

Randall & Warner Building Contractors Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2018

Ballards LLP
Chartered Accountants
Oakmoore Court
11c Kingswood Road
Hampton Lovett
Droitwich
Worcestershire
WR9 0QH

Randall & Warner Building Contractors Limited

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Randall & Warner Building Contractors Limited

Company Information

Directors	Mr J R Randall Mr D Randall Mr L Randall Mr D Warner
Registered office	The Bungalow Walton Cardiff Tewkesbury Gloucestershire GL20 7BL
Accountants	Ballards LLP Chartered Accountants Oakmoore Court 11c Kingswood Road Hampton Lovett Droitwich Worcestershire WR9 0QH

Randall & Warner Building Contractors Limited

Directors' Report for the Year Ended 31 December 2018

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

Directors of the company

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

Mr J R Randall

Mr D Randall

Mr L Randall

Mr D Warner

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 26 September 2019 and signed on its behalf by:

.....
Mr D Randall
Director

.....
Mr D Warner
Director

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
Randall & Warner Building Contractors Limited
for the Year Ended 31 December 2018**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Randall & Warner Building Contractors Limited for the year ended 31 December 2018 as set out on pages 4 to 12 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Randall & Warner Building Contractors Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Randall & Warner Building Contractors Limited and state those matters that we have agreed to state to the Board of Directors of Randall & Warner Building Contractors Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Randall & Warner Building Contractors Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Randall & Warner Building Contractors Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Randall & Warner Building Contractors Limited. You consider that Randall & Warner Building Contractors Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Randall & Warner Building Contractors Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

.....
Ballards LLP
Chartered Accountants
Oakmoore Court
11c Kingswood Road
Hampton Lovett
Droitwich
Worcestershire
WR9 0QH

26 September 2019

Randall & Warner Building Contractors Limited

Profit and Loss Account for the Year Ended 31 December 2018

	Note	2018 £	2017 £
Turnover		231,426	264,527
Cost of sales		<u>(105,993)</u>	<u>(133,552)</u>
Gross profit		125,433	130,975
Administrative expenses		<u>(8,538)</u>	<u>(48,326)</u>
Operating profit		<u>116,895</u>	<u>82,649</u>
Other interest receivable and similar income		1	71
Interest payable and similar expenses		<u>(2,143)</u>	<u>(2,202)</u>
		<u>(2,142)</u>	<u>(2,131)</u>
Profit before tax		114,753	80,518
Taxation		<u>(15,121)</u>	<u>(15,052)</u>
Profit for the financial year		<u><u>99,632</u></u>	<u><u>65,466</u></u>

The above results were derived from continuing operations.

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

Randall & Warner Building Contractors Limited

(Registration number: 06461034)
Balance Sheet as at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	<u>5</u>	659	879
Investment property	<u>6</u>	180,000	140,000
		<u>180,659</u>	<u>140,879</u>
Current assets			
Stocks	<u>7</u>	350	350
Debtors	<u>8</u>	35,111	57,853
Cash at bank and in hand		14,016	19,940
		<u>49,477</u>	<u>78,143</u>
Creditors: Amounts falling due within one year	<u>9</u>	<u>(70,040)</u>	<u>(97,709)</u>
Net current liabilities		<u>(20,563)</u>	<u>(19,566)</u>
Total assets less current liabilities		160,096	121,313
Creditors: Amounts falling due after more than one year	<u>9</u>	<u>(40,393)</u>	<u>(42,099)</u>
Provisions for liabilities		<u>(12,558)</u>	<u>(4,958)</u>
Net assets		<u>107,145</u>	<u>74,256</u>
Capital and reserves			
Called up share capital		200	200
Non-distributable reserves		79,007	45,750
Profit and loss account		<u>27,938</u>	<u>28,306</u>
Total equity		<u>107,145</u>	<u>74,256</u>

For the financial year ending 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 26 September 2019 and signed on its behalf by:

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

Randall & Warner Building Contractors Limited

(Registration number: 06461034)

Balance Sheet as at 31 December 2018

.....

Mr D Randall

Director

.....

Mr D Warner

Director

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

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Randall & Warner Building Contractors Limited

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

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

The Bungalow
Walton Cardiff
Tewkesbury
Gloucestershire
GL20 7BL

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

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

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

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

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

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

Randall & Warner Building Contractors Limited

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

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Computer equipment	25% on reducing balance
Plant & machinery	25% on reducing balance

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	Fully written down

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Randall & Warner Building Contractors Limited

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

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 4 (2017 - 4).

Randall & Warner Building Contractors Limited

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

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 January 2018	10,000	10,000
At 31 December 2018	10,000	10,000
Amortisation		
At 1 January 2018	10,000	10,000
At 31 December 2018	10,000	10,000
Carrying amount		
At 31 December 2018	-	-
At 31 December 2017	-	-

5 Tangible assets

	Furniture, fittings and equipment £	Other property, plant and equipment £	Total £
Cost or valuation			
At 1 January 2018	1,355	1,742	3,097
At 31 December 2018	1,355	1,742	3,097
Depreciation			
At 1 January 2018	1,238	980	2,218
Charge for the year	29	191	220
At 31 December 2018	1,267	1,171	2,438
Carrying amount			
At 31 December 2018	88	571	659
At 31 December 2017	117	762	879

Randall & Warner Building Contractors Limited

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

6 Investment properties

	2018 £
At 1 January	140,000
Fair value adjustments	<u>40,000</u>
At 31 December	<u><u>180,000</u></u>

If the investment property had not been revalued, it would have been included at a historical cost of £88,435 (2017: - £88,435). The directors have considered the value of the property and they consider £140,000 to be its market value at 31 December 2018.

