

Company Registration No. 03159762 (England and Wales)

**RADMAT BUILDING PRODUCTS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**Richard Anthony**  
**Chartered Accountants and Registered Auditors**

# **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 England London N3 2JU
<b>Auditor</b>	Richard Anthony 2nd Floor, Gadd House Arcadia Avenue England 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 31 DECEMBER 2019**

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The director presents the strategic report and financial statements for the year ended 31 December 2019.

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

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

#### **Sales and gross profit**

The turnover and gross profit for the year under review have been deemed satisfactory and in line with the director's expectations in the prevailing market conditions..

#### **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 identifying new products and opportunities, maintaining profitability, reviewing margins 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 but which may include the monitoring of gross margins (by product line), departmental turnover and debtor payment days.

#### **Other information and explanations**

Since the year-end, the company, despite the general economic difficulties caused by the Covid-19 pandemic, continued to operate at similar levels of profitability as in the year under review.

The director therefore looks forward to achieving continued growth in profitability over the foreseeable future.

On behalf of the board

R L Speroni

**Director**

18 November 2020

# **RADMAT BUILDING PRODUCTS LIMITED**

## **DIRECTOR'S REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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The director presents his annual report and financial statements for the year ended 31 December 2019.

#### **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 6.

Ordinary dividends were paid amounting to £1,050,000. 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 director's responsibilities**

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

#### **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.

# **RADMAT BUILDING PRODUCTS LIMITED**

## **DIRECTOR'S REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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On behalf of the board

R L Speroni  
**Director**

18 November 2020

# **RADMAT BUILDING PRODUCTS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF RADMAT BUILDING PRODUCTS LIMITED**

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#### **Opinion**

We have audited the financial statements of Radmat Building Products Limited (the 'company') for the year ended 31 December 2019 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

# **RADMAT BUILDING PRODUCTS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF RADMAT BUILDING PRODUCTS LIMITED**

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the director's report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of director**

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to him in an 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 and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

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

20 November 2020

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

2nd Floor, Gadd House  
Arcadia Avenue  
England  
London  
N3 2JU

# **RADMAT BUILDING PRODUCTS LIMITED**

## **PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	2019 £	2018 £
<b>Turnover</b>	<b>3</b>	30,495,549	33,526,486
Cost of sales		(21,470,139)	(25,663,774)
<b>Gross profit</b>		9,025,410	7,862,712
Administrative expenses		(6,318,943)	(5,561,678)
Other operating income		76,552	134,894
<b>Operating profit</b>	<b>4</b>	2,783,019	2,435,928
Interest receivable and similar income	<b>6</b>	723,548	372,307
Interest payable and similar expenses	<b>7</b>	(67,515)	(67,919)
Amounts written off investments	<b>8</b>	-	(63,849)
<b>Profit before taxation</b>		3,439,052	2,676,467
Tax on profit	<b>9</b>	(547,939)	(496,736)
<b>Profit for the financial year</b>		2,891,113	2,179,731

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 31 DECEMBER 2019**

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	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Profit for the year</b>	2,891,113	2,179,731
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income for the year</b>	<u>2,891,113</u>	<u>2,179,731</u>

# RADMAT BUILDING PRODUCTS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Intangible assets	12		17,186		17,724
Tangible assets	13		1,330,247		1,117,864
Investments	14		583,158		2,106,019
			<u>1,930,591</u>		<u>3,241,607</u>
<b>Current assets</b>					
Stocks	16	2,171,332		1,916,642	
Debtors	17	12,265,682		11,979,742	
Cash at bank and in hand		402,233		891,927	
		<u>14,839,247</u>		<u>14,788,311</u>	
<b>Creditors: amounts falling due within one year</b>	18	(6,105,558)		(9,042,014)	
<b>Net current assets</b>			<u>8,733,689</u>		<u>5,746,297</u>
<b>Total assets less current liabilities</b>			<u>10,664,280</u>		<u>8,987,904</u>
<b>Provisions for liabilities</b>	21		(168,743)		(333,480)
<b>Net assets</b>			<u><u>10,495,537</u></u>		<u><u>8,654,424</u></u>
<b>Capital and reserves</b>					
Called up share capital	23		60		60
Profit and loss reserves			<u>10,495,477</u>		<u>8,654,364</u>
<b>Total equity</b>			<u><u>10,495,537</u></u>		<u><u>8,654,424</u></u>

