

**COMPANY REGISTRATION NUMBER: 1263512**

**Termrim Construction Limited**  
**Filleted Financial Statements**  
**31 December 2017**

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# **Termrim Construction Limited**

## **Financial Statements**

**Year ended 31 December 2017**

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# **Termrim Construction Limited**

## **Officers and Professional Advisers**

### **The board of directors**

G C Bird  
S J Taylor  
Ms B J Rockett

### **Company secretary**

Ms B J Rockett

### **Registered office**

1 Pellon Place  
Dyson Wood Way  
Bradley Business Park  
Huddersfield  
HD2 1GT

### **Auditor**

Wheawill & Sudworth Limited  
Chartered Accountants & statutory auditor  
35 Westgate  
Huddersfield  
HD1 1PA

### **Bankers**

National Westminster Bank plc  
8 Market Place  
Huddersfield  
West Yorkshire  
HD1 2AL

# **Termrim Construction Limited**

## **Directors' Responsibilities Statement**

**Year ended 31 December 2017**

The directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies 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 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.

# Termrim Construction Limited

## Balance Sheet

31 December 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	5	42,176	38,491
<b>Current assets</b>			
Debtors	6	4,579,596	3,756,857
Investments	7	3,620,718	—
Cash at bank and in hand		1,488,252	4,933,285
		<u>9,688,566</u>	<u>8,690,142</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>(3,453,256)</u>	<u>(3,319,177)</u>
<b>Net current assets</b>		<u>6,235,310</u>	<u>5,370,965</u>
<b>Total assets less current liabilities</b>		<u>6,277,486</u>	<u>5,409,456</u>
<b>Provisions</b>			
Taxation including deferred tax		<u>(6,501)</u>	<u>(5,592)</u>
<b>Net assets</b>		<u>6,270,985</u>	<u>5,403,864</u>
<b>Capital and reserves</b>			
Called up share capital	10	10,000	10,000
Profit and loss account		<u>6,260,985</u>	<u>5,393,864</u>
<b>Members funds</b>		<u>6,270,985</u>	<u>5,403,864</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.

These financial statements were approved by the board of directors and authorised for issue on 11 May 2018, 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 4 to 9 form part of these financial statements.

# **Termrim Construction Limited**

## **Notes to the Financial Statements**

**Year ended 31 December 2017**

### **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 2017**

### **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 2017

### 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 31 (2016: 32).



# Termrim Construction Limited

## Notes to the Financial Statements (continued)

Year ended 31 December 2017

### 5. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2017	64,183	128,296	32,550	225,029
Additions	—	4,101	7,245	11,346
Disposals	—	—	(8,695)	(8,695)
<b>At 31 December 2017</b>	<b>64,183</b>	<b>132,397</b>	<b>31,100</b>	<b>227,680</b>
<b>Depreciation</b>				
At 1 January 2017	53,105	108,609	24,824	186,538
Charge for the year	1,863	3,564	2,234	7,661
Disposals	—	—	(8,695)	(8,695)
<b>At 31 December 2017</b>	<b>54,968</b>	<b>112,173</b>	<b>18,363</b>	<b>185,504</b>
<b>Carrying amount</b>				
<b>At 31 December 2017</b>	<b>9,215</b>	<b>20,224</b>	<b>12,737</b>	<b>42,176</b>
At 31 December 2016	11,078	19,687	7,726	38,491

### 6. Debtors

	2017 £	2016 £
Amounts owed by group undertakings	3,246,887	3,245,887
Amounts owed by customers on construction contracts	751,705	300,662
Prepayments and accrued income	114,213	97,541
Directors' loan accounts	357,992	—
Other debtors	108,799	112,767
	<b>4,579,596</b>	<b>3,756,857</b>

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

	2017 £	2016 £
Amounts due from group undertakings	3,246,887	3,245,887

### 7. Investments

	2017 £	2016 £
Other investments	3,620,718	—

# Termrim Construction Limited

## Notes to the Financial Statements (continued)

Year ended 31 December 2017

### 8. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	1,578,822	1,565,418
Accruals and deferred income	235,939	264,497
Corporation tax	138,041	169,677
Social security and other taxes	44,008	38,553
Amounts owed to customers on construction contracts	1,456,446	1,147,338
Other creditors	–	133,694
	<u>3,453,256</u>	<u>3,319,177</u>

### 9. Deferred tax

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

	2017	2016
	£	£
Included in provisions	<u>6,501</u>	<u>5,592</u>

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

	2017	2016
	£	£
Accelerated capital allowances	<u>6,501</u>	<u>5,592</u>

There is no expiry date on timing differences.

### 10. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

### 11. Operating leases

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

	2017	2016
	£	£
Not later than 1 year	105,383	124,491
Later than 1 year and not later than 5 years	249,421	282,538
Later than 5 years	–	10,000
	<u>354,804</u>	<u>417,029</u>

### 12. Summary audit opinion

The auditor's report for the year dated 11 May 2018 was unqualified.

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

# **Termrim Construction Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 31 December 2017**

### **13. Directors' advances, credits and guarantees**

Included in debtors are directors' loan accounts at 31 December 2017 of £357,992 (2016: £133,694 credit).

The outstanding balances above due from the directors are unsecured. They are repayable by 30 September 2018 and are currently interest free.

### **14. Controlling party**

The parent company is Patrick Construction Group Limited.

The ultimate controlling party is G C Bird.