7 Stocks

	2018 £	2017 £
Other inventories	<u>350</u>	<u>350</u>

8 Debtors

	2018 £	2017 £
Trade debtors	34,878	57,670
Other debtors	<u>233</u>	<u>183</u>
Total current trade and other debtors	<u><u>35,111</u></u>	<u><u>57,853</u></u>

Randall & Warner Building Contractors Limited

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

9 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Due within one year			
Bank loans and overdrafts	<u>10</u>	1,441	1,441
Trade creditors		10,513	14,569
Amounts owed to related parties		33,014	44,595
Taxation and social security		9,123	19,669
Other creditors		15,949	17,435
		<u>70,040</u>	<u>97,709</u>

Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
Due after one year			
Loans and borrowings	<u>10</u>	<u>40,393</u>	<u>42,099</u>

Bank loans amounting to £41,834 are secured on the investment property included in fixed assets.

10 Loans and borrowings

	2018 £	2017 £
Non-current loans and borrowings		
Bank borrowings	<u>40,393</u>	<u>42,099</u>
Current loans and borrowings		
Bank borrowings	<u>1,441</u>	<u>1,441</u>

Randall & Warner Building Contractors Limited

Detailed Profit and Loss Account for the Year Ended 31 December 2018

	2018 £	2017 £
Turnover (analysed below)	231,426	264,527
Cost of sales (analysed below)	<u>(105,993)</u>	<u>(133,552)</u>
Gross profit	<u>125,433</u>	<u>130,975</u>
Gross profit (%)	54.2%	49.51%
Administrative expenses		
Employment costs (analysed below)	(32,656)	(32,240)
Establishment costs (analysed below)	(3,168)	(2,580)
General administrative expenses (analysed below)	(12,240)	(12,000)
Finance charges (analysed below)	(254)	(212)
Depreciation costs (analysed below)	(220)	(1,294)
Other expenses (analysed below)	<u>40,000</u>	<u>-</u>
	<u>(8,538)</u>	<u>(48,326)</u>
Operating profit	<u>116,895</u>	<u>82,649</u>
Other interest receivable and similar income (analysed below)	1	71
Interest payable and similar expenses (analysed below)	<u>(2,143)</u>	<u>(2,202)</u>
	<u>(2,142)</u>	<u>(2,131)</u>
Profit before tax	<u><u>114,753</u></u>	<u><u>80,518</u></u>

This page does not form part of the statutory financial statements.

Randall & Warner Building Contractors Limited

Detailed Profit and Loss Account for the Year Ended 31 December 2018

	2018 £	2017 £
Turnover		
Sales	221,106	254,207
Rent receivable	10,320	10,320
	<u>231,426</u>	<u>264,527</u>
Cost of sales		
Opening raw materials	350	350
Purchases	78,627	90,613
Small tools and consumables	51	127
Closing raw materials	(350)	(350)
Subcontract cost	26,563	34,737
Hire of plant and machinery (Operating leases)	752	8,075
	<u>105,993</u>	<u>133,552</u>
Employment costs		
Directors remuneration	32,656	32,240
	<u>32,656</u>	<u>32,240</u>
Establishment costs		
Insurance	2,752	2,164
Use of home as office	416	416
	<u>3,168</u>	<u>2,580</u>
General administrative expenses		
Clothing and health and safety	-	339
Printing, postage and stationery	317	193
Sundry expenses	136	308
Travel and subsistence	6,617	7,368
Staff entertaining (allowable for tax)	163	-
Accountancy fees	3,440	3,637
Bad debts written off	1,500	-
Rental property expenses	67	155
	<u>12,240</u>	<u>12,000</u>
Finance charges		
Bank charges	254	212
	<u>254</u>	<u>212</u>

Depreciation costs

Amortisation of goodwill	-	1,000
Depreciation	220	294
	<u>220</u>	<u>1,294</u>

This page does not form part of the statutory financial statements.
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Randall & Warner Building Contractors Limited

Detailed Profit and Loss Account for the Year Ended 31 December 2018

	2018 £	2017 £
Other expenses		
Gain/(loss) from changes in provisions	(40,000)	-
	<u>(40,000)</u>	<u>-</u>
Other interest receivable and similar income		
Bank interest receivable	1	-
Other interest receivable	-	71
	<u>1</u>	<u>71</u>
Interest payable and similar expenses		
Bank interest payable	2,121	2,202
Other interest payable	22	-
	<u>2,143</u>	<u>2,202</u>
Dividends declared		
Dividends	<u>60,000</u>	<u>127,000</u>

This page does not form part of the statutory financial statements.
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