

**RADMAT BUILDING PRODUCTS LIMITED**  
**ANNUAL REPORT AND ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2016**  
**PAGES FOR FILING WITH REGISTRAR**

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# **RADMAT BUILDING PRODUCTS LIMITED**

## **COMPANY INFORMATION**

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<b>Director</b>	R L Speroni
<b>Company number</b>	03159762
<b>Registered office</b>	2nd Floor, Gadd House Arcadia Avenue Finchley London N3 2JU
<b>Auditor</b>	Richard Anthony Gadd House Arcadia Avenue Finchley London N3 2JU

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# **RADMAT BUILDING PRODUCTS LIMITED**

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# **RADMAT BUILDING PRODUCTS LIMITED**

## **STRATEGIC REPORT**

**FOR THE YEAR ENDED 30 APRIL 2016**

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The director presents the strategic report and financial statements for the year ended 30 April 2016.

### **Fair review of the business**

The results for the year and the financial position at the year end were considered satisfactory by the director.

### **Sales and gross profit**

The company has seen a marginal increase in turnover during the year of 4% whilst gross profit has remained consistent in comparison to the prior year.

### **Cash at bank and in hand**

There has been no material change in the cash position of the company as the profits generated have been utilised to fund the growth in business and the greater working capital requirement that arises from such growth.

### **Development and performance**

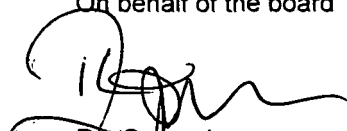
#### **Analysis of performance**

The director continues to examine all aspects of the business with a view to maintaining profitability and minimising risk with cost control continuing to be at the forefront.

### **Key performance indicators**

The director and senior management monitor all other statistical information on a regular basis to ensure that they are aware of trends and influences on profitability, without relying on particular Key Performance Indicators.

On behalf of the board



R/L Speroni

**Director**

14 November 2016

# **RADMAT BUILDING PRODUCTS LIMITED**

## **DIRECTOR'S REPORT**

### **FOR THE YEAR ENDED 30 APRIL 2016**

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The director presents his annual report and financial statements for the year ended 30 April 2016.

#### **Principal activities**

The principal activity of the company continued to be that of sales and marketing of building products.

#### **Director**

The director who held office during the year and up to the date of signature of the financial statements was as follows:

R L Speroni

#### **Results and dividends**

The results for the year are set out on page 5.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

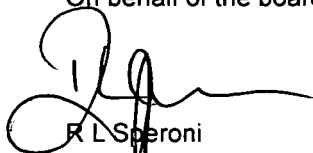
#### **Auditor**

In accordance with the company's articles, a resolution proposing that Richard Anthony be reappointed as auditor of the company will be put at a General Meeting.

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



R L Speroni

**Director**

14 November 2016

# **RADMAT BUILDING PRODUCTS LIMITED**

## **DIRECTOR'S RESPONSIBILITIES STATEMENT**

**FOR THE YEAR ENDED 30 APRIL 2016**

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The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 director is 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. He is 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.

# **RADMAT BUILDING PRODUCTS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO RADMAT BUILDING PRODUCTS LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts set out on pages 5 to 24, together with the financial statements of Radmat Building Products Limited for the year ended 30 April 2016 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

### **Respective responsibilities of the director and auditor**

The director is responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445 (3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

**Michael Barnett BA FCA (Senior Statutory Auditor)**  
for and on behalf of Richard Anthony

14 November 2016

**Chartered Accountants**  
**Statutory Auditor**

Gadd House  
Arcadia Avenue  
Finchley  
London  
N3 2JU

# RADMAT BUILDING PRODUCTS LIMITED

## ABBREVIATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2016

	Notes	2016 £	2015 £
<b>Turnover</b>	<b>3</b>	20,800,354	20,511,090
Other operating income and cost of sales		(16,808,928)	(16,789,120)
Administrative expenses		(3,167,103)	(2,709,418)
<b>Operating profit</b>	<b>4</b>	<b>824,323</b>	<b>1,012,552</b>
Interest receivable and similar income	<b>7</b>	31,391	14,368
Interest payable and similar charges	<b>8</b>	(31,523)	(28,235)
Amounts written off investments	<b>9</b>	(2,170)	-
<b>Profit before taxation</b>		<b>822,021</b>	<b>998,685</b>
Taxation	<b>10</b>	(120,254)	(218,089)
<b>Profit for the financial year</b>		<b>701,767</b>	<b>780,596</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.



