Company Registration No. 05884731 (England and Wales)

ALLECT LIMITED

(FORMERLY RIGBY & RIGBY LIMITED)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

ALLECT LIMITED
(FORMERLY RIGBY & RIGBY LIMITED)
COMPANY INFORMATION

Directors	Ms T M Brookman Mr I D Johnson Mr S P Rigby
Company number	05884731
Registered office	Bridgeway House Bridgeway Stratford Upon Avon Warwickshire CV37 6YX
Auditor	Ormerod Rutter Limited The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY

ALLECT LIMITED
(FORMERLY RIGBY & RIGBY LIMITED)
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STRATEGIC REPORT

The directors present their strategic report for the year ended 31 March 2019.

On 1 August 2019, the company changed its name from Rigby & Rigby Limited to Allect Limited.

Introduction

Rigby Group is a multinational, service-based holding company for a portfolio of privately owned and highly successful businesses operating across Europe. Diversifying from its origins as a principally technology-led business, Rigby Group has evolved across the last 44 years, generating £2.77bn turnover with over 8,600 employees.

Rigby Group comprises six key divisions: Technology, Airports, Hotels, Real Estate, Aviation, and Finance.

Rigby Group is a values-led business built around three core principles: foresight, working hard and enabling others, aiming to liberate companies within the Group to be the very best they can be, by providing expert and highly personal leadership and swift yet sound decision making, always with an eye firmly on the long-term outcome. Further information is available at www.rigbygroupplc.com.

Allect

Allect International Design Group was established during the prior period and is developing into one of the world's leading design groups. As at 31 March 2019, Allect Group comprised of Rigby & Rigby Limited (now called Allect Limited), Helen Green Design Limited and Lawson Robb Design Limited, and aspires to acquire additional specialist businesses in the field of design and super prime residential project delivery. Core to the principles are the group's ability to achieve excellence and leverage the platform of leading technology, processes and management to enable the specialist services and creative design brands to promote growth in algined super prime markets. Further information is available at www.allect.com.

Rigby & Rigby Limited

Is the UK's leading design, build and management company in super-prime residential property, both for development and for private clients. Every Rigby & Rigby special project is curated, to ensure it is individual and unique. Rigby & Rigby's name is synonymous with quality, bespoke design and attention to detail. From the restoration of elegant period properties and contemporary apartments in the world's most exclusive addresses, each project is defined by originality of design, cutting-edge technology and striking interiors.

Rigby & Rigby offer a comprehensive service from conception to completion, including Development Management, Architecture, Interior Design, Construction and our bespoke concierge aftercare service - Private Client Services 'Total Care' - which covers Service and Maintenance contracts for projects that Rigby & Rigby has completed. Further information is available at www.rigbyandrigby.com.

Helen Green

Helen Green Design Studio is proud to be one of Britain's most respected interior design practices. Founded by the late Helen Green in 2002, the studio creates luxurious, yet liveable, residences and strives to deliver exceptionally high, personalised levels of service - values which lie at the very heart of the business.

Principally residential specialists, private client projects include town houses and penthouse apartments, in super-prime London locations, as well as extensive country estates. In the international field, projects range from Barbados, Val D'Isère, Melbourne and St Petersburg. Further information is available at www.helengreendesign.com.

Lawson Robb

Lawson Robb Design Studio is a cutting edge contemporary interior design practice focusing on bespoke super prime projects including super yachts. The specialsit design team provoke, encourage and inspire private clients to innovate and bespoke some of the world's most luxury and unique projects. Working with private clients, family offices and specialist developers in London, Middle East, China and Mediterean hot spots the practice continues to innovate and lead. Further information is available at www.lawsonrobb.com.

Review of the year
Allect is the brand under which the Rigby Group's design and residential interests will be held and managed. In 2017, the group acquired Helen Green Design Limited, in 2018 the group incorporated Lawson Robb Design Limited to acquire the Lawson Robb trade. Allect continues to explore opportunities to further expand its design brands, acquire new specialist services and brands with a focus on leveraging the shared services platform that supports three branded businesses and 5 core service lines currently. Allect is in a unique position to offer design concept, deliver detailed design and planning both external and interiors, build and construct the design with its own craftsmen and builders and then manage the property for years after.

