

COMPANY REGISTRATION NUMBER: 1263512

TERMRIM CONSTRUCTION LIMITED
FILLETED FINANCIAL STATEMENTS
31 DECEMBER 2018



TERMRIM CONSTRUCTION LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2018

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TERMRIM CONSTRUCTION LIMITED

BALANCE SHEET

31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	58,249	42,176
Current assets			
Debtors	6	7,578,007	4,579,596
Investments	7	–	3,620,718
Cash at bank and in hand		<u>1,997,452</u>	<u>1,488,252</u>
		9,575,459	9,688,566
Creditors: amounts falling due within one year	8	<u>(2,974,885)</u>	<u>(3,453,256)</u>
Net current assets		<u>6,600,574</u>	<u>6,235,310</u>
Total assets less current liabilities		<u>6,658,823</u>	<u>6,277,486</u>
Provisions			
Taxation including deferred tax		<u>(9,902)</u>	<u>(6,501)</u>
Net assets		<u><u>6,648,921</u></u>	<u><u>6,270,985</u></u>
Capital and reserves			
Called up share capital	11	10,000	10,000
Profit and loss account		<u>6,638,921</u>	<u>6,260,985</u>
Shareholders funds		<u><u>6,648,921</u></u>	<u><u>6,270,985</u></u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the profit and loss account has not been delivered.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 7 May 2019, and are signed on behalf of the board by:

G C Bird
Director



S J Taylor
Director



Company registration number: 1263512

The notes on pages 2 to 7 form part of these financial statements.

TERMRIM CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 1 Pellon Place, Dyson Wood Way, Bradley Business Park, Huddersfield, HD2 1GT.

2. Statement of compliance

The financial statements have been prepared in compliance with FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity and are rounded to the nearest £.

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of income and retained earnings.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs, subsequently, they are measured at fair value through profit or loss.

Judgements 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 for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome.

TERMRIM CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2018

3. Accounting policies *(continued)*

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. The policies adopted for the recognition of turnover are as follows:

Construction Contracts

When the outcome of a construction contract can be estimated reliably, contract costs and turnover are recognised by reference to the stage of completion at the balance sheet date. Stage of completion is measured by reference to surveyor valuations.

Where the outcome cannot be measured reliably, contract costs are recognised as an expense in the period in which they are incurred and contract turnover is recognised to the extent of costs incurred that it is probable will be recoverable.

When it is probable that contract costs will exceed the total contract turnover, the expected loss is recognised as an expense immediately, with a corresponding provision.

Where the collectability of an amount already recognised as contract revenue is no longer probable, the uncollectible amount is expensed rather than recognised as an adjustment to the amount of contract revenue.

Rendering of Services

When the outcome of a transaction involving the rendering of services can be reliably estimated, revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period.

When the outcome of a transaction involving the rendering of services cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have not arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

TERMRIM CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2018

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 15% reducing balance
Fixtures & Fittings	- 15% reducing balance
Motor Vehicles	- 25% reducing balance

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the balance sheet and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Defined contribution plans

The company contributes to defined contribution pension schemes, the amount charged to the statement of income and retained earnings is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the statement of financial position.

Other operating income

Other operating income is recognised on an accruals basis.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 27 (2017: 31).

TERMRIM CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2018

5. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 January 2018	64,183	132,397	31,100	227,680
Additions	–	2,252	25,412	27,664
Disposals	–	–	(23,855)	(23,855)
At 31 December 2018	64,183	134,649	32,657	231,489
Depreciation				
At 1 January 2018	54,968	112,173	18,363	185,504
Charge for the year	1,550	3,625	6,416	11,591
Disposals	–	–	(23,855)	(23,855)
At 31 December 2018	56,518	115,798	924	173,240
Carrying amount				
At 31 December 2018	7,665	18,851	31,733	58,249
At 31 December 2017	9,215	20,224	12,737	42,176

6. Debtors

	2018 £	2017 £
Amounts owed by group undertakings	6,747,315	3,246,887
Amounts owed by customers on construction contracts	597,672	751,705
Prepayments and accrued income	119,879	114,213
Corporation tax repayable	12,542	–
Directors' loan accounts	–	357,992
Other debtors	100,599	108,799
	7,578,007	4,579,596

The debtors above include the following amounts repayable on demand but recoverable after more than one year:

	2018 £	2017 £
Amounts due from group undertakings	6,747,315	3,246,887

7. Investments

	2018 £	2017 £
Other investments	–	3,620,718

TERMRIM CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2018

8. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	1,410,198	1,578,822
Accruals and deferred income	110,692	235,939
Corporation tax	—	138,041
Social security and other taxes	54,306	44,008
Amounts owed to customers on construction contracts	1,399,689	1,456,446
	<u>2,974,885</u>	<u>3,453,256</u>

9. Deferred tax

The deferred tax included in the balance sheet is as follows:

	2018	2017
	£	£
Included in provisions	<u>9,902</u>	<u>6,501</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2018	2017
	£	£
Accelerated capital allowances	<u>9,902</u>	<u>6,501</u>

There is no expiry date on timing differences.

10. Financial instruments at fair value

	2018	2017
	£	£
Financial assets measured at fair value through profit or loss		
Financial assets measured at fair value through profit or loss	<u>—</u>	<u>3,620,718</u>

The fair value of the other investments is market value which is the published bid price at the balance sheet date. The change in fair value is included in the profit and loss account.

11. Called up share capital

Issued, called up and fully paid

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000.00</u>	<u>10,000</u>	<u>10,000.00</u>

TERMRIM CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2018

12. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018 £	2017 £
Not later than 1 year	90,866	105,383
Later than 1 year and not later than 5 years	178,120	249,421
	<u>268,986</u>	<u>354,804</u>

13. Contingencies

The company is party to a composite guarantee and debenture with other group companies in relation to group borrowings.

14. Summary audit opinion

The auditor's report for the year dated 7 May 2019 was unqualified.

The senior statutory auditor was D M Butterworth, for and on behalf of Wheawill & Sudworth Limited.

15. Directors' advances, credits and guarantees

Included in debtors are directors' loan accounts at 31 December 2018 of £nil (2017: £357,992).

16. Controlling party

The direct parent company is Patrick Construction Group Limited. The ultimate parent company is Patrick Construction (Holdings) Limited