

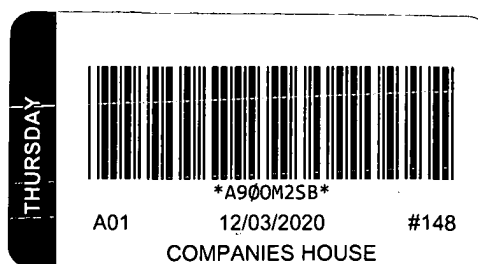
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Registered number: 04371530

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2019



BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

COMPANY INFORMATION

Directors	M P Stanton K Farrimond (resigned 31 January 2020) L Hall (resigned 2 December 2019) P Burton A C Bramley (appointed 8 March 2019)
Company secretary	J C Simson
Registered number	04371530
Registered office	Bembridge House Bembridge Drive Kingsthorpe Northamptonshire NN2 6LZ
Independent auditor	MHA MacIntyre Hudson Chartered Accountants & Statutory Auditors Peterbridge House The Lakes Northampton NN4 7HB
Bankers	Barclays Bank Plc Midlands Corporate Banking PO Box 3333 1 Snowhill Snow Hill Queensway Birmingham B3 2WN

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

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BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 OCTOBER 2019

Introduction

The Directors present their Strategic Report and the financial statements for the year ended 31 October 2019.

Business review

The principal activities of the Company include: planned (PPM) maintenance, reactive, facilities management and emergency breakdown maintenance services for mechanical, electrical, public health and specialist systems across the UK property services industry.

The Company maintained turnover at £11.9m (2018: £11.9m) delivering a net loss before tax of -£503k (2018: Net Profit 378k). This result was significantly impacted by not securing the expected increase in turnover combined with un-productive labour that materialised as a result.

The Company's performance was fully reviewed mid-year resulting in a management restructure and the implementation of a new 3 year strategic plan. This plan will see the Company concentrate efforts on building the volume of base PPM contracts with new work and retention of current contracts, whilst driving operational efficiencies and improving client KPI's and staff communication.

Company net current assets have reduced as a result of the financial performance to £767k (2018: £1.3m).

The Company cash position stood at £355k (2018: £848k) at the year end. The position is expected to be marginally improved during 2020 being supported in the 2nd quarter by the projected volume increase.

The Company rebrand to Briggs & Forrester Building Services Maintenance Ltd has been completed, better reflecting its part within the wider B&F Group of Companies and improving marketing activities.

The Company's forward PPM order book fully supports our growth plans and forward objectives which has seen more investment into the Sales and Business Development activities.

In respect of Health, Safety, Environmental and Quality, the Company continues to pursue the highest levels of risk management across our sites, and maintains compliance to latest standards in all appropriate respects. Our Total Reportable Accident Frequency Rate (AFR) is 1.40 (2018: 1.42) per 100,000 hours worked. The total number of accidents reported in the year was 3 (2018: 3) from a total workforce of approximately 107. An objective to improve these results further has been set for 2020.

The Company continued its commitment to training and development fully recognising the importance of staff retention and is proud of its enviable record in this respect. The focus on future talent remains with 5 (2018: 5) staff employed in both technical and craft trainee positions.

Principal risks and uncertainties

The Directors have developed strategies to achieve planned profitable growth and have funding arrangements in place to cover all foreseeable needs. The Group continually introduces new products to meet the exacting and changing needs of its market place. With our procedures and controls that are in place, any risks on Cash Flow and Credit Risks are treated as high priority although manageable, given the current uncertainty surrounding the Construction sector.

The Directors continually review the risks facing the business. Where it is considered cost effective, risks to the Group and its business are covered by all the required levels of insurance. External factors, over which the Group has little control, include the effect of government legislation and the level of economic activity in the United Kingdom, Internal factors include the skills and competencies of staff of which ongoing training requirements are at the forefront of our thoughts.

