
Inventory recognised as an expense	-	1,739

6 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2019 £000	2018 £000
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	-	7

These fees were borne by another group company. Auditor's remuneration for non-audit services is disclosed within the Travis Perkins plc Annual Report. No non-audit services were provided by the auditor directly to the Company in either the current or prior year.

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Notes to the financial statements for the year ended 31 December 2019 (continued)

7 Directors' remuneration

Four (2018: four) of the Directors are paid by other group companies and received total emoluments (including non-performance related bonuses) of £2,535,000 (2018: £2,985,000), pension contributions of £7,000 (2018: £459,000) and performance-related bonus of £nil (2018: £nil) during the year, but it is not practicable to allocate their remuneration from other group companies for services rendered. In addition, of these Directors, two (2018: two) is contributing towards the Travis Perkins Pension Plan, which is a defined contribution scheme, in respect of their service to other group companies.

Four Directors paid by another group company exercised share options during the year (2018: four).

8 Staff costs

The average number of persons employed by the company (including Directors) during the year, analysed by category, was as follows:

	2019 No.	2018 No.
Administration and support	-	1
Sales	-	9
	-	10

The aggregate payroll costs (including Directors' remuneration) were as follows:

	2019 £000	2018 £000
Wages and salaries	-	429
Social security costs	-	25
Pension costs	-	3
	-	457

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Notes to the financial statements for the year ended 31 December 2019 (continued)

9 Tax

Tax charged/(credited) in the profit and loss account

	2019 £000	2018 £000
Current taxation		
UK corporation tax	-	(46)
Deferred taxation		
Origination and reversal of timing differences	-	1
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	-	10
Total deferred taxation	-	11
Tax credit in the income statement	-	(35)

The tax credit on loss before tax for the year ended 31 December 2019 was equal to (2018: lower than) the standard rate of corporation tax in the UK of 19%.

The differences are reconciled below:

	2019 £000	2018 £000
Loss before tax	-	(235)
Corporation tax at standard rate	-	(45)
Effect of expenses not deductible for tax purposes	-	-
Increase in UK current tax from adjustment for prior periods	-	10
Total tax credit	-	(35)

IJM Enterprises Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

10 Disposal

On 31 December 2018 the trade and assets of the company were acquired by City Plumbing Supplies Holdings Limited for the consideration of £0.5m which is included in the intercompany debtors. Total net assets disposed of was £0.5m including £0.5m of stock, £0.9m of cash, £0.1m of debtors and £1.0m of creditors.

The net assets disposed of were as follows:

	2018 £000
Stock	464
Debtors	57
Creditors	(980)
Cash	922
	<u>473</u>

11 Debtors

	2019 £000	2018 £000
Amounts owed by group undertakings	498	498
	<u>498</u>	<u>498</u>

12 Pension schemes

The Company's employees were able to contribute to the Travis Perkins Pension Plan (the "Plan"). The Plan is a defined contribution scheme. Contributions of £nil (2018: £3,000) were made to the plan scheme during the year.

13 Share capital

Allotted, called up and fully paid shares

	No.	2019 £000	No.	2018 £000
Ordinary shares of £0.000001 each	1	-	1	-

Rights, preferences and restrictions

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

14 Reserves

In December 2018, the Company's share premium reserve was cancelled and credited to reserves.

The profit and loss account represents cumulative profits or losses.

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Notes to the financial statements for the year ended 31 December 2019 (continued)

15 Contingent liabilities

A £30.0m (2018: £30.0m) overdraft facility advanced to the Group is guaranteed by the Company, along with other group companies. At the year-end the overdraft facility was not utilised.

Along with other group companies the Company is also guarantor of certain agreements entered into during the normal course of business by the Group which at the year-end totalled approximately £25m (2018: £25m).

Further details of the Group's borrowings are given in the financial statements of Travis Perkins plc.

16 Related party transactions

The Company has taken advantage of the exemption contained within FRS 102 and not disclosed transactions or balances with companies that are fellow wholly-owned subsidiaries of Travis Perkins plc.

17 Parent and ultimate parent undertaking

The immediate parent undertaking is IJM Holdings Limited. The ultimate parent undertaking, controlling party and smallest and largest group to consolidate these financial statements is Travis Perkins plc, a company registered in England and Wales.

Copies of the Travis Perkins plc group financial statements are available from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.