# **RADMAT BUILDING PRODUCTS LIMITED**

## **STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2016**

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	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Profit for the year</b>	701,767	780,596
<b>Other comprehensive income</b>		
Revaluation of tangible fixed assets	-	157,939
	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	<b>701,767</b>	<b>938,535</b>
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# RADMAT BUILDING PRODUCTS LIMITED

## BALANCE SHEET

AS AT 30 APRIL 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Goodwill	11		-	22,458	
Other intangible assets	11		19,158	9,375	
Total intangible assets			19,158	31,833	
Tangible assets	12		796,131	392,738	
Investments	13		863,031	837,701	
			1,678,320	1,262,272	
<b>Current assets</b>					
Stocks	15	539,084		499,124	
Debtors	16	7,735,163		8,576,365	
Cash at bank and in hand		1,601,055		1,511,037	
		9,875,302		10,586,526	
<b>Creditors: amounts falling due within one year</b>	17	(6,941,231)		(7,954,397)	
<b>Net current assets</b>			2,934,071	2,632,129	
<b>Total assets less current liabilities</b>			4,612,391	3,894,401	
<b>Provisions for liabilities</b>	20		(98,296)	(82,073)	
<b>Net assets</b>			4,514,095	3,812,328	
<b>Capital and reserves</b>					
Called up share capital	22		60	60	
Profit and loss reserves			4,514,035	3,812,268	
<b>Total equity</b>			4,514,095	3,812,328	

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies.

The financial statements were approved and signed by the director and authorised for issue on 14 November 2016

  
R L Speroni  
Director

Company Registration No. 03159762

# RADMAT BUILDING PRODUCTS LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2016

	Notes	Share capital £	Revaluation reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 May 2014</b>		60	-	2,873,733	2,873,793
<b>Year ended 30 April 2015:</b>					
Profit for the year		-	-	780,596	780,596
Other comprehensive income:					
Revaluation of assets		-	-	157,939	157,939
<b>Total comprehensive income for the year</b>		-	-	938,535	938,535
<b>Balance at 30 April 2015</b>		60	-	3,812,268	3,812,328
<b>Year ended 30 April 2016:</b>					
Profit and total comprehensive income for the year		-	-	701,767	701,767
<b>Balance at 30 April 2016</b>		60	-	4,514,035	4,514,095

# RADMAT BUILDING PRODUCTS LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2016

	Notes	2016 £	£	2015 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	25	297,853		755,035	
Interest paid		(31,523)		(28,235)	
Income taxes paid		(245,996)		(186,419)	
<b>Net cash inflow from operating activities</b>		<b>20,334</b>		<b>540,381</b>	
<b>Investing activities</b>					
Purchase of intangible assets		(10,321)		-	
Purchase of tangible fixed assets		(481,075)		(160,367)	
Proceeds on disposal of tangible fixed assets		1,500		14,653	
Purchase of fixed asset investments		(27,499)		(76,196)	
Proceeds on disposal of fixed asset investments		2,169		-	
Proceeds from other investments and loans		16,439		(3,133)	
Interest received		93		328	
Dividends received		31,298		14,040	
<b>Net cash used in investing activities</b>		<b>(467,396)</b>		<b>(210,675)</b>	
<b>Net cash used in financing activities</b>		<b>-</b>		<b>-</b>	
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(447,062)</b>		<b>329,706</b>	
Cash and cash equivalents at beginning of year		37,452		(292,254)	
<b>Cash and cash equivalents at end of year</b>		<b>(409,610)</b>		<b>37,452</b>	
<b>Relating to:</b>					
Cash at bank and in hand		1,601,055		1,511,037	
Bank overdrafts included in creditors payable within one year		(2,010,665)		(1,473,585)	

# **RADMAT BUILDING PRODUCTS LIMITED**

## **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2016**

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### **1 Accounting policies**

#### **Company information**

Radmat Building Products Limited is a company limited by shares incorporated in England and Wales. The registered office is 2nd Floor, Gadd House, Arcadia Avenue, Finchley, London, N3 2JU.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 April 2016 are the first financial statements of Radmat Building Products Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 May 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 26.

