

COMPANY REGISTRATION NUMBER: 1263512

TERMRIM CONSTRUCTION LIMITED
FILLETED FINANCIAL STATEMENTS

31 December 2019

TERMRIM CONSTRUCTION LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

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TERMRIM CONSTRUCTION LIMITED

BALANCE SHEET

31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	57,524	58,249
Current assets			
Debtors	6	8,760,360	7,578,007
Cash at bank and in hand		2,029,997	1,997,452
		10,790,357	9,575,459
Creditors: amounts falling due within one year	7	(4,233,255)	(2,974,885)
Net current assets		6,557,102	6,600,574
Total assets less current liabilities		6,614,626	6,658,823
Provisions			
Taxation including deferred tax		(9,016)	(9,902)
Net assets		6,605,610	6,648,921
Capital and reserves			
Called up share capital	9	10,000	10,000
Profit and loss account		6,595,610	6,638,921
Shareholders funds		6,605,610	6,648,921

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 16 March 2020 , and are signed on behalf of the board by:

G C Bird S J Taylor

Director Director

Company registration number: 1263512

TERMRIM CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

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.

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.

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.

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. 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 29 (2018: 27).

5. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 January 2019	64,183	134,649	32,657	231,489
Additions	—	10,076	—	10,076
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At 31 December 2019	64,183	144,725	32,657	241,565
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Depreciation				
At 1 January 2019	56,518	115,798	924	173,240
Charge for the year	1,289	4,174	5,338	10,801
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At 31 December 2019	57,807	119,972	6,262	184,041
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Carrying amount				
At 31 December 2019	6,376	24,753	26,395	57,524
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At 31 December 2018	7,665	18,851	31,733	58,249
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6. Debtors

	2019	2018
	£	£
Amounts owed by group undertakings	7,450,805	6,747,315
Amounts owed by customers on construction contracts	1,073,305	597,672
Prepayments and accrued income	139,943	119,879
Corporation tax repayable	—	12,542
Other debtors	96,307	100,599
	<u>8,760,360</u>	<u>7,578,007</u>

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

	2019	2018
	£	£
Amounts due from group undertakings	<u>7,450,805</u>	<u>6,747,315</u>

7. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	2,410,860	1,410,198
Accruals and deferred income	33,441	110,692
Corporation tax	12,518	—
Social security and other taxes	59,048	54,306
Amounts owed to customers on construction contracts	1,694,769	1,399,689
Director loan accounts	22,619	—
	<u>4,233,255</u>	<u>2,974,885</u>

8. Deferred tax

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

	2019	2018
	£	£
Included in provisions	<u>9,016</u>	<u>9,902</u>

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

	2019	2018
	£	£
Accelerated capital allowances	9,779	9,902
Pension plan obligations	(763)	—
	<u>9,016</u>	<u>9,902</u>

There is no expiry date on timing differences.

9. Called up share capital

Issued, called up and fully paid

	2019		2018	
	No.	£	No.	£
Ordinary shares of £ 1 each	10,000	10,000.00	10,000	10,000.00

10. Operating leases

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

	2019	2018
	£	£
Not later than 1 year	85,515	90,866
Later than 1 year and not later than 5 years	90,042	178,120
	175,557	268,986

11. Contingencies

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

12. Summary audit opinion

The auditor's report for the year dated 16 March 2020 was unqualified.

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

13. Related party transactions

Included in creditors are directors' loan accounts at 31 December 2019 of £22,619 (2018: £nil). These are unsecured, repayable on demand and are currently interest free.

14. Controlling party

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

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.