Allect appointed a new Chief Executive Officer in early 2019 to drive further strategic growth in existing and new markets.

The directors are happy with the progress and developments the company achieved in the year.

Principal risk and uncertainties
Risk management process

The directors are responsible for reviewing risk and the effectiveness of mitigating internal control systems in place. Risks are reassessed in response to changes in the environment in which the company operates.

The board has established and reviews periodically the company's risk appetite, which is set to balance opportunities for new business development in areas of potentially higher risk whilst maintaining customer satisfaction and protecting the company's reputation. The risk appetite is consistent with maintaining a strong framework of ethical behaviour and compliance with laws and legislation.

The risk identification and assessment process is integrated with the strategic planning process. The board establishes the strategic objectives of the company, and then consider the barriers to achieving the strategic objectives, and in turn, assess the level of risk in the context of the company's defined risk appetite.

The principal risks are subject to robust challenge by the board and on the effectiveness of mitigating controls and actions. A group wide insurance program is maintained to further reduce risks facing the group.

Principal risks
The principal commercial risk centre on the residential property market and its volatility.

The company does not purchase properties to undertake speculative residential developments; it undertakes developments and refurbishments of property owned by third parties. The risk of market value fluctuations in residential properties is borne by the owners of the properties.

The economic state of the residential property is a continuing risk, the results of Brexit, foreign exchange rates, attractiveness of the UK being a safe and stable place for investment capital in property, number of sale transactions in super prime London segments are all aspects the Board consider a risk that is continually monitored and assessed.

Allect Limited (Formerly Rigby & Rigby Limited) have always operated in the higher echelon of the luxury and most exclusive part of the market dealing with ultra-high net wealth individuals and businesses. Operational delivery risk to exacting standards to a timed program presents reputational risk if governance, project management discipline and exacting standards are not maintained and monitored, including health and safety. All these project delivery risks are carefully and regularly monitored through process and governance disciplines to minimise this risk materialising.

On behalf of the board

....
Mr D Johnson
Director
21/10/2019

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report and financial statements for the year ended 31 March 2019.

Change in name
The company changed its name from Rigby & Rigby Limited to Allect Limited on 1 August 2019.

Principal activities
The principal activity of the company is the design, build and management of super-prime residential property.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Ms T M Brookman
Mr I D Johnson
Mr S P Rigby
Mr John Howie (Appointed 1 March 2019 and resigned 17 September 2019)

Results and dividends
The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £520,000. The directors do not recommend payment of a final dividend.

Qualifying third party indemnity provisions
The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Going concern
After making enquiries, the directors have a reasonable expectation that the company and group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements.

Auditor
The auditors, Ormerod Rutter Limited, will be proposed for re-appointment in accordance with Section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities
The directors are responsible for preparing the annual 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 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 judgements 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.

Disclosure in the strategic report
A separate Strategic Report has been prepared in compliance with Companies Act 2006 and contains information about likely future developments and an assessment of the principal risks and uncertainties to the company.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

....
Mr D Johnson
Director

Date: 21/10/2019

ALLECT LIMITED
(FORMERLY RIGBY & RIGBY LIMITED)
INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ALLECT LIMITED

Opinion
We have audited the financial statements of Allect Limited (the 'company') for the year ended 31 March 2019 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of our 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 and the directors' report.

We have nothing to report in respect of the following matters where 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, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Ormerod Rutter

Colm McGrory FCA (Senior Statutory Auditor)
for and on behalf of Ormerod Rutter Limited

24/10/19

Chartered Accountants
Statutory Auditor

The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

ALLECT LIMITED
(FORMERLY RIGBY & RIGBY LIMITED)
STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 as restated £
Turnover	3	12,596,930	16,455,497
Cost of sales		(11,114,896)	(14,131,290)
Gross profit		1,482,034	2,324,207
Administrative expenses		(1,126,726)	(930,882)
Operating profit	4	355,308	1,393,325
Interest receivable and similar income	8	4,135	16,338
Interest payable and similar expenses	9	(1,184)	-
Profit before taxation		358,259	1,409,663
Tax on profit	10	(118,715)	(279,717)
Profit for the financial year		239,544	1,129,946