#### **1.2 Going concern**

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **1.4 Intangible fixed assets - goodwill**

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 5 years.

#### **1.5 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

### 1 Accounting policies

(Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Trademarks	4% Straight Line
EBT Setup Cost	over 80 Years Straight Line

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	2% straight line on buildings
Plant and machinery	Straight line over 10 years and 25% reducing balance
Computer equipment	25% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

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### 1 Accounting policies

(Continued)

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

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### 1 Accounting policies

(Continued)

#### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.



# **RADMAT BUILDING PRODUCTS LIMITED**

## **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 30 APRIL 2016**

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#### **1 Accounting policies**

**(Continued)**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### **1.11 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.12 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.13 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.14 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

### 1 Accounting policies

(Continued)

#### 1.15 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Turnover and other revenue

	2016 £	2015 £
Total turnover	20,800,354	20,511,090
Other significant revenue		
Interest income	93	328
Dividends received	31,298	14,040

### 4 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	20,250	21,000
Depreciation of owned tangible fixed assets	75,535	54,211
Loss on disposal of tangible fixed assets	647	5,238
Amortisation of intangible assets	22,996	30,067
Cost of stocks recognised as an expense	16,817,305	16,789,120

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

2016 Number	2015 Number
22	19

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	1,377,493	1,379,613
Social security costs	172,594	175,064
Pension costs	34,450	18,632
	<u>1,584,537</u>	<u>1,573,309</u>

### 6 Director's remuneration

	2016 £	2015 £
Remuneration for qualifying services	<u>270,000</u>	<u>465,000</u>

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	<u>270,000</u>	<u>465,000</u>
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### 7 Interest receivable and similar income

	2016 £	2015 £
<b>Interest income</b>		
Interest on bank deposits	93	328
<b>Other income from investments</b>		
Dividends received	<u>31,298</u>	<u>14,040</u>
Total income	<u>31,391</u>	<u>14,368</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	93	328
Dividends from financial assets measured at fair value through profit or loss	<u>31,298</u>	<u>14,040</u>

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

### 8 Interest payable and similar charges

	2016 £	2015 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	31,523	28,235

### 9 Amounts written off investments

	2016 £	2015 £
<b>Fair value gains/(losses) on financial instruments</b>		
Change in value of financial assets held at fair value through profit or loss	(2,170)	-

### 10 Taxation

	2016 £	2015 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	155,957	218,087
Adjustments in respect of prior periods	(51,927)	(33,554)
<b>Total current tax</b>	<b>104,030</b>	<b>184,533</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	16,224	33,556
<b>Total tax charge</b>	<b>120,254</b>	<b>218,089</b>

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2016 £	2015 £
Profit before taxation	822,021	998,685
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 21.00%)	164,404	209,724
Tax effect of expenses that are not deductible in determining taxable profit	46,689	24,561
Research and development tax credit	(34,341)	-
Under/(over) provided in prior years	(51,928)	-
Tax at marginal rate	-	(1,848)
Dividend income	(6,260)	(2,948)
Capital allowances in excess of depreciation	(14,534)	(11,400)
Deferred tax movements	16,224	-
<b>Tax expense for the year</b>	<b>120,254</b>	<b>218,089</b>

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

### 11 Intangible fixed assets

	Goodwill	Trademarks	EBT Setup Cost	Total
	£	£	£	£
<b>Cost</b>				
At 1 May 2015	149,712	-	10,000	159,712
Additions - separately acquired	-	10,321	-	10,321
At 30 April 2016	149,712	10,321	10,000	170,033
<b>Amortisation and impairment</b>				
At 1 May 2015	127,254	-	625	127,879
Amortisation charged for the year	22,458	413	125	22,996
At 30 April 2016	149,712	413	750	150,875
<b>Carrying amount</b>				
At 30 April 2016	-	9,908	9,250	19,158
At 30 April 2015	22,458	-	9,375	31,833

### 12 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 May 2015	-	490,735	21,704	41,915	554,354
Additions	234,411	239,400	7,264	-	481,075
Disposals	-	-	-	(7,243)	(7,243)
At 30 April 2016	234,411	730,135	28,968	34,672	1,028,186
<b>Depreciation and impairment</b>					
At 1 May 2015	-	135,212	12,035	14,369	161,616
Depreciation charged in the year	2,000	61,030	6,155	6,350	75,535
Eliminated in respect of disposals	-	-	-	(5,096)	(5,096)
At 30 April 2016	2,000	196,242	18,190	15,623	232,055
<b>Carrying amount</b>					
At 30 April 2016	232,411	533,893	10,778	19,049	796,131
At 30 April 2015	-	355,523	9,669	27,546	392,738

