

Company Registration No. 03159762 (England and Wales)

RADMAT BUILDING PRODUCTS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

Richard Anthony
Chartered Accountants and Registered Auditors

RADMAT BUILDING PRODUCTS LIMITED

COMPANY INFORMATION

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

RADMAT BUILDING PRODUCTS LIMITED

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RADMAT BUILDING PRODUCTS LIMITED

STRATEGIC REPORT

FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

The director presents the strategic report and financial statements for the period ended 31 December 2017.

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 company has seen an increase in turnover during the year of 22% on a pro rata basis through the fact that the financial statements are in relation to an eight month period whilst gross profit has increased in comparison to the prior year from 22.3% to 23.9% for the current period.

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, 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.

On behalf of the board

R L Speroni

Director

28 September 2018

RADMAT BUILDING PRODUCTS LIMITED

DIRECTOR'S REPORT

FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

The director presents his annual report and financial statements for the 8 month period ended 31 December 2017.

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 8 month period and up to the date of signature of the financial statements was as follows:

R L Speroni

Results and dividends

The results for the 8 month period are set out on page 6.

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

28 September 2018

RADMAT BUILDING PRODUCTS LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

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.

RADMAT BUILDING PRODUCTS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RADMAT BUILDING PRODUCTS LIMITED

Opinion

We have audited the financial statements of Radmat Building Products Limited (the 'company') for the 8 month period ended 31 December 2017 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 2017 and of its profit for the 8 month period 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 8 month period 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

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 directors determine 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 intend to liquidate the company or to cease operations, or have 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 them 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

28 September 2018

Chartered Accountants
Statutory Auditor

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

RADMAT BUILDING PRODUCTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

		8 month period	Year
		ended	ended
		31 December	30 April
		2017	2017
	Notes	£	£
Turnover	3	19,094,676	23,419,836
Cost of sales		(14,530,568)	(18,194,549)
Gross profit		<u>4,564,108</u>	<u>5,225,287</u>
Administrative expenses		(3,375,253)	(3,825,898)
Operating profit	4	<u>1,188,855</u>	<u>1,399,389</u>
Interest receivable and similar income	6	84,842	52,932
Interest payable and similar expenses	7	(33,556)	(27,105)
Amounts written off investments	9	423,990	275,520
Profit before taxation		<u>1,664,131</u>	<u>1,700,736</u>
Tax on profit	10	(419,380)	(284,889)
Profit for the financial 8 month period		<u><u>1,244,751</u></u>	<u><u>1,415,847</u></u>

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 8 MONTH PERIOD ENDED 31 DECEMBER 2017

	8 Month Period	Year
	ended	ended
	31 December	30 April
	2017	2017
	£	£
Profit for the 8 month period	1,244,751	1,415,847
Other comprehensive income	-	-
	<hr/>	<hr/>
Total comprehensive income for the 8 month period	<u>1,244,751</u>	<u>1,415,847</u>

RADMAT BUILDING PRODUCTS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017		2017	
		£	£	£	£
Fixed assets					
Intangible assets	12		18,262		18,620
Tangible assets	13		1,228,925		994,574
Investments	14		1,568,817		1,144,825
			<u>2,816,004</u>		<u>2,158,019</u>
Current assets					
Stocks	17	1,509,026		938,427	
Debtors	18	11,276,131		9,210,421	
Cash at bank and in hand		794,974		1,341,493	
		<u>13,580,131</u>		<u>11,490,341</u>	
Creditors: amounts falling due within one year	19	(9,212,281)		(7,951,142)	
Net current assets			<u>4,367,850</u>		<u>3,539,199</u>
Total assets less current liabilities			<u>7,183,854</u>		<u>5,697,218</u>
Provisions for liabilities	22		(359,161)		(117,276)
Net assets			<u><u>6,824,693</u></u>		<u><u>5,579,942</u></u>
Capital and reserves					
Called up share capital	24		60		60
Profit and loss reserves			6,824,633		5,579,882
Total equity			<u><u>6,824,693</u></u>		<u><u>5,579,942</u></u>

The financial statements were approved and signed by the director and authorised for issue on 28 September 2018

