

REGISTERED NUMBER: 01371473 (England and Wales)

Parent company accounts of 8991391
- Waterfall Group Ltd (Pg 24)

**Group Strategic Report, Report of the Directors and
Audited Consolidated Financial Statements for the Year Ended 31 December 2018**
for
M & J Group (Construction & Roofing)
Limited

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for the Year Ended 31 December 2018**

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**M & J Group (Construction & Roofing)
Limited**

**Company Information
for the Year Ended 31 December 2018**

DIRECTORS:

P Henrickson
D Henrickson
J W Henrickson

SECRETARY:

Mrs C Henrickson

REGISTERED OFFICE:

Hammond Road
Elms Farm Industrial Estate
Bedford
Bedfordshire
MK41 0UD

REGISTERED NUMBER:

01371473 (England and Wales)

AUDITORS:

Godfrey Laws & Co Limited
1 Doolittle Yard
Froghall Road
Amphill
Bedfordshire
MK45 2NW

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Group Strategic Report
for the Year Ended 31 December 2018**

The directors present their strategic report of the company and the group for the year ended 31 December 2018.

REVIEW OF BUSINESS

We have consolidated our position within the roofing sector both with flat roofing and pitched roofing. We feel that we will continue to grow in both sectors. The key performance indicators for us are turnover and gross margin. Our turnover has reduced by 2% compared to the previous year however our gross margin has remained at 34% the same as last year. We feel that this is still a healthy gross margin and means our direct costs to turnover have remained constant. The company remains in a strong financial position. The results for the year and the financial position of the group are as shown in the annexed financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties would be the overall state of the economy and as the business does a large amount of work with the public sector whether any squeeze on public sector finances would affect the level of business available from that source and the need to concentrate more work in the private sector.

FUTURE DEVELOPMENTS

We anticipate continued growth in both sectors of the roofing industry.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'D Hennekson', written over a horizontal line.

D Hennekson - Director

3 May 2019

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Report of the Directors
for the Year Ended 31 December 2018**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2018.

DIVIDENDS

The total distribution of dividends for the year ended 31 December 2018 will be £4,000,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2018 to the date of this report.

P Henrickson
D Henrickson

Other changes in directors holding office are as follows:

J W Henrickson - appointed 19 March 2018

POLITICAL DONATIONS AND EXPENDITURE

During the year the company made charitable donations totalling £5,300 which were comprised as follows:

Teenage Cancer Trust £4,800
Other charities £500

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Report of the Directors
for the Year Ended 31 December 2018**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:



D Henrickson - Director

3 May 2019

**Report of the Independent Auditors to the Members of
M & J Group (Construction & Roofing)
Limited**

Opinion

We have audited the financial statements of M & J Group (Construction & Roofing) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2018 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 December 2018 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group'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 in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

**Report of the Independent Auditors to the Members of
M & J Group (Construction & Roofing)
Limited**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 Statement of Directors' Responsibilities set out on page three, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.

Howard Ashmore FCA (Senior Statutory Auditor)
for and on behalf of Godfrey Laws & Co Limited
1 Doolittle Yard
Froghall Road
Ampthill
Bedfordshire
MK45 2NW

3 May 2019

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Consolidated Income Statement
for the Year Ended 31 December 2018**

	Notes	31.12.18 £	31.12.17 £
TURNOVER		25,402,207	26,189,495
Cost of sales		<u>15,705,525</u>	<u>16,288,903</u>
GROSS PROFIT		9,696,682	9,900,592
Administrative expenses		<u>4,991,846</u>	<u>4,906,583</u>
OPERATING PROFIT	4	4,704,836	4,994,009
Interest receivable and similar income		<u>725</u>	<u>5,753</u>
PROFIT BEFORE TAXATION		4,705,561	4,999,762
Tax on profit	5	<u>916,360</u>	<u>976,127</u>
PROFIT FOR THE FINANCIAL YEAR		3,789,201	4,023,635
Profit attributable to: Owners of the parent		<u><u>3,789,201</u></u>	<u><u>4,023,635</u></u>

The notes form part of these financial statements

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Consolidated Other Comprehensive Income
for the Year Ended 31 December 2018**

	Notes	31.12.18 £	31.12.17 £
PROFIT FOR THE YEAR		3,789,201	4,023,635
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>3,789,201</u>	<u>4,023,635</u>
Total comprehensive income attributable to: Owners of the parent		<u>3,789,201</u>	<u>4,023,635</u>

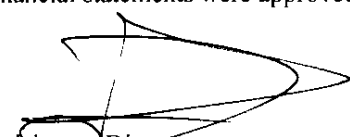
The notes form part of these financial statements