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2019

Financial risk management objectives and policies

Cash Flow Risk

Cash flow for the Group is centrally managed with the Group being cash generative, having competent commercial teams with a common approach to maintaining a strong bank balance. Detailed cash flow forecasts are prepared by all trading Companies within the Group, with the objective of alerting the Directors of any future potential risks.

Credit Risk

To mitigate the effect of the Group being unable to recover sums due from its customers, it carries out full credit status checks on any prospective new clients, prior to the commencement of any contract it undertakes and regularly reviews the credit status of existing clients. In the event of any perceived financial risk, assurances or third party guarantees are sought by the Group. We keep informed through our relationships to gain market intelligence that can alert us of potential issues which we act upon where appropriate.

Supply Chain

The Group carries out regular reviews of the credit status of key suppliers and sub contractors to mitigate any risk to the successful completion of any of the works in progress. The Group has formal Supply Chain arrangements with many of our key supplier and sub-contractor partners with mature relationships gained over a period of 15 years.

Competition

The Group continues to operate in an extremely competitive market. The Group seeks to maintain and build strong relationships with its customers and potential customers, and sees repeat business as being a measurement of its success in this strategy. The Group's Excellence at Every Level strategy defines this approach that is instilled across our teams and delivery workforce.

Health & Safety

Health and Safety is taken very seriously throughout the Group which continues to win prestigious awards for its performance in this area. The in house qualified Health and Safety team is well directed and resourced to meet expected demands. The HSEQ department now cover Environmental and Quality discipline for the Group across their remit with a fully integrated system implemented that achieved the new ISO 45001:2018 standard.

Employees

The Group's success continues to rely heavily on the performance of its staff, and operates in a very competitive environment for recruitment and retention of such employees. To mitigate these issues the Group offers a very competitive and attractive remuneration package and provides ongoing training with updates and new courses being regularly attended. The Group also has an employee incentive scheme for staff introducing new employees to the organisation.

During the year the policy of providing employees with information about the group has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the group's performance. Regular meetings are held between local management and employees to allow free flow of information and ideas. A new addition is our Wellbeing initiative which encompasses Mental Health and other important subjects.

It is the Group's policy to treat its employees without discrimination, and operates an equal opportunities and employment practices to achieve this. The Group operates a progressive employee training and development scheme through Craft Apprenticeships, Technical and Graduate training.

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2019

The Group gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the Group's policy wherever practicable to provide continuing employment under normal terms and conditions, and to provide training and career development and promotion to disabled employees wherever appropriate.

Financial key performance indicators

The Directors consider the following Key Performance Indicators when assessing the performance of the Company:

Turnover

Turnover for the year remained level at £11.9m (2018 £11.9m).

Loss/Profit before interest and tax

Loss/Profit before interest and tax for the year was a loss of £503k (2018 – Net Profit £378k).

Net current assets

Net current assets at the balance sheet date were £767k (2018 £1.31m).

The reasons for the movements in the KPIs have been considered and included in the Business Review.

This report was approved by the board and signed on its behalf.


.....
J.C Simson
Secretary

Date: 24 February 2020

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2019

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

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.

Results and dividends

The loss for the year, after taxation, amounted to £520,916 (2018 - profit £345,972).

Dividends of £17,700 (2018 - £10,000) have been paid in the year.

Directors

The directors who served during the year were:

M P Stanton
K Farrimond (resigned 31 January 2020)
L Hall (resigned 2 December 2019)
P Burton
A C Bramley (appointed 8 March 2019)

Future developments

The Directors intend for the Company to continue its strategy of organic growth.

Matters covered in the strategic report

The Directors have omitted certain items from the Directors Report as they are disclosed within the Strategic Report instead, in accordance with S414C (11) of the Companies Act 2006.

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2019**

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditor

The auditor, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.


.....
J C Simson
Secretary

Date: 24 February 2020

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

Opinion

We have audited the financial statements of Briggs & Forrester Building Services Maintenance Limited (the 'Company') for the year ended 31 October 2019, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 Company's affairs as at 31 October 2019 and of its loss 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 United Kingdom, including the Financial Reporting Council'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

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED (CONTINUED)

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 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 or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 4, 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.