The financial statements were approved and signed by the director and authorised for issue on 18 November 2020

R L Speroni  
Director

Company Registration No. 03159762

# **RADMAT BUILDING PRODUCTS LIMITED**

## **STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019**

		<b>Share capital</b>	<b>Profit and loss reserves</b>	<b>Total</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Balance at 1 January 2018</b>		60	6,824,633	6,824,693
<b>Year ended 31 December 2018:</b>				
Profit and total comprehensive income for the year		-	2,179,731	2,179,731
Dividends	<b>10</b>	-	(350,000)	(350,000)
<b>Balance at 31 December 2018</b>		60	8,654,364	8,654,424
<b>Year ended 31 December 2019:</b>				
Profit and total comprehensive income for the year		-	2,891,113	2,891,113
Dividends	<b>10</b>	-	(1,050,000)	(1,050,000)
<b>Balance at 31 December 2019</b>		60	10,495,477	10,495,537

# RADMAT BUILDING PRODUCTS LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

		2019	2018
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	28	1,658,654	1,405,236
Interest paid		(67,515)	(67,919)
Income taxes paid		(498,692)	(474,041)
<b>Net cash inflow from operating activities</b>		<u>1,092,447</u>	<u>863,276</u>
<b>Investing activities</b>			
Purchase of tangible fixed assets		(512,633)	(152,267)
Proceeds on disposal of tangible fixed assets		-	(6,413)
Proceeds on disposal of investment property		21,449	-
Investment in subsidiaries		(56)	(583,050)
Proceeds on disposal of fixed asset investments		1,522,917	45,848
Proceeds from other investments and loans		(948,130)	(553,270)
Interest received		187,750	190,278
Dividends received		535,798	182,029
<b>Net cash generated from/(used in) investing activities</b>		<u>807,095</u>	<u>(876,845)</u>
<b>Financing activities</b>			
Repayment of borrowings		55	-
Dividends paid		(1,050,000)	(350,000)
<b>Net cash used in financing activities</b>		<u>(1,049,945)</u>	<u>(350,000)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>849,597</u>	<u>(363,569)</u>
Cash and cash equivalents at beginning of year		(2,403,109)	(2,039,540)
<b>Cash and cash equivalents at end of year</b>		<u>(1,553,512)</u>	<u>(2,403,109)</u>
<b>Relating to:</b>			
Cash at bank and in hand		402,233	891,927
Bank overdrafts included in creditors payable within one year		(1,955,745)	(3,295,036)

# **RADMAT BUILDING PRODUCTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **1 Accounting policies**

##### **Company information**

Radmat Building Products Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2nd Floor, Gadd House, Arcadia Avenue, England, 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. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Radmat Holdings Limited. These consolidated financial statements are available from its registered office.

##### **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.

# **RADMAT BUILDING PRODUCTS LIMITED**

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

### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **1 Accounting policies**

**(Continued)**

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 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 where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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.

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

##### **1.5 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
Land and buildings Leasehold	Straight line over the term of the lease
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.

##### **1.6 Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

# **RADMAT BUILDING PRODUCTS LIMITED**

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

### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **1 Accounting policies**

**(Continued)**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in 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.

##### **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 the lower of replacement cost and 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.

# **RADMAT BUILDING PRODUCTS LIMITED**

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

### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **1 Accounting policies**

**(Continued)**

##### **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 balance sheet 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 publicly 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.

##### ***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.

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 1 Accounting policies

(Continued)

#### ***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 payments 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.

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 transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

# **RADMAT BUILDING PRODUCTS LIMITED**

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

### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **1 Accounting policies**

**(Continued)**

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

##### **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 FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 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.

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.

#### 1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 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

An analysis of the company's turnover is as follows:

	2019 £	2018 £
<b>Turnover analysed by class of business</b>		
Sales	30,495,549	33,526,486
	<u>          </u>	<u>          </u>
	2019 £	2018 £
<b>Other significant revenue</b>		
Interest income	187,750	190,278
Dividends received	535,798	182,029
	<u>          </u>	<u>          </u>
	2019 £	2018 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	30,495,549	33,526,486
	<u>          </u>	<u>          </u>