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

### 13 Fixed asset investments

	2016 £	2015 £
Listed investments	863,031	837,701
<b>Listed investments included above:</b>		
Listed investments carrying amount	368,608	341,109
Market value if different from carrying amount	863,031	837,701

### Movements in fixed asset investments

	Investments other than loans £
<b>Cost or valuation</b>	
At 1 May 2015	837,701
Additions	27,499
Valuation changes	(2,169)
At 30 April 2016	863,031
<b>Carrying amount</b>	
At 30 April 2016	863,031
At 30 April 2015	837,701

### 14 Financial instruments

	2016 £	2015 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	7,454,371	8,310,197
Equity instruments measured at cost less impairment	863,031	837,701
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	6,539,810	7,316,093

### 15 Stocks

	2016 £	2015 £
Finished goods and goods for resale	539,084	499,124

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

### 16 Debtors

	2016 £	2015 £
<b>Amounts falling due within one year:</b>		
Trade debtors	6,046,559	7,038,173
Corporation tax recoverable	215,755	201,574
Amount due from parent undertaking	3,000	3,000
Other debtors	1,404,812	1,269,024
Prepayments and accrued income	65,037	64,594
	<u>7,735,163</u>	<u>8,576,365</u>

### 17 Creditors: amounts falling due within one year

	Notes	2016 £	2015 £
Bank loans and overdrafts	18	2,010,665	1,473,585
Trade creditors		4,090,190	4,570,137
Corporation tax		118,212	245,996
Other taxation and social security		283,209	392,308
Accruals and deferred income		438,955	1,272,371
		<u>6,941,231</u>	<u>7,954,397</u>

### 18 Loans and overdrafts

	2016 £	2015 £
Bank overdrafts	<u>2,010,665</u>	<u>1,473,585</u>
Payable within one year	<u>2,010,665</u>	<u>1,473,585</u>

The amount stated under bank overdrafts represents the amounts due to RBS Invoice Finance Limited. The facility is secured by way of a debenture dated 6th October 2008, creating a fixed charge over the assets of the company, including the book debtors.

### 19 Provisions for liabilities

		2016 £	2015 £
Deferred tax liabilities	20	98,296	82,073
		<u>98,296</u>	<u>82,073</u>

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

### 20 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2016 £	Liabilities 2015 £
<b>Balances:</b>		
ACAs	98,296	82,073
	<u>          </u>	<u>          </u>
<b>Movements in the year:</b>		2016 £
Liability at 1 May 2015		82,073
Charge to profit or loss		16,223
		<u>          </u>
Liability at 30 April 2016		98,296
		<u>          </u>

The deferred tax liability set out above is expected to reverse within [12 months] and relates to accelerated capital allowances that are expected to mature within the same period.

### 21 Retirement benefit schemes

	2016 £	2015 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	34,450	18,632
	<u>          </u>	<u>          </u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £34,450 (2015 - £18,632).

### 22 Share capital

	2016 £	2015 £
<b>Ordinary share capital</b>		
<b>Authorised</b>		
1,000 Ordinary Share Capital of £1 each	1,000	1,000
	<u>          </u>	<u>          </u>
<b>Issued and fully paid</b>		
60 Ordinary Share Capital of £1 each	60	60
	<u>          </u>	<u>          </u>



# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

### 23 Related party transactions

#### Transactions with related parties

As at the year end, an amount of £579,183 (2015: £597,792) was owed by the director, Mr R L Speroni, to the company. In addition, as at the year end amounts of £205,862 (2015: £175,742) and £22,364 (2015: £nil) were due to the company from Baycove Properties Limited and Ventura Building Products Limited respectively. Mr R L Speroni is a director and shareholder of both companies.

A further advance of £62,244 (2015: £108,500) was made to Mr A L Speroni, an associate of Mr R L Speroni. The amount due from Mr A L Speroni as at the year end is £270,744 (2015: £208,500).

### 24 Controlling party

The company is a wholly owned subsidiary of Jetgrip Limited, a company incorporated in England and Wales.