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED (CONTINUED)

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: 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 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 for our audit work, for this report, or for the opinions we have formed.



Richard Powell BA FCA (Senior Statutory Auditor)

for and on behalf of
MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Peterbridge House
The Lakes
Northampton
NN4 7HB

Date: 11 March 2020

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 OCTOBER 2019**

	Note	2019 £	2018 £
Turnover	4	11,897,774	11,908,988
Cost of sales		(9,396,515)	(8,978,695)
Gross profit		2,501,259	2,930,293
Administrative expenses		(3,004,078)	(2,551,763)
Operating (loss)/profit		(502,819)	378,530
Interest payable and expenses		(97)	-
(Loss)/profit before tax		(502,916)	378,530
Tax on (loss)/profit	10	(18,000)	(32,558)
(Loss)/profit after tax		(520,916)	345,972
Retained earnings at the beginning of the year		805,903	469,931
(Loss)/profit for the year		(520,916)	345,972
Dividends declared and paid	11	(17,700)	(10,000)
Retained earnings at the end of the year		267,287	805,903

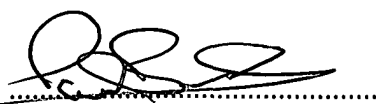
The notes on pages 11 to 23 form part of these financial statements.

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED
REGISTERED NUMBER: 04371530

BALANCE SHEET
AS AT 31 OCTOBER 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	12	6,461	8,482
Tangible assets	13	202,856	107,216
		<u>209,317</u>	<u>115,698</u>
Current assets			
Stocks	14	294,356	283,042
Debtors: amounts falling due within one year	15	2,790,358	2,834,699
Cash at bank and in hand	16	354,730	848,240
		<u>3,439,444</u>	<u>3,965,981</u>
Creditors: amounts falling due within one year	17	(2,881,057)	(2,775,776)
Net current assets		<u>558,387</u>	<u>1,190,205</u>
Total assets less current liabilities		<u>767,704</u>	<u>1,305,903</u>
Provisions for liabilities			
Deferred tax	18	(417)	-
		<u>(417)</u>	<u>-</u>
Net assets		<u><u>767,287</u></u>	<u><u>1,305,903</u></u>
Capital and reserves			
Called up share capital	19	500,000	500,000
Profit and loss account	20	267,287	805,903
		<u><u>767,287</u></u>	<u><u>1,305,903</u></u>

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


P Burton
 Director

Date: 24 February 2020

The notes on pages 11 to 23 form part of these financial statements.

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2019

1. General information

Briggs & Forrester Building Services Maintenance Limited is a private company limited by shares, domiciled in England and Wales, registered number 04371530. The registered office and principal place of business is Bembridge House, Bembridge Drive, Kingsthorpe, Northampton, Northamptonshire, NN2 6LZ.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Briggs & Forrester (UK) Limited as at 31 October 2019 and these financial statements may be obtained from Registrar of Companies.

2.3 Turnover

Turnover represents amounts invoiced during the year, excluding Value Added Tax, except in respect of contracting activities. For contracting activities, turnover represents the value of work carried out during the year, including amounts not yet invoiced. The amount by which turnover exceeds progress payments received and receivable is classified as "Amounts recoverable on contracts" and is separately disclosed in debtors. Progress payments received in excess of amounts matched with turnover are classified as "Payments received on account" and are disclosed in creditors.

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2019

2. Accounting policies (continued)

2.4 Profit recognition on contracts

Profit is recognised on long term contracts when such a contract is substantially complete. The amount of profit recognised is a proportion of the total forecast profit on the contract by reference to the stage of completion at the balance sheet date, taking account of agreed claims.