R L Speroni
Director

Company Registration No. 03159762

RADMAT BUILDING PRODUCTS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 May 2016		60	4,514,035	4,514,095
Period ended 30 April 2017:				
Profit and total comprehensive income for the period		-	1,415,847	1,415,847
Dividends	11	-	(350,000)	(350,000)
Balance at 30 April 2017		60	5,579,882	5,579,942
Period ended 31 December 2017:				
Profit and total comprehensive income for the period		-	1,244,751	1,244,751
Balance at 31 December 2017		60	6,824,633	6,824,693

RADMAT BUILDING PRODUCTS LIMITED

STATEMENT OF CASH FLOWS

FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

	Notes	2017 £	2017 £
Cash flows from operating activities			
Cash (absorbed by)/generated from operations	28	(1,029,899)	473,661
Interest paid		(33,556)	(27,105)
Income taxes paid		(24,198)	(118,254)
Net cash (outflow)/inflow from operating activities		(1,087,653)	328,302
Investing activities			
Purchase of tangible fixed assets		(330,012)	(303,940)
Proceeds on disposal of subsidiaries		(52)	-
Proceeds on disposal of associates		50	(50)
Purchase of fixed asset investments		-	(6,224)
Proceeds on disposal of fixed asset investments		(423,990)	(275,520)
Proceeds from other investments and loans		517,580	163,805
Interest received		44	10,533
Dividends received		84,798	42,399
Net cash used in investing activities		(151,582)	(368,997)
Financing activities			
Dividends paid		-	(350,000)
Net cash used in financing activities		-	(350,000)
Net decrease in cash and cash equivalents		(1,239,235)	(390,695)
Cash and cash equivalents at beginning of 8 month period		(800,305)	(409,610)
Cash and cash equivalents at end of 8 month period		(2,039,540)	(800,305)
Relating to:			
Cash at bank and in hand		794,974	1,341,493
Bank overdrafts included in creditors payable within one year		(2,834,514)	(2,141,798)

RADMAT BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

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, 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 certain financial instruments at fair value. The principal accounting policies adopted are set out below.

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 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 cost or value of the asset 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.

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

RADMAT BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

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.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

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.

RADMAT BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

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 at bank and in hand 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 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.

RADMAT BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017**

1 Accounting policies

(Continued)

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.

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.

RADMAT BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

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 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.

RADMAT BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

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 8 MONTH PERIOD ENDED 31 DECEMBER 2017

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

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

	2017 £	2017 £
Turnover analysed by class of business		
	19,094,676	23,419,836
	<u> </u>	<u> </u>
	2017 £	2017 £
Other significant revenue		
Interest income	44	10,533
Dividends received	84,798	42,399
	<u> </u>	<u> </u>
	2017 £	2017 £
Turnover analysed by geographical market		
United Kingdom	19,094,676	23,419,836
	<u> </u>	<u> </u>

4 Operating profit

	2017 £	2017 £
Operating profit for the period is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	20,000	31,200
Depreciation of owned tangible fixed assets	95,661	105,496
Amortisation of intangible assets	358	538
Cost of stocks recognised as an expense	14,530,568	18,194,549
Operating lease charges	12,054	-
	<u> </u>	<u> </u>

RADMAT BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017**

5 Director's remuneration

	2017	2017
	£	£
Remuneration for qualifying services	518,280	501,667
	<u> </u>	<u> </u>

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

	2017	2017
	£	£
Remuneration for qualifying services	-	501,667
	<u> </u>	<u> </u>

6 Interest receivable and similar income

	2017	2017
	£	£
Interest income		
Interest on bank deposits	44	169
Interest receivable from group companies	-	10,364
	<u> </u>	<u> </u>
Total interest revenue	44	10,533
Other income from investments		
Dividends received	84,798	42,399
	<u> </u>	<u> </u>
Total income	84,842	52,932
	<u> </u>	<u> </u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	44	169
Dividends from financial assets measured at fair value through profit or loss	84,798	42,399
	<u> </u>	<u> </u>

7 Interest payable and similar expenses

	2017	2017
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	33,556	27,105
	<u> </u>	<u> </u>