### 25 Cash generated from operations

	2016 £	2015 £
Profit for the year after tax	701,767	780,596
<b>Adjustments for:</b>		
Taxation charged	120,254	218,089
Finance costs	31,523	28,235
Investment income	(31,391)	(14,368)
Loss on disposal of tangible fixed assets	647	5,238
Amortisation and impairment of intangible assets	22,996	30,067
Depreciation and impairment of tangible fixed assets	75,535	54,211
Amounts written off investments	2,170	-
<b>Movements in working capital:</b>		
(Increase)/decrease in stocks	(39,960)	21,323
Decrease/(increase) in debtors	836,774	(1,579,518)
(Decrease)/increase in creditors	(1,422,462)	1,211,162
<b>Cash generated from operations</b>	<b>297,853</b>	<b>755,035</b>

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

### 26 Reconciliations on adoption of FRS 102

#### Reconciliation of equity

Notes	At 1 May 2014			At 30 April 2015		
	Previous UK GAAP £	Effect of transition £	FRS 102 £	Previous UK GAAP £	Effect of transition £	FRS 102 £
<b>Fixed assets</b>						
Goodwill	52,400	-	52,400	22,458	-	22,458
Other intangibles	9,500	-	9,500	9,375	-	9,375
Tangible assets	306,473	-	306,473	392,738	-	392,738
Investments	561,583	-	561,583	837,701	-	837,701
	<u>929,956</u>	<u>-</u>	<u>929,956</u>	<u>1,262,272</u>	<u>-</u>	<u>1,262,272</u>
<b>Current assets</b>						
Stocks	520,447	-	520,447	499,124	-	499,124
Debtors	6,965,805	-	6,965,805	8,576,365	-	8,576,365
Bank and cash	907,350	-	907,350	1,511,037	-	1,511,037
	<u>8,393,602</u>	<u>-</u>	<u>8,393,602</u>	<u>10,586,526</u>	<u>-</u>	<u>10,586,526</u>
<b>Creditors due within one year</b>						
Loans and overdrafts	(1,199,604)	-	(1,199,604)	(1,473,585)	-	(1,473,585)
Taxation	(560,362)	-	(560,362)	(638,304)	-	(638,304)
Other creditors	(4,683,266)	-	(4,683,266)	(5,842,508)	-	(5,842,508)
	<u>(6,443,232)</u>	<u>-</u>	<u>(6,443,232)</u>	<u>(7,954,397)</u>	<u>-</u>	<u>(7,954,397)</u>
Net current assets	<u>1,950,370</u>	<u>-</u>	<u>1,950,370</u>	<u>2,632,129</u>	<u>-</u>	<u>2,632,129</u>
Total assets less current liabilities	<u>2,880,326</u>	<u>-</u>	<u>2,880,326</u>	<u>3,894,401</u>	<u>-</u>	<u>3,894,401</u>
<b>Provisions for liabilities</b>						
Deferred tax	(114,938)	(108,405)	(223,343)	(190,478)	108,405	(82,073)
Net assets	<u>2,765,388</u>	<u>(108,405)</u>	<u>2,656,983</u>	<u>3,703,923</u>	<u>108,405</u>	<u>3,812,328</u>
<b>Capital and reserves</b>						
Share capital	60	-	60	60	-	60
Revaluation reserve	230,249	(388,188)	(157,939)	388,188	(388,188)	-
Profit and loss	2,535,079	496,593	3,031,672	3,315,675	496,593	3,812,268
Total equity	<u>2,765,388</u>	<u>108,405</u>	<u>2,873,793</u>	<u>3,703,923</u>	<u>108,405</u>	<u>3,812,328</u>

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

### 26 Reconciliations on adoption of FRS 102

(Continued)

#### Reconciliation of profit for the financial period

	Notes	Year ended 30 April 2015	
		Previous UK GAAP £	Effect of transition £
			FRS 102 £
Turnover		20,511,090	-
Cost of sales		(16,789,120)	-
Gross profit		3,721,970	-
Administrative expenses		(2,709,418)	-
Interest receivable and similar income		14,368	-
Interest payable and similar charges		(28,235)	-
Profit before taxation		998,685	-
Taxation		(218,089)	-
Profit for the financial period		780,596	-

#### Notes to reconciliations on adoption of FRS 102