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

ALLECT LIMITED
(FORMERLY RIGBY & RIGBY LIMITED)
BALANCE SHEET
AS AT 31 MARCH 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Intangible assets	**12**		20,355		17,407
Tangible assets	**13**		128,071		83,069
Investments	**14**		2		3
			148,428		100,479
Current assets					
Stocks	**16**	315,297		340,089	
Debtors	**18**	4,557,684		6,160,987	
Cash at bank and in hand		1,708,056		1,251,502	
		6,581,037		7,752,578	
Creditors: amounts falling due within one year	**19**	(3,479,249)		(4,348,657)	
Net current assets			3,101,788		3,403,921
Total assets less current liabilities			3,250,216		3,504,400
Creditors: amounts falling due after more than one year	**20**		(26,272)		-
Net assets			3,223,944		3,504,400
Capital and reserves					
Called up share capital	**24**		2		2
Profit and loss reserves			3,223,942		3,504,398
Total equity			3,223,944		3,504,400

The financial statements were approved by the board of directors and authorised for issue on 21/10/2019 and are signed on its behalf by:

....
Mr I D Johnson
Director

Company Registration No. 05884731

ALLECT LIMITED
(FORMERLY RIGBY & RIGBY LIMITED)
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Share capital	Profit and loss reserves	Total
		£	£	£
Balance at 1 April 2017		2	3,874,452	3,874,454
Year ended 31 March 2018:				
Profit and total comprehensive income for the year		-	1,129,946	1,129,946
Dividends	11	-	(1,500,000)	(1,500,000)
Balance at 31 March 2018		2	3,504,398	3,504,400
Year ended 31 March 2019:				
Profit and total comprehensive income for the year		-	239,544	239,544
Dividends	11	-	(520,000)	(520,000)
Balance at 31 March 2019		2	3,223,942	3,223,944

1 Accounting policies

Company information
Allect Limited is a private company limited by shares incorporated in England and Wales.

The company changed its name from Rigby & Rigby Limited to Allect Limited on 1 August 2019.

The registered office is Bridgeway House, Bridgeway, Stratford Upon Avon, Warwickshire, CV37 6YX.

The nature of the group's operations and its principal activities are set out in the directors report on pages 3 to 4.

1.1 Accounting convention

These financial statements have been prepared under the historical cost convention, to include certain items at fair value, and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

During the year, the directors reviewed the allocation of costs between cost of sales and administrative expenses, and resolved to reallocate certain direct costs (such as of interior design, construction and architectural staff and related costs) from administrative expenses to cost of sales. The reallocation would allow for a more accurate representation of the gross profit generated by the business, and would also fairly reflect the indirect overheads of the business.

The impact of the reclassification of costs on 2018 was to increase cost of sales by £708,491 and reduce administrative expenses by £708,491. Gross profit reduced by 4.31%.

1.2 Going concern

Allect Limited is a wholly owned subsidiary of Rigby Group (RG) plc and the results of Allect Limited are included in the consolidated financial statements of Rigby Group (RG) plc, which are available from its registered office as disclosed in note 26.

The company's business activities, together with factors likely to affect its future developments, performance and position are set out in the Strategic Report on pages 1 to 2.

The company is part of the Rigby Group (RG) plc group and the results are incorporated within the Rigby Group (RG) plc - Annual Report and Financial Statements. These reports describe the financial position of the group; its cash flows and liquidity position; the group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk and liquidity risk.

The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group would be able to operate within the level of its current facilities.

Divisions within the group either have their own bank debt facilities, or borrow from the ultimate parent company where necessary for major investments in infrastructure or acquisitions.

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

1 Accounting policies **(Continued)**

1.3 Turnover

Turnover, which excludes value added tax, relating to property sales is accounted for when there is an exchange of unconditional contracts.

Where a contract has only been partially completed at the balance sheet date turnover represents the fair value of the service provided to date based on the stage of completion of the contract activity at the balance sheet date.

Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website development costs	33% straight line

Amortisation is charged to the profit and loss account.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	20% straight line
Plant and machinery	25% reducing balance
Office furniture and equipment	25% straight line and 25% reducing balance
Motor vehicles	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1 Accounting policies **(Continued)**

1.7 Stocks

Stocks held for resales are stated at the lower of cost and net realisable value. Provision is made for obsolete, slow moving or defective items where appropriate.

1.8 Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date. This is normally measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Where costs incurred plus recognised profits less recognised losses exceed progress billings, the balance is recognised as due from customers on construction contracts within trade and other receivables. Where progress billings exceed costs incurred plus recognised profits less recognised losses, the balance is recognised as an advance payment on construction contracts and in trade and other payables.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

1 Accounting policies **(Continued)**

Impairment of financial assets
Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

Current tax
Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

1 Accounting policies (Continued)

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. 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 only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred 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.

1.11 Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases
Assets held under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit and loss over the relevant period. The capital element of the future payments is treated as liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease.

1.14 Foreign exchange
Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

1.15 Finance costs
Finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment of assets
The company reviews the carrying value of assets, including amounts recoverable from customers on construction contracts at each period end. If indicators of impairment exist, the carrying value of the asset is subject to further testing to determine whether its carrying value exceeds its recoverable amount. This process will usual involve the estimation of future cash flows which are likely to be generated by the asset.

Provisions
A provision is recognised when the company has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flow at a rate that reflects the time value of money and risks specific to the liability.

Whether a present obligation is probable or not requires judgement. The nature and type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

Profit recognition on long term contracts
Profit is only recognised on long-term contracts where the outcome can be assessed with reasonable certainty. In such cases, turnover is calculated by reference to the value of work performed to date as a proportion of total contract value.

3 Turnover and other revenue

	2019	2018
	£	£
Turnover analysed by class of business		
Design, build and management of residential property	12,596,930	16,455,497

	2019	2018
	£	£
Other significant revenue		
Interest income	4,135	16,338

4 Operating profit

Operating profit for the year is stated after charging/(crediting):	2019 £	2018 £
Foreign currency exchange rate losses	175	-
Depreciation of owned tangible fixed assets	26,479	18,785
Depreciation of tangible fixed assets held under finance leases	4,963	-
Profit on disposal of tangible fixed assets	(4,000)	(500)
Amortisation of intangible assets	9,632	4,892
Cost of stocks recognised as an expense	9,481,822	13,090,880
Operating lease charges	48,000	48,000

5 Auditor's remuneration

Fees payable to the company's auditor and associates:	2019 £	2018 £
For audit services		
Audit of the financial statements of the company	7,575	7,985

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019 Number	2018 Number
Employees	31	24

Their aggregate remuneration comprised:

	2019 £	2018 £
Wages and salaries	1,842,560	1,212,735
Social security costs	34,189	23,060
Pension costs	17,461	6,157
	1,894,210	1,241,952

7 Directors' remuneration

	2019	2018
	£	£
Remuneration for qualifying services	265,299	183,429
Company pension contributions to defined contribution schemes	1,714	779
	267,013	184,208

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2018 - 1).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2019	2018
	£	£
Remuneration for qualifying services	200,000	N/A
Company pension contributions to defined contribution schemes	806	N/A

Mr S P Rigby received no remuneration for the qualifying service. The emoluments of Mr S P Rigby are included in the disclosure of total directors emoluments of Rigby Group (RG) plc, the ultimate parent company.

8 Interest receivable and similar income

	2019	2018
	£	£
Interest income		
Interest receivable from group companies	-	15,134
Other interest income	4,135	1,204
Total income	4,135	16,338

9 Interest payable and similar expenses

	2019	2018
	£	£
Interest on bank overdrafts and loans	5	-
Interest on finance leases and hire purchase contracts	1,179	-
	1,184	-

10 Taxation

	2019	2018
	£	£
Current tax		
UK corporation tax on profits for the current period	83,649	280,088
Adjustments in respect of prior periods	33,790	532
Total current tax	117,439	280,620
Deferred tax		
Origination and reversal of timing differences	32	(1,009)
Changes in tax rates	(3)	106
Adjustment in respect of prior periods	1,247	-
Total deferred tax	1,276	(903)
Total tax charge	118,715	279,717