RADMAT BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

8 Employees

The average monthly number of persons (including directors) employed by the company during the 8 month period was:

2017 Number	2017 Number
22	24

Their aggregate remuneration comprised:

	2017 £	2017 £
Wages and salaries	1,790,685	1,978,843
Social security costs	219,647	214,804
Pension costs	27,063	55,360
	<u>2,037,395</u>	<u>2,249,007</u>

9 Amounts written off investments fixed asset investments

	2017 £	2017 £
Fair value gains/(losses) on financial instruments		
Change in value of financial assets held at fair value through profit or loss	423,990	275,520

10 Taxation

	2017 £	2017 £
Current tax		
UK corporation tax on profits for the current period	215,674	265,909
Adjustments in respect of prior periods	(38,179)	-
Total current tax	<u>177,495</u>	<u>265,909</u>
Deferred tax		
Origination and reversal of timing differences	241,885	18,980
Total tax charge	<u>419,380</u>	<u>284,889</u>

RADMAT BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

10 Taxation

(Continued)

The actual charge for the 8 month period can be reconciled to the expected charge for the 8 month period based on the profit or loss and the standard rate of tax as follows:

	2017 £	2017 £
Profit before taxation	1,664,131	1,700,736
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.00%)	316,185	323,140
Tax effect of expenses that are not deductible in determining taxable profit	(69,682)	(39,253)
Under/(over) provided in prior years	(38,179)	-
Tax at marginal rate	-	15,605
Dividend income	(16,112)	(8,445)
Capital allowances in excess of depreciation	(14,717)	(25,138)
Deferred tax movements	241,885	18,980
Taxation charge for the period	419,380	284,889

11 Dividends

	2017 £	2017 £
Final paid	-	350,000

12 Intangible fixed assets

	Goodwill £	Trademarks EBT £	Setup Cost £	Total £
Cost				
At 1 May 2017 and 31 December 2017	149,712	10,321	10,000	170,033
Amortisation and impairment				
At 1 May 2017	149,712	826	875	151,413
Amortisation charged for the 8 month period	-	275	83	358
At 31 December 2017	149,712	1,101	958	151,771
Carrying amount				
At 31 December 2017	-	9,220	9,042	18,262
At 30 April 2017	-	9,495	9,125	18,620

RADMAT BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

13	Tangible fixed assets					
	Land and buildings Freehold	Land and buildings Leasehold	Plant and machinery	Computer equipment	Motor vehicles	Total
Cost	£	£	£	£	£	£
At 1 May 2017	234,411	47,907	959,741	55,394	34,674	1,332,127
Additions	-	65,746	236,164	26,041	2,061	330,012
At 31 December 2017	234,411	113,653	1,195,905	81,435	36,735	1,662,139
Depreciation and impairment						
At 1 May 2017	4,000	-	283,888	29,278	20,387	337,553
Depreciation charged in the 8 month period	1,333	-	79,872	11,731	2,725	95,661
At 31 December 2017	5,333	-	363,760	41,009	23,112	433,214
Carrying amount						
At 31 December 2017	229,078	113,653	832,145	40,426	13,623	1,228,925
At 30 April 2017	230,411	47,907	675,853	26,117	14,286	994,574

RADMAT BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

14 Fixed asset investments

	Notes	2017 £	2017 £
Investments in subsidiaries	15	52	-
Investments in associates		-	50
Listed investments		1,568,765	1,144,775
		<u>1,568,817</u>	<u>1,144,825</u>
Listed investments included above:			
Listed investments carrying amount		<u>1,568,765</u>	<u>1,444,775</u>

Movements in fixed asset investments

	Shares in group undertakings and participating interests	Other investments other than loans	Total
	£	£	£
Cost or valuation			
At 1 May 2017	-	1,144,825	1,144,825
Additions	52	-	52
Valuation changes	-	423,990	423,990
Disposals	-	(50)	(50)
	<u>52</u>	<u>1,568,765</u>	<u>1,568,817</u>
At 31 December 2017	52	1,568,765	1,568,817
Carrying amount			
At 31 December 2017	<u>52</u>	<u>1,568,765</u>	<u>1,568,817</u>
At 30 April 2017	<u>50</u>	<u>1,144,775</u>	<u>1,144,825</u>