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Consolidated Balance Sheet
31 December 2018**

	Notes	31.12.18 £	31.12.17 £
FIXED ASSETS			
Intangible assets	8	103,247	137,662
Tangible assets	9	921,547	1,068,932
Investments	10	-	-
		<u>1,024,794</u>	<u>1,206,594</u>
CURRENT ASSETS			
Stocks	11	161,939	408,632
Debtors	12	4,586,448	4,108,023
Cash at bank and in hand		3,493,223	4,457,194
		<u>8,241,610</u>	<u>8,973,849</u>
CREDITORS			
Amounts falling due within one year	13	3,899,666	4,592,824
NET CURRENT ASSETS		<u>4,341,944</u>	<u>4,381,025</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,366,738</u>	<u>5,587,619</u>
PROVISIONS FOR LIABILITIES	15	46,405	56,487
NET ASSETS		<u><u>5,320,333</u></u>	<u><u>5,531,132</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	120	120
Retained earnings	17	5,320,213	5,531,012
SHAREHOLDERS' FUNDS		<u><u>5,320,333</u></u>	<u><u>5,531,132</u></u>

The financial statements were approved by the Board of Directors on 3 May 2019 and were signed on its behalf by:


D Henrickson - Director


P Henrickson - Director

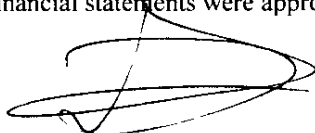
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**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

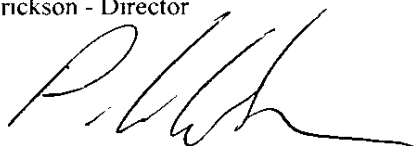
**Company Balance Sheet
31 December 2018**

	Notes	31.12.18 £	31.12.17 £
FIXED ASSETS			
Intangible assets	8	-	-
Tangible assets	9	866,681	1,006,870
Investments	10	520,010	520,010
		<u>1,386,691</u>	<u>1,526,880</u>
CURRENT ASSETS			
Stocks	11	149,455	399,696
Debtors	12	4,577,345	4,095,723
Cash at bank and in hand		3,225,000	4,023,826
		<u>7,951,800</u>	<u>8,519,245</u>
CREDITORS			
Amounts falling due within one year	13	4,084,018	4,727,131
NET CURRENT ASSETS		<u>3,867,782</u>	<u>3,792,114</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,254,473</u>	<u>5,318,994</u>
PROVISIONS FOR LIABILITIES	15	<u>36,184</u>	<u>47,427</u>
NET ASSETS		<u><u>5,218,289</u></u>	<u><u>5,271,567</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	120	120
Retained earnings	17	5,218,169	5,271,447
SHAREHOLDERS' FUNDS		<u><u>5,218,289</u></u>	<u><u>5,271,567</u></u>
Company's profit for the financial year		<u><u>3,946,722</u></u>	<u><u>3,764,070</u></u>

The financial statements were approved by the Board of Directors on 3 May 2019 and were signed on its behalf by:



D Henrickson - Director



P Henrickson - Director

The notes form part of these financial statements

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Company Balance Sheet
31 December 2018**

	Notes	31.12.18 £	£	31.12.17 £	£
FIXED ASSETS					
Intangible assets	8		-		-
Tangible assets	9		866,681		1,006,870
Investments	10		520,010		520,010
			<u>1,386,691</u>		<u>1,526,880</u>
CURRENT ASSETS					
Stocks	11	149,455		399,696	
Debtors	12	4,577,345		4,095,723	
Cash at bank and in hand		3,225,000		4,023,826	
		<u>7,951,800</u>		<u>8,519,245</u>	
CREDITORS					
Amounts falling due within one year	13	4,084,018		4,727,131	
NET CURRENT ASSETS			<u>3,867,782</u>		<u>3,792,114</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,254,473</u>		<u>5,318,994</u>
PROVISIONS FOR LIABILITIES	15		36,184		47,427
NET ASSETS			<u>5,218,289</u>		<u>5,271,567</u>
CAPITAL AND RESERVES					
Called up share capital	16		120		120
Retained earnings	17		5,218,169		5,271,447
SHAREHOLDERS' FUNDS			<u>5,218,289</u>		<u>5,271,567</u>
Company's profit for the financial year			<u>3,946,722</u>		<u>3,764,070</u>

The financial statements were approved by the Board of Directors on 30 April 2019 and were signed on its behalf by:

D Henrickson - Director

P Henrickson - Director

The notes form part of these financial statements

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Consolidated Statement of Changes in Equity
for the Year Ended 31 December 2018**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2017	120	3,691,377	3,691,497
Changes in equity			
Dividends	-	(2,184,000)	(2,184,000)
Total comprehensive income	-	4,023,635	4,023,635
Balance at 31 December 2017	<u>120</u>	<u>5,531,012</u>	<u>5,531,132</u>
Changes in equity			
Dividends	-	(4,000,000)	(4,000,000)
Total comprehensive income	-	3,789,201	3,789,201
Balance at 31 December 2018	<u>120</u>	<u>5,320,213</u>	<u>5,320,333</u>

The notes form part of these financial statements

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Company Statement of Changes in Equity
for the Year Ended 31 December 2018**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2017	120	3,691,377	3,691,497
Changes in equity			
Dividends	-	(2,184,000)	(2,184,000)
Total comprehensive income	-	3,764,070	3,764,070
Balance at 31 December 2017	<u>120</u>	<u>5,271,447</u>	<u>5,271,567</u>
Changes in equity			
Dividends	-	(4,000,000)	(4,000,000)
Total comprehensive income	-	3,946,722	3,946,722
Balance at 31 December 2018	<u>120</u>	<u>5,218,169</u>	<u>5,218,289</u>

The notes form part of these financial statements

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Consolidated Cash Flow Statement
for the Year Ended 31 December 2018**

	Notes	31.12.18 £	31.12.17 £
Cash flows from operating activities			
Cash generated from operations	1	4,186,284	5,941,921
Tax paid		(856,073)	(1,093,659)
Net cash from operating activities		3,330,211	4,848,262
Cash flows from investing activities			
Purchase of subsidiary		-	(193,674)
Purchase of tangible fixed assets		(57,390)	(983,740)
Sale of tangible fixed assets		32,483	63,317
Interest received		725	5,753
Net cash from investing activities		(24,182)	(1,108,344)
Cash flows from financing activities			
Increase on directors loan accounts		-	270,000
Amount withdrawn by directors		(270,000)	-
Equity dividends paid		(4,000,000)	(2,184,000)
Net cash from financing activities		(4,270,000)	(1,914,000)
(Decrease)/increase in cash and cash equivalents		(963,971)	1,825,918
Cash and cash equivalents at beginning of year	2	4,457,194	2,631,276
Cash and cash equivalents at end of year	2	3,493,223	4,457,194

The notes form part of these financial statements

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2018**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	31.12.18	31.12.17
	£	£
Profit before taxation	4,705,561	4,999,762
Depreciation charges	199,770	232,307
Loss on disposal of fixed assets	6,938	1,703
Finance income	(725)	(5,753)
	4,911,544	5,228,019
Decrease/(increase) in stocks	246,693	(279,497)
(Increase)/decrease in trade and other debtors	(478,425)	733,777
(Decrease)/increase in trade and other creditors	(493,528)	259,622
Cash generated from operations	4,186,284	5,941,921

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2018

	31.12.18	1.1.18
	£	£
Cash and cash equivalents	3,493,223	4,457,194

Year ended 31 December 2017

	31.12.17	1.1.17
	£	£
Cash and cash equivalents	4,457,194	2,631,276

The notes form part of these financial statements

**Notes to the Consolidated Financial Statements
for the Year Ended 31 December 2018**

1. STATUTORY INFORMATION

M & J Group (Construction & Roofing) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2017, is being amortised evenly over its estimated useful life of five years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018**

2. 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.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Hire purchase and leasing commitments

Assets obtained 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 or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described above, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

3. EMPLOYEES AND DIRECTORS

	31.12.18	31.12.17
	£	£
Wages and salaries	2,789,238	3,078,147
Social security costs	303,384	368,883
Other pension costs	14,033	6,178
	<hr/> 3,106,655 <hr/>	<hr/> 3,453,208 <hr/>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018**

3. EMPLOYEES AND DIRECTORS - continued

The average number of employees during the year was as follows:

	31.12.18	31.12.17
Directors	3	2
Office and administration	45	42
	48	44

The average number of employees by undertakings that were proportionately consolidated during the year was NIL (2017 - NIL).