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019	2018
	£	£
Profit before taxation	358,259	1,409,663
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	68,069	267,836
Tax effect of expenses that are not deductible in determining taxable profit	15,612	11,243
Adjustments in respect of prior periods	35,037	532
Effect on deferred tax of change in corporation tax rate	(3)	106
Taxation charge for the year	118,715	279,717

The UK corporation tax rate reduced from 20% to 19% from 1 April 2017. In accordance with the Finance (No.2) Act 2016, the UK corporation tax rate will reduce to 17% from 1 April 2020. As these changes had been substantively enacted at the Balance sheet date they are reflected in these financial statements.

11 Dividends

	2019	2018
	£	£
Interim paid	520,000	1,500,000

12 Intangible fixed assets

	Website Development £
Cost	
At 1 April 2018	59,893
Additions	12,580
At 31 March 2019	72,473
Amortisation	
At 1 April 2018	42,486
Amortisation charged for the year	9,632
At 31 March 2019	52,118
Carrying amount	
At 31 March 2019	20,355
At 31 March 2018	17,407

13 Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Office furniture and equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2018	38,205	20,224	113,345	19,251	191,025
Additions	-	-	28,803	47,640	76,443
Disposals	-	-	-	(19,251)	(19,251)
At 31 March 2019	38,205	20,224	142,148	47,640	248,217
Depreciation and impairment					
At 1 April 2018	1,910	20,224	66,571	19,251	107,956
Depreciation charged in the year	7,641	-	18,837	4,963	31,441
Eliminated in respect of disposals	-	-	-	(19,251)	(19,251)
At 31 March 2019	9,551	20,224	85,408	4,963	120,146
Net book value					
At 31 March 2019	28,654	-	56,740	42,677	128,071
At 31 March 2018	36,295	-	46,774	-	83,069

13 Tangible fixed assets (Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2019	2018
	£	£
Motor vehicles	47,640	-
Depreciation charge for the year in respect of leased assets	4,963	-

14 Fixed asset investments

	Notes	2019	2018
		£	£
Investments in subsidiaries	15	2	2
Investments in joint ventures		-	1
		2	3

Movements in fixed asset investments

	Shares in group undertakings	Shares in joint ventures	Total
	£	£	£
Cost or valuation			
At 1 April 2018	2	1	3
Disposals	-	(1)	(1)
At 31 March 2019	2	-	2
Carrying amount			
At 31 March 2019	2	-	2
At 31 March 2018	2	1	3

15 Subsidiaries

Details of the company's subsidiary at 31 March 2019 are as follows:

Name of undertaking	Nature of business	Class of shares held	% Held Company	% Held Group
Rigby & Rigby Limited (formerly Rigby & Rigby Architecture Limited)	Dormant	Ordinary	100.00	100.00

15 Subsidiaries **(Continued)**

The registered office of Rigby & Rigby Limited (formerly Rigby & Rigby Architecture Limited) is Bridgeway House, Bridgeway, Stratford Upon Avon, Warwickshire, CV37 6YX.

16 Stocks

	2019	2018
	£	£
Raw materials and consumables	2,769	1,590
Construction work in progress	312,528	338,499
	315,297	340,089

17 Construction contracts

	2019	2018
	£	£
Contracts in progress at the reporting date		
Gross amounts owed by contract customers included in debtors	678,779	1,152,439
Gross amounts owed to contract customers included in creditors	(1,172,913)	(2,245,155)
Contract revenues recognised		
Contract costs incurred plus recognised profits less recognised losses	12,596,930	16,455,497

18 Debtors

	2019	2018
Amounts falling due within one year:	£	£
Trade debtors	1,585,952	1,427,759
Gross amounts owed by contract customers	678,779	1,152,439
Corporation tax recoverable	99,483	20,138
Amounts owed by group undertakings	1,886,830	3,062,738
Other debtors	189,900	394,269
Prepayments and accrued income	100,943	101,571
	4,541,887	6,158,914
Deferred tax asset (note 22)	797	2,073
	4,542,684	6,160,987