# **RADMAT BUILDING PRODUCTS LIMITED**

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

**FOR THE YEAR ENDED 31 DECEMBER 2019**

### **4 Operating profit**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(154,509)	-
Fees payable to the company's auditor for the audit of the company's financial statements	60,000	25,000
Depreciation of owned tangible fixed assets	300,250	209,466
(Profit)/loss on disposal of tangible fixed assets	-	60,275
Profit on disposal of investment property	(21,449)	-
Amortisation of intangible assets	538	538
Operating lease charges	37,272	24,253
	<u>          </u>	<u>          </u>

### **5 Director's remuneration**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	150,000	625,300
	<u>          </u>	<u>          </u>

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	n/a	625,300
	<u>          </u>	<u>          </u>

As total directors' remuneration was less than £200,000 in the current year, no disclosure is provided for that year.

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

<b>6</b>	<b>Interest receivable and similar income</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	<b>Interest income</b>		
	Interest on bank deposits	-	184
	Interest receivable from group companies	187,750	181,338
	Other interest income	-	8,756
		<u>187,750</u>	<u>190,278</u>
	<b>Total interest revenue</b>	<b>187,750</b>	<b>190,278</b>
	<b>Other income from investments</b>		
	Dividends received	85,798	85,798
		<u>85,798</u>	<u>85,798</u>
	<b>Total income excluding fixed asset investments</b>	<b>273,548</b>	<b>276,076</b>
	<b>Income from fixed asset investments</b>		
	Income from shares in group undertakings	450,000	96,231
		<u>450,000</u>	<u>96,231</u>
	<b>Total income</b>	<b>723,548</b>	<b>372,307</b>
		<u><u>723,548</u></u>	<u><u>372,307</u></u>
	Investment income includes the following:		
	Interest on financial assets not measured at fair value through profit or loss	187,750	181,522
	Dividends from financial assets measured at fair value through profit or loss	85,798	85,798
		<u><u>187,750</u></u>	<u><u>181,522</u></u>
<b>7</b>	<b>Interest payable and similar expenses</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	<b>Interest on financial liabilities measured at amortised cost:</b>		
	Interest on bank overdrafts and loans	67,515	67,919
		<u>67,515</u>	<u>67,919</u>
<b>8</b>	<b>Amounts written off investments</b>		
	<b>fixed asset investments</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	<b>Fair value gains/(losses) on financial instruments</b>		
	Change in value of financial assets held at fair value through profit or loss	-	(63,849)
		<u>-</u>	<u>(63,849)</u>
<b>9</b>	<b>Taxation</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	<b>Current tax</b>		
	UK corporation tax on profits for the current period	712,676	522,417
		<u>712,676</u>	<u>522,417</u>

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

9 Taxation		(Continued)	
	2019	2018	
	£	£	
<b>Deferred tax</b>			
Origination and reversal of timing differences	(164,737)	(25,681)	
	<u>          </u>	<u>          </u>	
Total tax charge	547,939	496,736	
	<u>          </u>	<u>          </u>	

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

	2019	2018	
	£	£	
Profit before taxation	3,439,052	2,676,467	
	<u>          </u>	<u>          </u>	
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	653,420	508,529	
Tax effect of expenses that are not deductible in determining taxable profit	14,075	34,822	
Dividend income	(101,802)	(34,586)	
Capital allowances in excess of depreciation	(48,825)	13,652	
Deferred tax movements	(164,737)	(25,681)	
Sale of listed investments	195,808	-	
	<u>          </u>	<u>          </u>	
Taxation charge for the year	547,939	496,736	
	<u>          </u>	<u>          </u>	

10 Dividends		2019	2018
		£	£
Interim paid		1,050,000	350,000
		<u>          </u>	<u>          </u>

11 Employees		2019	2018
		Number	Number
The average monthly number of persons (including directors) employed by the company during the year was:		39	33
		<u>          </u>	<u>          </u>

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 11 Employees

(Continued)

Their aggregate remuneration comprised:

	2019 £	2018 £
Wages and salaries	2,012,552	2,498,873
Social security costs	303,923	232,637
Pension costs	87,873	69,471
	<u>2,404,348</u>	<u>2,800,981</u>

#### 12 Intangible fixed assets

	Goodwill £	Trademarks £	EBT Setup Cost £	Total £
<b>Cost</b>				
At 1 January 2019 and 31 December 2019	149,712	10,321	10,000	170,033
<b>Amortisation and impairment</b>				
At 1 January 2019	149,712	1,514	1,083	152,309
Amortisation charged for the year	-	413	125	538
At 31 December 2019	149,712	1,927	1,208	152,847
<b>Carrying amount</b>				
At 31 December 2019	-	8,394	8,792	17,186
At 31 December 2018	-	8,807	8,917	17,724