The recognition of profit on long term contracts is in accordance with the FRS 102, which unlike the Companies Act 2006 allows unrealised profit to be included in the profit and loss account for the period. This departure from the provisions of the Act is required in order to give a true and fair view.

2.5 Work in progress

1) Small works

Small works are stated at the lower of cost and net realisable value.

2) Short term contracts

"Cost" for short term contracts consist of direct materials, labour and attributable production overheads, less foreseeable losses and applicable payments on account. Contract provisions in excess of amounts recoverable are included in creditors.

3) Long term contracts

"Cost" for long term contracts is determined on the same basis as for short term contracts, except that anticipated profits are recognised where appropriate, in accordance with the principles set out above.

4) Maintenance contracts

Maintenance costs are recognised in the profit & loss account, invoiced and profit recognised on a straight line basis over the term of the maintenance contract.

2.6 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 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 the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. 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 OCTOBER 2019**

2. Accounting policies (continued)

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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 balance sheet 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 Balance Sheet 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 balance sheet date.

2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases:

Computer software	-	25 % on a straight line basis
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2.10 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.

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2019

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

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:

Plant and machinery	-	20% - 25%
Motor vehicles	-	25%
Fixtures and fittings	-	10%
Telephone system	-	25%

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 the Statement of Income and Retained Earnings.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 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 the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet 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 Balance Sheet.

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

2. Accounting policies (continued)**2.15 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 non-puttable ordinary shares.

2.16 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. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, management have been required to make judgments, estimates and assumptions. These estimates which relate to the carrying values of assets and liabilities, where not readily available from other sources, are based on underlying assumptions and experience. Actual results may differ from these estimates. These estimates and assumptions are reviewed on an on-going basis.

The principal judgments are with regard to the assessment of completion of work on long term contracts, and the recognition of associated costs and revenues. Management closely monitors the progress on these projects with reference to agreed schedules of work, agreed contract amendments and certified applications for payment and use this in making their informed assessment of completion and profit recognition.

4. Turnover

All turnover arose within the United Kingdom and is attributable to the principal activity of the company.

5. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	56,673	46,082
Amortisation of intangible assets, including goodwill	2,415	1,347
Other operating lease rentals	246,660	266,674

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

6. Auditor's remuneration

	2019 £	2018 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>9,200</u>	<u>8,900</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2019 £	2018 £
Wages and salaries	4,297,276	3,997,796
Social security costs	477,475	444,200
Cost of defined contribution scheme	205,174	169,940
	<u>4,979,925</u>	<u>4,611,936</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2019 No.	2018 No.
Staff	<u>108</u>	<u>99</u>

8. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	188,639	169,906
Company contributions to defined contribution pension schemes	15,473	11,496
	<u>204,112</u>	<u>181,402</u>

During the year retirement benefits were accruing to 2 directors (2018 - 22) in respect of defined contribution pension schemes.

BRIGGS & FORRESTER BUILDING SERVICES MAINTENANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

9. Interest payable and similar expenses

	2019 £	2018 £
Loans from group undertakings	97	-

10. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	-	31,667
Adjustments in respect of previous periods	(15)	6
Total current tax	(15)	31,673
Deferred tax		
Origination and reversal of timing differences - Capital allowances	21,277	957
Origination and reversal of timing differences - Other	(3,262)	(72)
Total deferred tax	18,015	885
Taxation on profit on ordinary activities	18,000	32,558

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
(Loss)/profit on ordinary activities before tax	<u>(502,916)</u>	<u>378,530</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	(95,554)	71,921
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	-	256
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,169	1,031
Adjustments to tax charge in respect of prior periods	(15)	6
Other timing differences leading to an increase (decrease) in taxation	3,728	1,171
Group relief	106,672	(41,827)
Total tax charge for the year	<u><u>18,000</u></u>	<u><u>32,558</u></u>

11. Dividends

	2019 £	2018 £
Dividends	<u><u>17,700</u></u>	<u><u>10,000</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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12. Intangible assets

