

Registered number: 02504664

**RYEARCH LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 MARCH 2020**



**RYEARCH LIMITED**  
**REGISTERED NUMBER:02504664**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2020**


	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	5	100,153	70,975
<b>Current assets</b>			
Stocks		32,227	25,818
Debtors: amounts falling due within one year	6	1,060,051	1,443,782
Cash at bank and in hand		730,344	535,919
		<u>1,822,622</u>	<u>2,005,519</u>
Creditors: amounts falling due within one year	7	(1,493,696)	(1,472,534)
<b>Net current assets</b>		<u>328,926</u>	<u>532,985</u>
<b>Total assets less current liabilities</b>		<u>429,079</u>	<u>603,960</u>
Creditors: amounts falling due after more than one year	8	(53,112)	(42,674)
<b>Provisions for liabilities</b>			
Deferred tax		-	(2,790)
<b>Net assets</b>		<u><u>375,967</u></u>	<u><u>558,496</u></u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		375,867	558,396
		<u><u>375,967</u></u>	<u><u>558,496</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**Mr M A Wildman**  
 Director

Date: 24th MARCH 2021

The notes on pages 2 to 9 form part of these financial statements.

## **RYEARCH LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

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#### **1. GENERAL INFORMATION**

Ryearch Limited is a private limited liability company (registered number: 02054664) incorporated in England and Wales. The registered office is given on the company information page.

#### **2. ACCOUNTING POLICIES**

##### **2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The company and the group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and group are considered eligible for the exemption to prepare consolidated accounts.

The following principal accounting policies have been applied:

##### **2.2 GOING CONCERN**

As at 31 March 2020, the company held net current assets of £328,926 and net assets of £375,967.

As with many businesses the company's trading results have been impacted significantly by the COVID-19 pandemic. However, although it has benefited from some support through the Coronavirus Job Retention Scheme it has traded throughout the pandemic without the need for any external funding. At the time of approving these financial statements the contract order book remains strong and the financial forecasts show that the company's current funds will be sufficient to continue its existing operations and meet any liabilities as they fall due. The financial statements have therefore been prepared on the going concern basis.

##### **2.3 REVENUE**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. ACCOUNTING POLICIES (continued)**

**2.4 LONG-TERM CONTRACTS**

Where the outcome of a long-term contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract at the reporting date. Turnover is calculated using a valuation of the work performed during the year, along with an assessment of the stage of completion of the contract.

Where the outcome of a long-term contract cannot be estimated reliably, revenue is recognised to the extent of contract costs incurred if it is considered probable that these will be recovered.

Full provision is made for losses on contracts in the year in which they are first foreseen.

**2.5 OPERATING LEASES: THE COMPANY AS LESSEE**

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.6 PENSIONS**

**DEFINED CONTRIBUTION PENSION PLAN**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

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2. ACCOUNTING POLICIES (continued)

2.7 CURRENT AND DEFERRED TAXATION

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

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

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

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

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

2.8 TANGIBLE FIXED ASSETS

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

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

Depreciation is provided on the following basis:

Motor vehicles	-	25%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

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

2.9 STOCKS

Work in progress is valued at the lower of cost and net realisable value. Work in progress on contracts comprise costs incurred net of amounts transferred to cost of sales and after deducting foreseeable losses and payments on account. Costs include all direct material and labour costs incurred in bringing a contract to its stage of completion at year end.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. ACCOUNTING POLICIES (continued)**

**2.10 PROVISIONS FOR LIABILITIES**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

**2.11 FINANCIAL INSTRUMENTS**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

**2.12 DIVIDENDS**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION  
UNCERTAINTY**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported as revenues and expenses during the year. However the nature of estimation means that the actual outcomes could differ from those estimates.

Valuation of incomplete contracts at the year-end: Contracts are valued (both in terms of cost and revenue) by the in house team of qualified Quantity Surveyors based on their experience in the industry and their knowledge of the contract in question.

**4. EMPLOYEES**

The average monthly number of employees, including directors, during the year was 34 (2019: 38).

**RYEARCH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**5. TANGIBLE FIXED ASSETS**

	Motor vehicles £
<b>COST</b>	
At 1 April 2019	179,139
Additions	85,255
At 31 March 2020	<u>264,394</u>
<b>DEPRECIATION</b>	
At 1 April 2019	108,164
Charge for the year on owned assets	56,077
At 31 March 2020	<u>164,241</u>
<b>NET BOOK VALUE</b>	
At 31 March 2020	<u><u>100,153</u></u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2020 £	2019 £
Motor vehicles	<u><u>100,153</u></u>	<u><u>70,975</u></u>

**RYEARCH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**6. DEBTORS**

	2020 £	2019 £
Trade debtors	529,496	681,248
Other debtors	163,795	178,036
Prepayments and accrued income	32,922	31,109
Amounts recoverable on long term contracts	333,838	553,389
	<u>1,060,051</u>	<u>1,443,782</u>

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade creditors	414,104	388,019
Amounts owed to group undertakings	155,109	245,725
Other taxation and social security	29,174	43,412
Obligations under finance lease and hire purchase contracts	47,053	31,927
Other creditors	12,809	53,215
Accruals	556,944	662,942
Deferred income	278,503	47,294
	<u>1,493,696</u>	<u>1,472,534</u>

Obligations under finance lease and hire purchase contracts are secured against the related asset.

**8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2020 £	2019 £
Net obligations under finance leases and hire purchase contracts	53,112	42,674
	<u>53,112</u>	<u>42,674</u>

Obligations under finance lease and hire purchase contracts are secured against the related asset.



# RYEARCH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 9. DEFERRED TAXATION

	2020 £
At beginning of year	2,790
Charged to profit or loss	2,790
<b>AT END OF YEAR</b>	<b>-</b>

The deferred taxation balance is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	-	2,790
	-	2,790

### 10. PENSION COMMITMENTS

The company operates a defined contributions scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £25,715 (2019: £23,502).

### 11. RELATED PARTY TRANSACTIONS

The company has taken advantage of exemptions available in Section 33.1a of FRS 102 and has not disclosed transactions with group members in which the subsidiary is 100% owned within the group.

During the year, rent of £Nil (2019: £17,425) was paid to two of the Company directors.

A company controlled by three directors of Ryearch Limited and their spouses owes Ryearch Limited £13,071 (2019: £161,388) and is included within other debtors. Interest of £1,683 (2019: £5,179) was charged on this balance during the year.

A joint venture between a company controlled by three directors and a third party, contracted services from Ryearch Limited during the year with a value of £2,351 (2019: £145,226). Included within amounts recoverable on long term contracts is £Nil (2019: £17,773). The joint venture also made a loan to the company of £12,660 (2019: £12,660) which is included in other creditors. The net amount owed to the joint venture at the year end is £12,660 (2019: £5,133).

A company in which 4 directors have a controlling interest, contracted services from Ryearch Limited during the year with a value of £7,475 (2019: £535,135). At the year end, the company owed Ryearch Limited £Nil (2019: £535,135) which is included in amounts recoverable on long term contracts. In addition, the company owed Ryearch £134,786 (2019: Ryearch owed the company £40,279) at the year end. This balance is included in other debtors (2019: other creditors). During the year, rent of £57,401 (2019: £Nil) was paid to the same company.

The key management personnel are the company directors. Their remuneration during the year was £Nil (2019: £62,648).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**12. AUDITORS' INFORMATION**

The auditors' report on the financial statements for the year ended 31 March 2020 was unqualified.

The audit report was signed by Robert Davey FCA (Senior Statutory Auditor) on behalf of Bishop Fleming LLP.