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 13 Tangible fixed assets

	Land and buildings Freehold £	Land and buildings Leasehold £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 January 2019	234,411	148,108	1,199,631	133,272	22,354	1,737,776
Additions	-	91,942	123,280	297,411	-	512,633
At 31 December 2019	234,411	240,050	1,322,911	430,683	22,354	2,250,409
<b>Depreciation and impairment</b>						
At 1 January 2019	7,333	54,323	482,621	69,789	5,846	619,912
Depreciation charged in the year	2,000	63,566	129,523	101,034	4,127	300,250
At 31 December 2019	9,333	117,889	612,144	170,823	9,973	920,162
<b>Carrying amount</b>						
At 31 December 2019	225,078	122,161	710,767	259,860	12,381	1,330,247
At 31 December 2018	227,078	93,785	717,010	63,483	16,508	1,117,864

### 14 Fixed asset investments

	Notes	2019 £	2018 £
Investments in subsidiaries	15	583,158	583,102
Listed investments		-	1,522,917
		583,158	2,106,019
<b>Listed investments included above:</b>			
Listed investments carrying amount		-	1,522,917

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 14 Fixed asset investments (Continued)

#### Movements in fixed asset investments

	Shares in group undertakings	Other investments other than loans	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 January 2019	583,102	1,522,917	2,106,019
Additions	56	-	56
Disposals	-	(1,522,917)	(1,522,917)
	<hr/>	<hr/>	<hr/>
At 31 December 2019	583,158	-	583,158
	<hr/>	<hr/>	<hr/>
<b>Carrying amount</b>			
At 31 December 2019	583,158	-	583,158
	<hr/>	<hr/>	<hr/>
At 31 December 2018	583,102	1,522,917	2,106,019
	<hr/>	<hr/>	<hr/>

### 15 Subsidiaries

Details of the company's subsidiaries at 31 December 2019 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
Instar Holdings Limited	England and Wales	Ordinary shares	100.00	-
Instar UK Limited	England and Wales	Ordinary shares	0	100.00
Roof Giant Limited	England and Wales	Ordinary shares	55.00	-
Roofbase (Exeter) Limited	England and Wales	Ordinary shares	0	52.00
Roofbase (Swansea) Limited	England and Wales	Ordinary shares	0	52.00
Roofbase Group Limited	England and Wales	Ordinary shares	52.00	-
Roofbase Limited	England and Wales	Ordinary shares	0	52.00
Tool Giant Limited	England and Wales	Ordinary shares	55.00	-
Quantum Insulation Limited	England and Wales	Ordinary shares	100.00	-

### 16 Stocks

	2019 £	2018 £
Finished goods and goods for resale	2,171,332	1,916,642
	<hr/>	<hr/>

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 17 Debtors

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Trade debtors	6,185,798	6,861,627
Corporation tax recoverable	298,511	461,504
Amounts owed by group undertakings	2,874,339	2,093,397
Other debtors	2,685,165	2,173,958
Prepayments and accrued income	221,869	389,256
	<u>12,265,682</u>	<u>11,979,742</u>

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

	Notes	2019 £	2018 £
Bank loans and overdrafts	19	1,955,745	3,295,036
Other borrowings	19	55	-
Trade creditors		2,165,860	3,129,228
Corporation tax		764,280	713,289
Other taxation and social security		191,525	238,137
Other creditors		39,395	3,723
Accruals and deferred income		988,698	1,662,601
		<u>6,105,558</u>	<u>9,042,014</u>

### 19 Loans and overdrafts

	2019 £	2018 £
Bank overdrafts	1,955,745	3,295,036
Loans from related parties	55	-
	<u>1,955,800</u>	<u>3,295,036</u>
Payable within one year	<u>1,955,800</u>	<u>3,295,036</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.