	Computer software £
Cost	
At 1 November 2018	9,912
Additions	394
At 31 October 2019	<u>10,306</u>
Amortisation	
At 1 November 2018	1,430
Charge for the year	2,415
At 31 October 2019	<u>3,845</u>
Net book value	
At 31 October 2019	<u><u>6,461</u></u>
At 31 October 2018	<u><u>8,482</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Telephone system £	Total £
Cost or valuation					
At 1 November 2018	211,312	9,990	10,156	10,266	241,724
Additions	57,248	-	94,630	435	152,313
At 31 October 2019	<u>268,560</u>	<u>9,990</u>	<u>104,786</u>	<u>10,701</u>	<u>394,037</u>
Depreciation					
At 1 November 2018	119,557	4,371	3,498	7,082	134,508
Charge for the year on owned assets	44,967	2,498	7,025	2,183	56,673
At 31 October 2019	<u>164,524</u>	<u>6,869</u>	<u>10,523</u>	<u>9,265</u>	<u>191,181</u>
Net book value					
At 31 October 2019	<u>104,036</u>	<u>3,121</u>	<u>94,263</u>	<u>1,436</u>	<u>202,856</u>
At 31 October 2018	<u>91,755</u>	<u>5,619</u>	<u>6,658</u>	<u>3,184</u>	<u>107,216</u>

14. Stocks

	2019 £	2018 £
Work in progress	<u>294,356</u>	<u>283,042</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Debtors

	2019 £	2018 £
Trade debtors	1,853,439	1,978,836
Amounts owed by group undertakings	877,974	776,048
Other debtors	13,124	51,528
Prepayments and accrued income	45,821	10,689
Deferred taxation	-	17,598
	<u>2,790,358</u>	<u>2,834,699</u>

16. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>354,730</u>	<u>848,240</u>

17. Creditors: Amounts falling due within one year

	2019 £	2018 £
Payments received on account	25,031	823
Trade creditors	1,276,982	958,001
Amounts owed to group undertakings	731,537	745,334
Corporation tax	-	31,682
Other taxation and social security	403,365	443,217
Other creditors	314,298	390,679
Accruals and deferred income	129,844	206,040
	<u>2,881,057</u>	<u>2,775,776</u>

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18. Deferred taxation

	2019 £	2018 £
At beginning of year	(17,598)	(18,483)
Charged to profit or loss	18,015	885
At end of year	417	(17,598)

The deferred taxation balance is made up as follows:

	2019 £	2018 £
Excess of depreciation over taxation allowances	6,241	(15,036)
Other timing differences	(5,824)	(2,562)
	417	(17,598)

19. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
500,000 (2018 - 500,000) Ordinary shares of £1.00 each	500,000	500,000

20. Reserves**Profit and loss account**

The profit and loss account reserve includes all current and prior period retained profits and losses.

21. Contingent liabilities

As at 31 October 2019, the Company is a guarantor to loan agreements which are formally held within fellow subsidiary companies. The amount outstanding as at the year end was £nil (2018 - £2,850,000).

22. Pension commitments

The Company participates in the defined contribution pension scheme of its parent company. The assets of the scheme are held separately from those in the Group in an independently administered fund. Pension contributions outstanding at the year end amounted to £32,808 (2018 - £22,624).

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23. Commitments under operating leases

At 31 October 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	249,364	248,773
Later than 1 year and not later than 5 years	334,965	227,666
	<u>584,329</u>	<u>476,439</u>

24. Related party transactions

The Company has taken advantage of the provisions of FRS102 s33.1A not to report transactions with fellow group members wholly owned by the ultimate parent undertaking.

25. Controlling party

The immediate parent company is Briggs & Forrester Group Limited, a company registered in England and Wales.

The ultimate parent company is Briggs & Forrester (UK) Limited, a company registered in England and Wales.

The consolidated accounts of the immediate and ultimate group are available to the public from the Registrar of Companies.

In the opinion of the Directors there is no ultimate controlling party of the parent company.