	31.12.18	31.12.17
	£	£
Directors' remuneration	552,758	562,121

Information regarding the highest paid director is as follows:

	31.12.18	31.12.17
	£	£
Emoluments etc	349,822	457,832

4. OPERATING PROFIT

The operating profit is stated after charging:

	31.12.18	31.12.17
	£	£
Hire of plant and machinery	1,571,247	1,012,429
Depreciation - owned assets	165,354	198,837
Loss on disposal of fixed assets	6,938	1,703
Goodwill amortisation	34,415	34,416
Auditors' remuneration	6,700	6,300
Auditors' remuneration for non audit work	11,072	8,256

5. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31.12.18	31.12.17
	£	£
Current tax:		
UK corporation tax	926,442	978,702
Deferred tax:		
Accelerated capital allowances	(10,082)	388
Change in tax rate	-	(2,963)
Total deferred tax	(10,082)	(2,575)
Tax on profit	916,360	976,127

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018**

5. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.18	31.12.17
	£	£
Profit before tax	4,705,561	4,999,762
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.247%)	894,057	962,304
Effects of:		
Expenses not deductible for tax purposes	3,148	10,137
Capital allowances in excess of depreciation	-	(214)
Depreciation in excess of capital allowances	29,237	-
Deferred taxation	(10,082)	(2,575)
Adjustments as subsidiary not part of group whole year	-	6,475
Total tax charge	916,360	976,127

6. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

7. DIVIDENDS

	31.12.18	31.12.17
	£	£
Interim	4,000,000	2,184,000

8. INTANGIBLE FIXED ASSETS

Group

	Goodwill
	£
COST	
At 1 January 2018	
and 31 December 2018	172,078
AMORTISATION	
At 1 January 2018	34,416
Amortisation for year	34,415
At 31 December 2018	68,831
NET BOOK VALUE	
At 31 December 2018	103,247
At 31 December 2017	137,662

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018**

9. TANGIBLE FIXED ASSETS

Group

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 January 2018	19,877	783,609	644,742	1,448,228
Additions	-	-	57,390	57,390
Disposals	-	-	(90,508)	(90,508)
At 31 December 2018	19,877	783,609	611,624	1,415,110
DEPRECIATION				
At 1 January 2018	7,991	78,361	292,944	379,296
Charge for year	2,655	70,525	92,174	165,354
Eliminated on disposal	-	-	(51,087)	(51,087)
At 31 December 2018	10,646	148,886	334,031	493,563
NET BOOK VALUE				
At 31 December 2018	9,231	634,723	277,593	921,547
At 31 December 2017	11,886	705,248	351,798	1,068,932

Company

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 January 2018	18,681	783,609	555,412	1,357,702
Additions	-	-	27,589	27,589
Disposals	-	-	(72,286)	(72,286)
At 31 December 2018	18,681	783,609	510,715	1,313,005
DEPRECIATION				
At 1 January 2018	7,560	78,361	264,911	350,832
Charge for year	2,224	70,525	74,353	147,102
Eliminated on disposal	-	-	(51,610)	(51,610)
At 31 December 2018	9,784	148,886	287,654	446,324
NET BOOK VALUE				
At 31 December 2018	8,897	634,723	223,061	866,681
At 31 December 2017	11,121	705,248	290,501	1,006,870

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018**

10. FIXED ASSET INVESTMENTS

Company

**Shares in
group
undertakings
£**

COST

At 1 January 2018
and 31 December 2018

520,010

NET BOOK VALUE

At 31 December 2018

520,010

At 31 December 2017

520,010

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Waterfall Group Limited

Registered office: Hammond Road, Elms Farm Industrial Estate, Bedford, Bedfordshire MK41 0UD
Nature of business: Dormant company

	% holding	31.12.18	31.12.17
Class of shares:			
Ordinary	100.00	£	£
Aggregate capital and reserves		1	1

Waterfall Insulation Limited

Registered office: Hammond Road, Elms Farm Industrial Estate, Bedford, Bedfordshire MK41 0UD
Nature of business: Dormant company

	% holding	31.12.18	31.12.17
Class of shares:			
Ordinary	100.00	£	£
Aggregate capital and reserves		1	1

Lee Moore & Sons Roofing Services Limited

Registered office: Hammond Road, Elms Farm Industrial Estate, Bedford, Bedfordshire MK41 0UD
Nature of business: Roofing services

	% holding	31.12.18	31.12.17
Class of shares:			
Ordinary	100.00	£	£
Aggregate capital and reserves		519,355	641,912
Profit for the year		377,443	299,103