### 20 Provisions for liabilities

	Notes	2019 £	2018 £
Deferred tax liabilities	21	<u>168,743</u>	<u>333,480</u>

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 21 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 2019 £	Liabilities 2018 £
<b>Balances:</b>		
Accelerated Capital Allowances	168,743	118,764
Investments	-	214,716
	<u>168,743</u>	<u>333,480</u>
		<b>2019 £</b>
<b>Movements in the year:</b>		
Liability at 1 January 2019		333,480
Credit to profit or loss		<u>(164,737)</u>
Liability at 31 December 2019		<u>168,743</u>

The deferred tax liability set out above is expected to reverse and relates to accelerated capital allowances that are expected to mature together with tax that will be due in relation to gains made on fixed assets investments.

### 22 Retirement benefit schemes

	2019 £	2018 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>87,873</u>	<u>69,471</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.

### 23 Share capital

	2019 £	2018 £
<b>Ordinary share capital Issued and fully paid</b>		
60 Ordinary shares of £1 each	<u>60</u>	<u>60</u>

### 24 Financial commitments, guarantees and contingent liabilities

There are guarantees in place regarding suppliers of Roofbase Limited for a total of £2,087,000. Radmat Building Products Limited is a shareholder in Roofbase Group Limited, the parent company of Roofbase Limited.

# **RADMAT BUILDING PRODUCTS LIMITED**

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

### **FOR THE YEAR ENDED 31 DECEMBER 2019**

#### **25 Operating lease commitments**

##### **Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	365,192	326,610
Between two and five years	1,058,660	1,195,842
In over five years	712,000	712,000
	<u>2,135,852</u>	<u>2,234,452</u>

#### **26 Related party transactions**

##### **Transactions with related parties**

As at the balance sheet date the following balances were owed to the company:

Mr R L Speroni      £2,034,859    (2018 - £1,086,729)  
Mr A L Speroni £Nil    (2018 - £501,518)

On 29 September 2020 £1,000,000 was repaid to the company in respect of the above loans.

Baycove Properties Limited    £531,649    (2018 - £383,962)

Mr R L Speroni is a director and shareholder of this company.

Radmat Holdings Limited      £4,320    (2018 - £Nil)  
Jetgrip Limited      £2,093    (2018 - £3,000)  
Roofbase Group Limited      £1,732,474    (2018 - £1,732,474)  
Roofbase Limited      £681,456    (2018 - £189,631)  
Roof Giant Limited      £179,903    (2018 - £92,130)  
Instar Holdings Limited      £1,800    (2018 - £Nil)  
Instar UK Limited      £119,128    (2018 - £76,162)  
Quantum Insulation Limited    £153,065    (2018 - £Nil)

The following balance was owed by the company as at the balance sheet date:

Tool Giant Limited      £55    (2018 - £Nil)

The above companies are subsidiary undertakings of the company, with the exception of Radmat Holdings Limited (ultimate parent company) and Jetgrip Limited (immediate parent company).

# RADMAT BUILDING PRODUCTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 27 Ultimate controlling party

The director considers that Radmat Building Products Limited is a wholly owned subsidiary of Jetgrip Limited the immediate parent company. Jetgrip Limited is incorporated in England and Wales.

The director considers that Mr R Speroni to be the ultimate controlling party by virtue of his shareholding in Radmat Limited, a company incorporated in England and Wales, the ultimate parent company.

### 28 Cash generated from operations

	2019 £	2018 £
Profit for the year after tax	2,891,113	2,179,731
<b>Adjustments for:</b>		
Taxation charged	547,939	496,736
Finance costs	67,515	67,919
Investment income	(723,548)	(372,307)
(Gain)/loss on disposal of tangible fixed assets	-	60,275
Gain on disposal of investment property	(21,449)	-
Amortisation and impairment of intangible assets	538	538
Depreciation and impairment of tangible fixed assets	300,250	209,466
Amounts written off investments	-	63,849
<b>Movements in working capital:</b>		
Increase in stocks	(254,690)	(407,616)
Decrease/(increase) in debtors	499,197	(23,319)
Decrease in creditors	(1,648,211)	(870,036)
<b>Cash generated from operations</b>	<b>1,658,654</b>	<b>1,405,236</b>

### 29 Analysis of changes in net debt

	1 January 2019 £	Cash flows £	31 December 2019 £
Cash at bank and in hand	891,927	(489,694)	402,233
Bank overdrafts	(3,295,036)	1,339,291	(1,955,745)
	(2,403,109)	849,597	(1,553,512)
Borrowings excluding overdrafts	-	(55)	(55)
	(2,403,109)	849,542	(1,553,567)

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.