15 Subsidiaries

Details of the company's subsidiaries at 31 December 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Roofbase Group Limited	England and Wales	Sales of Building Products	Ordinary Shares	52.00

RADMAT BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

16 Financial instruments

	2017 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	10,894,367	8,802,149
Equity instruments measured at cost less impairment	1,568,765	1,144,775
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	8,381,695	7,154,999
	<u> </u>	<u> </u>

17 Stocks

	2017 £	2017 £
Finished goods and goods for resale	1,509,026	938,427
	<u> </u>	<u> </u>

18 Debtors

	2017 £	2017 £
Amounts falling due within one year:		
Trade debtors	8,073,839	6,705,918
Corporation tax recoverable	270,633	270,633
Amounts owed by group undertakings	1,411,174	3,000
Other debtors	1,409,354	2,093,231
Prepayments and accrued income	111,131	137,639
	<u> </u>	<u> </u>
	11,276,131	9,210,421
	<u> </u>	<u> </u>

19 Creditors: amounts falling due within one year

	Notes	2017 £	2017 £
Bank loans and overdrafts	20	2,834,514	2,141,798
Trade creditors		4,969,146	4,217,616
Corporation tax		474,042	320,745
Other taxation and social security		356,544	475,398
Other creditors		4,860	23,612
Accruals and deferred income		573,175	771,973
		<u> </u>	<u> </u>
		9,212,281	7,951,142
		<u> </u>	<u> </u>

RADMAT BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

20 Loans and overdrafts

	2017 £	2017 £
Bank overdrafts	2,834,514	2,141,798
Payable within one year	2,834,514	2,141,798

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.

21 Provisions for liabilities

	Notes	2017 £	2017 £
Deferred tax liabilities	22	359,161	117,276

22 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 2017 £	Liabilities 2017 £
Balances:		
Accelerated Capital Allowances	132,314	117,276
Investments	226,847	-
	359,161	117,276
Movements in the 8 month period:		2017 £
Liability at 1 May 2017		117,276
Charge to profit or loss		241,885
Liability at 31 December 2017		359,161

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.

RADMAT BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

23 Retirement benefit schemes

	2017	2017
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	27,063	55,360
	<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.

24 Share capital

	2017	2017
	£	£
Ordinary share capital		
Issued and fully paid		
60 Ordinary shares of £1 each	60	60
	<u> </u>	<u> </u>
	60	60
	<u> </u>	<u> </u>

25 Financial commitments, guarantees and contingent liabilities

There is a guarantee for a supplier of Roofbase Limited for £75,000. Radmat Building Products Limited is a shareholder in Roofbase Group Limited, the parent company of Roofbase Limited.

26 Related party transactions

Transactions with related parties

As at the year end, an amount of £597,308 (30 April 2017: £690,898) was owed by the director, Mr R L Speroni, to the company. As at the year end an amount of £340,862 (30 April 2017: £280,862) was due to the company from Baycove Properties Limited. Mr R L Speroni is a director and shareholder of the company. In addition, as at the year end an amount of £1,378,584 (30 April 2017: £234,239) was due to the company from Roofbase Group Limited, a company that is a subsidiary of Radmat Building Products Limited.

A further advance of £75,939 (30 April 2017: £56,961) 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 £403,644 (30 April 2017: £327,705).

RADMAT BUILDING PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 8 MONTH PERIOD ENDED 31 DECEMBER 2017

27 Controlling party

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

28 Cash generated from operations

	2017 £	2017 £
Profit for the 8 month period after tax	1,244,751	1,415,847
Adjustments for:		
Taxation charged	419,380	284,889
Finance costs	33,556	27,105
Investment income	(84,842)	(52,932)
Amortisation and impairment of intangible assets	358	538
Depreciation and impairment of tangible fixed assets	95,661	105,496
Amounts written off investments	(423,990)	(275,520)
Movements in working capital:		
(Increase) in stocks	(570,599)	(399,342)
(Increase) in debtors	(2,159,300)	(1,308,665)
Increase in creditors	415,126	676,245
Cash (absorbed by)/generated from operations	(1,029,899)	473,661

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.