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018**

11. STOCKS

	Group		Company	
	31.12.18	31.12.17	31.12.18	31.12.17
	£	£	£	£
Stocks	155,283	408,632	149,455	399,696
Work-in-progress	6,656	-	-	-
	<u>161,939</u>	<u>408,632</u>	<u>149,455</u>	<u>399,696</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.12.18	31.12.17	31.12.18	31.12.17
	£	£	£	£
Trade debtors	2,609,781	1,969,037	2,614,393	1,968,445
Other debtors	166,517	4,800	166,517	-
Retentions	819,147	801,335	819,147	801,335
Requests for payment	784,953	962,355	784,953	962,355
Prepayments and accrued income	206,050	370,496	192,335	363,588
	<u>4,586,448</u>	<u>4,108,023</u>	<u>4,577,345</u>	<u>4,095,723</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.12.18	31.12.17	31.12.18	31.12.17
	£	£	£	£
Trade creditors	942,091	1,029,482	895,859	1,004,193
Tax	469,897	399,527	382,908	331,110
Social security and other taxes	91,023	109,130	91,023	100,024
VAT	612,644	550,274	653,950	549,902
Other creditors	28,539	326,800	28,539	326,800
Directors' current accounts	-	270,000	-	270,000
Accrued expenses	1,755,472	1,907,611	2,031,739	2,145,102
	<u>3,899,666</u>	<u>4,592,824</u>	<u>4,084,018</u>	<u>4,727,131</u>

14. FINANCIAL INSTRUMENTS

	31.12.18	31.12.17
Financial instruments that are debt instruments measured at amortised cost:		
Trade debtors	2,609,781	1,989,037
Retentions	819,147	801,335
Requests for payment	784,953	962,355
Other debtors	166,517	4,800
Cash at bank and in hand	3,493,223	2,631,276
Financial liabilities measured at amortised cost:		
Trade creditors	942,091	1,029,482
Other creditors	28,539	326,800

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018**

15. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.12.18	31.12.17	31.12.18	31.12.17
	£	£	£	£
Deferred tax				
Accelerated capital allowances	<u>46,405</u>	<u>56,487</u>	<u>36,184</u>	<u>47,427</u>
Group				
				Deferred tax
				£
Balance at 1 January 2018				56,487
Accelerated capital allowances				(10,082)
Balance at 31 December 2018				<u>46,405</u>
Company				
				Deferred tax
				£
Balance at 1 January 2018				47,427
Accelerated Capital Allowances				(11,243)
Balance at 31 December 2018				<u>36,184</u>

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.18	31.12.17
			£	£
12,000	Ordinary 1p	.01p	<u>120</u>	<u>120</u>

17. RESERVES

Group		
		Retained earnings
		£
At 1 January 2018		5,531,012
Profit for the year		3,789,201
Dividends		(4,000,000)
At 31 December 2018		<u>5,320,213</u>

**M & J Group (Construction & Roofing)
Limited (Registered number: 01371473)**

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018**

17. RESERVES - continued

Company

	Retained earnings £
At 1 January 2018	5,271,447
Profit for the year	3,946,722
Dividends	(4,000,000)
	<hr/>
At 31 December 2018	5,218,169
	<hr/>

18. RELATED PARTY DISCLOSURES

During the year, total dividends of £2,386,667 were paid to the directors.

Roof Asset Management Consultancy Limited a company of which the directors are also directors

	31.12.18 £	31.12.17 £
Sales	163,556	180,571
Purchases	518,569	143,699
Amount due from related party	173,865	60,942
Amount due to related party	131,812	-
	<hr/>	<hr/>

P Henrickson and D Henrickson directors of the company

	31.12.18 £	31.12.17 £
Rent paid	165,000	225,000
	<hr/>	<hr/>

Jack Henrickson son of director and shareholder

	31.12.18 £	31.12.17 £
Dividend paid	-	161,600
Amount due to related party	-	122,000
	<hr/>	<hr/>

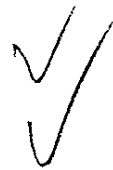
Other related parties

	31.12.18 £	31.12.17 £
Sally Henrickson, wife of director and shareholder Dividend paid	813,333	58,000
Clare Henrickson, wife of director and shareholder Dividend paid	800,000	120,000
Sally Henrickson, wife of director and shareholder Amount due to related party	-	58,000
Clare Henrickson, wife of director and shareholder Amount due to related party	-	120,000
Dean Henrickson director Amounts owed to related party	-	150,000
Peter Henrickson director Amounts owed to related party	-	120,000
	<hr/>	<hr/>

**M & J Group (Construction & Roofing)
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**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2018**

19. **SUBSIDIARIES**



The subsidiaries Waterfall Insulation Limited (registered number 08991165), Waterfall Group Limited (registered number 08991391) and Lee Moore & Sons Roofing Services Limited (registered number 09565026) are exempt from the requirements of the Act relating to the audit of individual accounts by virtue of s479A of the Companies Act 2006 . A guarantee under 479C of the Companies Act 2006 has been provided by the company on behalf of each the above named subsidiary companies.