18 Debtors (Continued)

Amounts falling due after more than one year:	2019 £	2018 £
Other debtors	15,000	-
Total debtors	4,557,684	6,160,987

19 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Obligations under finance leases	21	8,867	-
Trade creditors		829,626	509,628
Gross amounts owed to contract customers		1,172,913	2,245,155
Amounts owed to group undertakings		78,460	-
Group relief creditor		361,713	166,226
Other taxation and social security		106,186	17,735
Other creditors		4,236	1,541
Accruals and deferred income		917,248	1,408,372
		3,479,249	4,348,657

20 Creditors: amounts falling due after more than one year

	Notes	2019 £	2018 £
Obligations under finance leases	21	26,272	-

21 Finance lease obligations

Future minimum lease payments due under finance leases:	2019 £	2018 £
Within one year	8,867	-
In two to five years	26,272	-
	35,139	-

Hire purchase contracts are secured against the assets to which they relate.

22 Deferred taxation

The following are the major deferred tax assets recognised by the company and movements thereon:

Balances:	**Assets 2019 £**	**Assets 2018 £**
Accelerated capital allowances	501	1,811
Other timing differences	296	262
	797	2,073

Movements in the year:	**2019 £**
Asset at 1 April 2018	(2,073)
Charge to profit or loss	1,276
Asset at 31 March 2019	(797)

The deferred tax asset will reverse over the following periods:

	2019 £	**2017 £**
Recoverable within one year	296	262
Recoverable after more than one year	501	1,811
	797	2,073

23 Retirement benefit schemes

Defined contribution schemes	**2019 £**	**2018 £**
Charge to profit or loss in respect of defined contribution schemes	17,461	6,157

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

24 Share capital

	2019 £	**2018 £**
Ordinary share capital		
Issued and fully paid		
2 Ordinary of £1 each	2	2

24 Share capital **(Continued)**

Ordinary shareholders have unrestricted voting rights in the company, the rights to return capital on a winding up and the rights to dividends.

25 Operating lease commitments

Lessee
At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019	2018
	£	£
Within one year	49,908	-
Between two and five years	3,816	-
	53,724	-

26 Events after the reporting date

On 29 July 2019 ownership of Helen Green Design Limited and Lawson Robb Design Limited was transferred from the parent company Allect Holdings Limited to Allect Limited. The trade and assets of Helen Green Design Limited and Lawson Robb Design Limited were then transferred to Allect Limited. An estimate of the financial effect of this event cannot be made.

27 Related party transactions

Transactions with related parties
During the year the company entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2019	2018	2019	2018
	£	£	£	£
Directors	422,014	26,720	-	-
Companies with a director in common	-	-	17,511	77,472

Amounts owed by related parties
The following amounts were outstanding at the reporting end date:

	2019	2018
	£	£
Directors	106,794	120,319

Transactions with other group companies
The company has taken advantage of exemption, under section 33 of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the Rigby Group (RG) plc group.

28 Directors' transactions

	Interest rate	Opening balance £	Interest charged £	Amounts repaid £	Closing balance £
Loan to a director	4.00%	104,274	4,135	(2,064)	106,345
		104,274	4,135	(2,064)	106,345

In addition at the year end there were trade debtors due from directors totalling £449 (2018 - £16,213).

29 Controlling party

The immediate controlling party is Allect Holdings Limited (formerly called Allect Limited) who owns 100% of the issued ordinary share capital.

Rigby Group (RG) plc is regarded by the directors as being the company's ultimate parent company.

The principal place of business of Rigby Group (RG) plc is at Bridgeway House, Stratford-upon-Avon, Warwickshire, CV37 6YX. Rigby Group (RG) plc is the largest group to consolidate these financial statements.

The consolidated statements for Rigby Group (RG) plc are available at the above address.

Sir Peter Rigby, a director of Rigby Group (RG) plc, controlled the Company as a result of holding 84.54% of the issued ordinary share capital and 100% of the voting share capital of Rigby Group (RG) plc, the ultimate parent company.